

CITY OF
ATLANTA



FISCAL YEAR 2019

KEISHA LANCE BOTTOMS
MAYOR

FIVE YEAR FINANCIAL PLAN

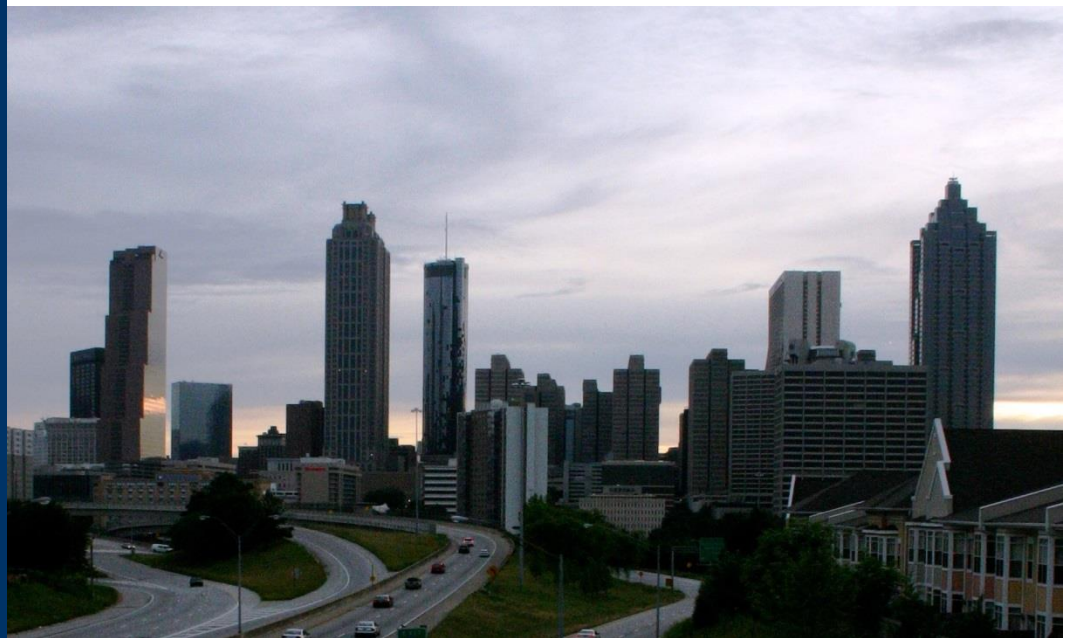




TABLE OF CONTENTS

FIVE YEAR PLAN

PREFACE

CITY OFFICIALS	5
CITY ORGANIZATIONAL STRUCTURE	7
READER'S GUIDE	9
PURPOSE	10

INTRODUCTION

MAYOR'S LETTER	13
CFO'S LETTER	15
STRATEGIC INITIATIVES	17

FIVE YEAR REVENUE NARRATIVE AND PROJECTIONS

ECONOMIC OUTLOOK	21
REVENUE FORECAST SUMMARY	51

FIVE YEAR EXPENDITURE OVERVIEW AND PROJECTIONS

EXPENDITURE AND FORECAST SUMMARY	93
FUND AND DEPARTMENTAL PROJECTIONS	97

FUND BALANCES

GENERAL FUND BALANCE AND PROJECTIONS	173
THE PLAN TO ADDRESS DEFICIT FUND BALANCES	175
SUMMARY OF FUND BALANCE AND NET POSITION	177

DEBT MANAGEMENT

OVERVIEW	180
MUNICIPAL BOND RATINGS	181
DEBT FORECAST SUMMARIES	185

**CAPITAL PROJECT
STATUS SUMMARIES**

CAPITAL PROJECT STATUS OVERVIEW	199
RENEW ATLANTA/TSPLOST	201

APPENDIX

LEGISLATION	229
AFFORDABLE CARE ACT	249
GLOSSARY	253

PREFACE

CITY OFFICIALS

CITY ORGANIZATIONAL STRUCTURE

READER'S GUIDE

PURPOSE

FIVE YEAR PLAN



CITY OFFICIALS



Keisha Lance Bottoms
Mayor

Daniel L. Gordon
Chief Operating Officer

Marva Lewis
Chief of Staff

J. Anthony Beard
Chief Financial Officer

Jeremy Berry
City Attorney

MEMBERS OF CITY COUNCIL

Felicia A. Moore
Council President

Carla Smith
District 1

Amir R. Farokhi
District 2

Ivory Lee Young, Jr.
District 3

Cleta Winslow
District 4

Natalyn Archibong
District 5

Jennifer Ide
District 6

Howard Shook
District 7

J.P. Matzigkeit
District 8

Dustin Hillis
District 9

Andrea L. Boone
District 10

Marci Collier Overstreet
District 11

Joyce M. Sheperd
District 12

Michael Julian Bond
Post 1, At-Large

Matt Westmoreland
Post 2, At-Large

Andre Dickens
Post 3, At-Large

Rhonda Dauphin-Johnson
Municipal Clerk

JUDICIAL OFFICERS

COURT OPERATIONS

Calvin S. Graves
Chief Judge

PUBLIC DEFENDER

Kenneth Days III
Public Defender

SOLICITOR

Raines F. Carter
City Solicitor

BOARD OFFICERS

ATLANTA CITIZENS REVIEW DIRECTOR

Samuel Lee Reid III
Executive Director

ETHICS OFFICER

Jabu Sengova
Ethics Officer

CITY INTERNAL AUDITOR

Amanda Noble
City Auditor

DEPARTMENT OFFICERS

AVIATION

Roosevelt Council, Jr.
General Manager

CORRECTIONS

Patrick Labat
Corrections Chief

FINANCE

J. Anthony Beard
Chief Financial Officer

FIRE & RESCUE SERVICES

Joel Baker
Fire Chief

HUMAN RESOURCES

Sherri Dickerson
Commissioner

ATLANTA INFORMATION MANAGEMENT

Samir Saini
Chief Information Officer

LAW

Jeremy Berry
City Attorney

PARKS AND RECREATION

Amy Phuong
Commissioner

CITY PLANNING

Tim Keane
Commissioner

POLICE SERVICES

Erika Shields
Police Chief

PROCUREMENT

Susan Garrett
Interim Procurement Officer

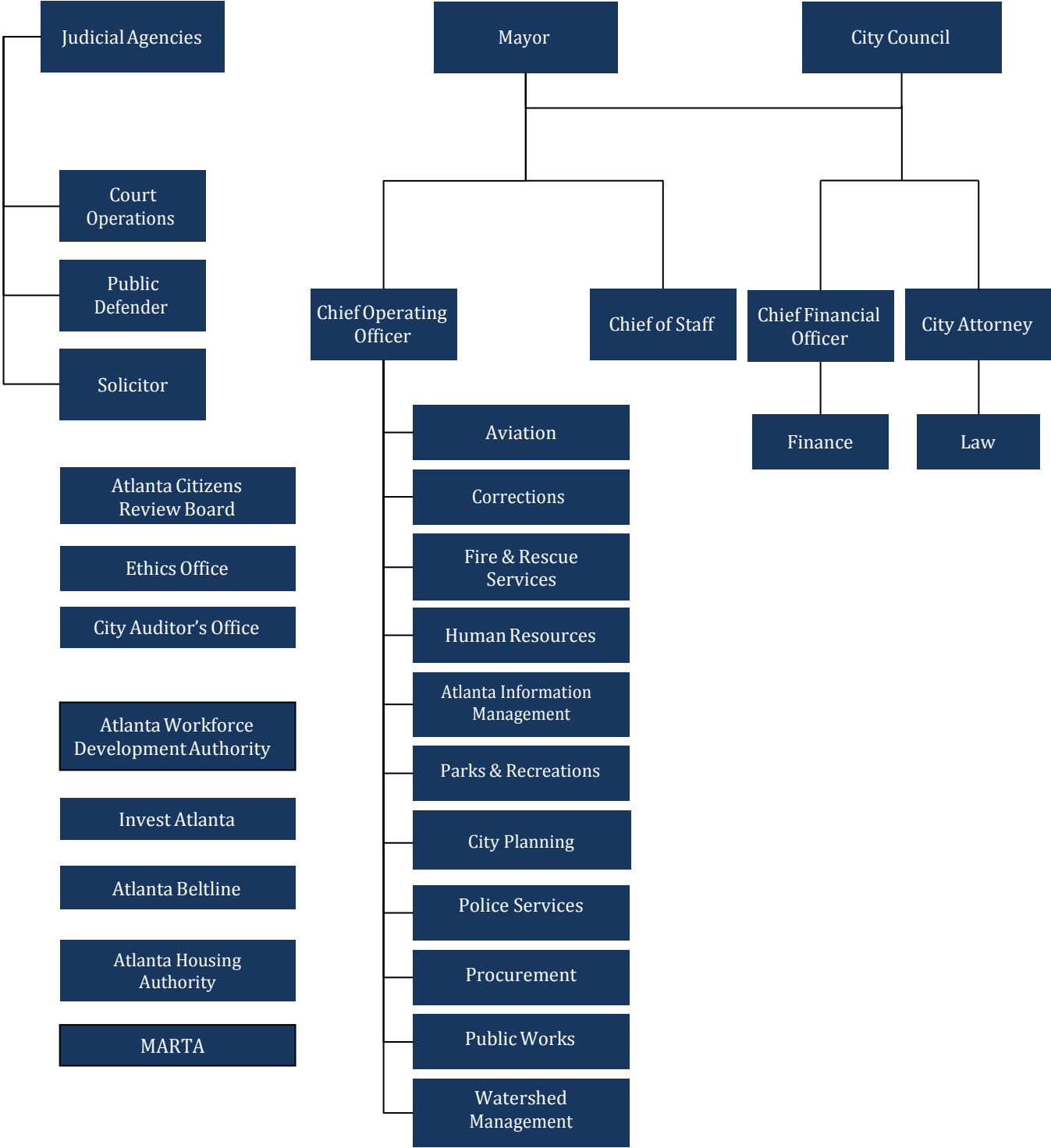
PUBLIC WORKS

William Johnson
Commissioner

WATERSHED MANAGEMENT

Kishia L. Powell
Commissioner

CITY ORGANIZATIONAL STRUCTURE





READER'S GUIDE

The City of Atlanta's Five Year Plan document is intended to provide information in such a manner that the lay reader can understand the operations of the City. The **Reader's Guide** describes the structure of the FY2019 City of Atlanta Five Year Plan and outlines its contents. The FY2019 Five Year Plan has overview sections and detail on the overall financial data of the City of Atlanta. The entire document will be posted on the City's website at www.atlantaga.gov after it is adopted by City Council.

- **The Preface** –provides an overview of the City officials, organizational structure, and purpose.
- **Introduction-** provides the Mayor's and CFO's transmittal letter, which presents the framework for the City operations and services for the next five years.
- **Five Year Revenue Overview and Projections** –It includes detailed information on the City's economic outlook, which provides the basis for revenue projections and methodology as well as historical trends, account details of major revenue sources.
- **Five Year Expenditure Overview and Projections** - provides expense budget summaries for all operating funds and key performance plans for the next five years.
- **Fund Balances-** includes the audited and projected fund balances of the various operating funds.
- **Debt Management** - provides a summary for the City's general debt obligations, bond ratings and debt coverage ratios.
- **Capital Project Status Summaries** - provides the status of active capital projects that are new or will continue from the previous fiscal year.
- **Appendix** –includes legislation and other essential information.

PURPOSE

The City's introduction of a five year planning process allows the City to identify future revenue and expense trends and proactively identify ways to improve financial viability. A five-year plan is a critical forecasting tool for the City. The refinement of assumptions, historical trends and policy decisions will have a direct impact on the City's ability to address volatile economic conditions.

Ordinance 09-0-1406 was adopted on September 21, 2009, and it codifies the requirement to complete a five-year stabilization plan that is updated annually. The Ordinance directs the City to consider and present specific financial issues that are critical to the City's financial future by October 15 of each year. It further requires that in subsequent years, the City Council will formally adopt a plan by the 3rd Monday in January.

The legislation was updated (11-0-1415) to allow the Chief Financial Officer to consider information from the prior year closeout and auditor's recommendations.

The Mayor shall present to the governing body by February 15 of each year a five-year financial stabilization plan consisting of the following elements:

- (1) A five-year projection of general fund revenues broken down by major category; the projection shall identify the economic trends and assumptions upon which such projection is based.
- (2) A five-year projection of total general fund expenses on a departmental level; Such expense projection shall assume the continuation of department operations as they exist in the current general fund budget and shall take into account the following:
 - i. The effect of inflation on general fund budgeted costs
 - ii. A projection of pension costs as provided by the city's actuaries
 - iii. Costs occurring in future years that the city is legally obligated to pay
- (3) A calculation of the surplus or deficit produced by the projected revenues and expenditures described in (1) and (2) above
- (4) A cost estimate of long-term initiatives of the city; such initiatives shall include, but are not limited to: long-term operating infrastructure and capital infrastructure needs and the elimination of deficit positions in funds that are subsidized or have historically been subsidized by the general fund. At any time the governing body of the city may, by resolution request specific long-term initiatives to be included in the five-year financial stabilization plan.
- (5) A comprehensive list of revenue initiatives the city may pursue during the five years covered by the financial stabilization plan, including an estimate of the revenues to be produced by such initiatives.
- (6) A comprehensive list of cost saving initiatives the city may pursue during the five years covered by the financial stabilization plan, including an estimate of costs saved by such initiatives.

The governing body shall adopt the financial stabilization plan by April 30 of each year. In no event shall the governing body adopt the budget for the upcoming fiscal year prior to consideration of the financial stabilization plan.

INTRODUCTION

MAYOR'S LETTER

CFO'S LETTER

STRATEGIC INITIATIVES

FIVE YEAR PLAN





CITY OF ATLANTA

KEISHA LANCE BOTTOMS
MAYOR

55 TRINITY AVENUE, S.W.
ATLANTA, GEORGIA 30303-0300
TEL 14041 330-6100

February 9, 2018

The Honorable Felicia A. Moore, President
Members of City Council
Atlanta City Council
55 Trinity Ave. SE
Atlanta, GA 30303

Dear President Moore and Members of the Atlanta City Council:

It is my pleasure to transmit to you the *Five-Year Plan for the City of Atlanta for Fiscal Years 2019 to 2023*.

In my January 2018 inaugural address, I presented a vision that moves Atlanta forward to take the next great step in our collective future. This five-year spending plan establishes the foundation for us to deliver on that promise.

As we boldly face the challenges and celebrate the opportunities found throughout our great city, I am reminded that a commitment to good stewardship, ethical leadership, and genuine care and concern for the least of these among us must permeate all we do if Atlanta is to remain a city for all. With the support of community, civic, and corporate leaders, we will boldly tackle important issues such as affordability and equity, ethics and transparency, education, transportation and mobility, public safety, criminal justice reform, job growth, and economic development.

Atlanta is a world-class city and our credit and infrastructure reflects that. We have worked hard to put Atlanta's finances in a strong place and upgrade our aging infrastructure. We must now finish the job and show the world that Atlanta's capacity to meet its financial commitments cannot be surpassed. This *Five-Year Plan for Fiscal Years 2019 to 2023* extends upon the framework necessary to launch new initiatives while continuing to ensure the city's long-term financial stability.

I am grateful to be a partner in the transformative work yet to be done and deeply honored to lead our city as we embark upon the next four years. My Administration and I will strive to make the tough choices necessary to meet the needs of our citizens and to make smart investments that will secure Atlanta's future.

Sincerely,

Keisha Lance Bottoms





CITY OF ATLANTA

KEISHA LANCE BOTTOMS
MAYOR

DEPARTMENT OF FINANCE
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ATLANTA, GEORGIA 30303-0312

TEL (404) 330-6453 · FAX (404) 658-6667

J. Anthony "Jim" Beard, CTP
CHIEF FINANCIAL OFFICER
jbeard@atlantaga.gov

February 9, 2018

The Honorable Felicia A. Moore, President
Members of City Council
Atlanta City Council
55 Trinity Ave. SE
Atlanta, GA 30303

Dear President Moore and Members of the Atlanta City Council:

It is with great pleasure that I submit to you the City of Atlanta's *FY2019 Five-Year Plan for Fiscal Years 2019 to 2023*. This year's plan continues to build on the momentum that has positioned Atlanta as a destination city for social and economic development while striving to be a leader in effective municipal governance.

The City's financial position is healthier now more than ever. Our credit rating is at AA+, audited reserves have increased to more than \$200 million, while more than a half-billion dollars is currently in the pipeline to restore our infrastructure through the Renew Atlanta Bond and the Transportation Special Purpose Local Option Sales Tax (TSPLOST). However, sustaining our financial position will not occur without fiscal discipline and a long-term strategy requiring proactive decisions and actions over multiple years.

This five-year plan assumes moderate revenue growth and is indicative of current trends within our stronger local economy. Property taxes, sales and hotel/motel tax revenues are expected to continue the growth revealed in the real estate rebound and subsequent economic recovery. Property tax revenues are projected to increase by an average of two percent annually over the next five years. Sales tax revenues are projected to remain relatively stable over the five-year horizon. Hotel/Motel tax revenues are projected to increase by an average of one percent annually. Overall, the City's economic outlook is exceptional.

The five-year forecast presented in this plan includes several key investments:

- An increase in the City's minimum wage to \$14 per hour along with a policy statement committing the City to a \$15 per hour increase for FY2020 and beyond.
- Continuing funding for the City's Infrastructure Maintenance Program.
- Funding of critical operational needs for Atlanta Police Department and Fire Services.
- An inflationary adjustment for ongoing operational costs.
- Funding for debt service payments related to energy savings contracts.

A well-aligned portfolio of revenue growth and expense reduction initiatives should continuously be pursued as we strive to address the investments outlined as well as those on the horizon. My summary recommendations are to:

1. Continue to thoroughly plan for City costs and revenues to avoid surprises.
2. Continue to question every dollar of expense as to its benefit.
3. Maintain restricted reserves for a strong general fund and correct other fund deficit positions.
4. Take action on new revenue opportunities.
5. Pursue revenue expansion at the state and federal level.
6. Invest in the City's employees.
7. Continue to leverage technology and automation, higher value work, and improve service delivery.

As is common with long-term planning efforts, the resulting forecast should be viewed as directional in nature. We received input from external and City subject matter experts to develop the financial projections included. This is a snapshot in time based on the information available during the development of the report. Please keep in mind it is a living document and subject to change.

This five-year plan promotes a focus on the long-term health of the City, allowing us to better predict financial challenges and opportunities. We will continue to make every effort possible to provide a budgetary framework for the City to plan the management of its resources, revenues and expenditures in order to best serve the needs of all of our stakeholders.

Sincerely,



J. Anthony Beard

STRATEGIC INITIATIVES

In collaboration with the City Council and support from community, civic, and corporate leaders, Mayor Keisha Lance Bottoms will implement several initiatives that will target affordability and equity, ethics and transparency, education, transportation and mobility, public safety, criminal justice reform, job growth, and economic development. Some of the key initiatives are outlined below:

Affordability and Equity

This initiative will generate a one billion-dollar (\$1,000,000,000) affordability plan to create equity and provide opportunities for all citizens of Atlanta. Mayor Keisha Lance Bottoms predicts this to be “the largest affordable housing investment in our city’s history”.

Ethics and Transparency

This initiative will re-inspire confidence in our city government. It will include a reform package requiring lobbyists to register and require increase disclosure from our elected officials, including the release of their tax returns. The contract and procurement process will be reengineered by leading procurement experts which will conduct a top to bottom review of our Procurement Department.

Education

This initiative includes a plan to appoint a Chief Education Officer who will address everything from early childhood education, partnerships with Atlanta Public Schools, vocational training, and apprenticeships.

Transportation and Mobility

This initiative to expand the MARTA transit services throughout the Metro-Atlanta area will include working with state and regional partners.

Public Safety and Criminal Justice Reform

This initiative builds upon the new pre-arrest diversion program, connecting people to services and support, rather than funneling them through the criminal-justice system.



REVENUE
NARRATIVE AND
ESTIMATES

ECONOMIC OUTLOOK

REVENUE FORECAST SUMMARY

FIVE YEAR PLAN



ECONOMIC OUTLOOK

THE U. S. ECONOMIC OUTLOOK FOR 2018

By Jeffrey M. Humphreys, Terry College of Business, University of Georgia

The Terry College's 2018 US economic forecast indicates that the economic upturn that began in the second half of 2009 will continue. The rate of 2018 GDP growth – 2.5 percent – will be higher than in 2017 – 2.2 percent, but below the average of the last 50 years – 2.9 percent. Eight reasons why US GDP growth will be slightly higher in 2018 than in 2017 are: (1) more single-family homebuilding; (2) faster growth in spending by businesses for equipment; (3) faster growth in spending by all levels of government; (4) steady growth in spending by US consumers; (5) steady growth in industrial production, (6) faster growth in exports, (7) rebuilding properties damaged or destroyed by recent hurricanes, and (8) tax reform. In addition, household balance sheets are in good shape. Corporate balance sheets will not be quite as strong as in 2017, but will be quite manageable due to low interest rates. Small businesses are in good shape and are poised to expand.

In 2018, consumer spending, gross private domestic investment, and industrial production will contribute to US GDP growth. The inventory swing will be a slightly positive factor. In addition, spending by government will be a positive factor in terms of 2018 US GDP growth. The Federal Reserve's monetary policy stance will become less stimulative as it slowly raises short-term policy interest rates and reduces its balance sheet – the federal funds rate target will reach 2.0 percent in December 2018. The inflation-adjusted federal fund rate therefore will be about zero – significantly less stimulative, but hardly

restrictive. Monetary policy therefore will be neutral.

Due to a weaker dollar and faster foreign economic growth, exports will grow faster in 2018 than in 2017, but because imports will grow even more quickly net exports will subtract from US GDP growth. The subtraction will be larger than in 2017. Low levels of foreign immigration also will slow US GDP growth. Multi-family homebuilding starts will trend lower due to higher delivery of new units that are already in the pipeline, tighter credit for new apartment development, and the rising proportion of households is opting for home ownership. Sub-par productivity growth – albeit slightly higher than in 2017 – is another factor that will hold down GDP and personal income growth. Sub-par productivity growth reflects several factors, including the aging of the US population, low levels of business investment, less foreign immigration, the plethora of regulations at every level of government, and the repercussions of many years of mediocre gains in educational achievement.

Consumer Spending

Consumers' inflation-adjusted contribution to GDP growth will be about 2.7 percent, which is the same size as in 2016-17. Continuing, albeit slower, job creation will bring the economy past full employment, prompting slightly faster wage and salary growth as well as gains in hours worked. The job gains – reinforced by wage and salary growth and low interest rates will bolster household balance sheets, but will also raise unit labor costs. Higher unit labor

costs will encourage employers to invest more aggressively in labor-saving equipment and processes thereby slowing employment growth.

Improved housing market conditions will give consumers the confidence to spend, but stock market volatility could negatively affect consumers' confidence in the economic situation. Growth of disposable personal income will give consumers the wherewithal to spend. Consumers will spend to replace homes and goods damaged by recent hurricanes. Credit will be available to households, but not any more so than in 2017. Lenders will loosen lending for home mortgages, but will tighten lending for automobile loans due to rising default rates. Many households have already locked in very historically low mortgage rates, which will discourage refinancing activity. Nonetheless, consumers will be more willing to take on home equity debt. The proportion of homeowners who extract cash from the refinancing of their home mortgages will rise. Credit card debt will expand as lenders continue to push into market segments with lower credit scores. Credit card default rates therefore will rise.

One reason why consumer spending will grow is that household finances have improved. Going into the Great Recession, household finances were in terrible shape. US consumers were heavily indebted and very short on savings. Indeed, by almost any measure households were extremely overextended. For example, the household debt service ratio – debt payments divided by after-tax income – stood at an all-time high of nearly 14% in 2005-2008. If you add in other financial obligations, such as automobile lease payments, rental payments on tenant-occupied property, homeowner's insurance, and property tax payments, you get a financial obligation ratio that was nearly 19 percent. That was also an all-time high. A depressed household savings rate also reflected consumers' largess. The household savings rate fell to the lowest levels experienced since

the Great Depression. Essentially, households opted to boost current spending by extracting more and more wealth from their homes – this, of course, was facilitated by lax credit standards. The house became the ATM.

As households shifted their priorities from spending to savings, the savings rate rose from its cyclical trough of only 2.2 percent in the third quarter of 2005 to 5.7 percent in 2016. Due to both the strong labor market and high levels of consumer confidence, the savings rate declined to 4.6 percent in 2017 and is poised to decline to about 3.6 percent in 2018. Thus, changes in the savings rate will be a tailwind to consumer spending and in turn to US GDP growth in 2018. However, over the long term, many households will find that level of savings will not be adequate to maintain current living standards in retirement, especially if returns on financial assets remain below historical norms. The household savings rate therefore needs to rise to 7 or 8 percent. That is quite attainable – a 9 percent savings rate prevailed from 1961-1990. Eventually, a rising savings rate will be a secular headwind for consumer spending, but not in 2018.

The restoration of the discipline of saving represents an overdue return to normalcy that helped households unwind imbalances that developed in their balance sheets. For example, the household financial obligation ratio was over 250 basis points lower in 2017 than it was in late 2007. In fact, the 2017 household financial obligation ratio is lower than the levels that prevailed in the early-1980s and the early-1990s. The lower financial obligation – or debt service – ratio not only frees up spending and inspires confidence, but it also allows households to more easily service their debt.

This protracted period of household deleveraging was painful, but it was also necessary. The statistics show that deleveraging is over. In 2015-2017, household slowly increased leverage and they

will continue to do so in 2018. One concern is that extreme volatility in the financial markets may cause jittery consumers to push up the household savings rate very sharply, which would precipitate a recession.

One factor behind deleveraging was the unprecedented cycle of wealth destruction that erased 19 percent – \$13 trillion – of households' net worth. That is a huge number. Households' net worth began to recover in the second quarter of 2009, which lessened one of the pressures that caused consumers to pull back sharply on spending. By the third quarter of 2012, households recovered all of their nominal losses, but on an inflation-adjusted basis, net worth was still 11 percent below its pre-recession peak. On an inflation-adjusted basis, full recovery of the wealth that was lost did not occur until the third quarter of 2013. As of early 2017, households' inflation adjusted net worth was 23 percent above its pre-recession peak. On a nominal basis, households' net worth exceeded its pre-recession peak by 40 percent. Thus, households were very comfortable taking on more debt and did so in 2017. Households will add even more to their debt levels in 2018. Hence, consumer credit outstanding will rise by 4 percent, with revolving credit increasing much faster than non-revolving credit.

In 2018, turmoil in the US stock market could lower consumer confidence and/or reduce financial equity wealth, but real estate wealth should continue to increase, albeit at a more modest pace. That is important to the outlook because real estate wealth tends to have a larger influence on overall consumer spending than equity-based wealth. Changes in equity-based wealth have a significant influence on spending for luxury items and on spending by retirees – or near retirees, however. Uncertainty regarding the Federal Government's healthcare policy is another factor that may restrain consumer spending.

Now, job creation – and the income growth that accompanies it – is vital to the outlook for

both consumer spending and the overall economy. The forecast anticipates that job growth will be adequate to support 2.5 percent GDP growth, but inadequate to raise the rate of GDP growth to its long-term average of 2.9 percent. Growth in the number of jobs, the number of hours worked per job, and compensation will support this income growth. Low productivity growth will prevent wages from rising very rapidly, however. In addition, the labor force participation rate will rise slightly, albeit from a depressed level.

Due to a decline in automobile sales, consumers' outlays for durable goods will increase more slowly in 2018 than in 2017. Auto loan delinquencies are rising quickly, especially for subprime loans. Lenders will tighten credit for auto loans in 2018. Consequently, spending for durable goods will no longer increase significantly faster than spending for nondurable goods and services. More household formation and improving housing market conditions will power sales of furniture and durable household equipment. Outlays for information processing equipment will grow strongly. Due to higher oil prices as well as increased use, spending on nondurables such as gasoline and other energy goods will rise. Demographic factors will cause spending on pharmaceuticals and other medical products to rise. Higher commodity prices and population growth should cause spending on food & beverages to rise moderately, but intense competition among retailers for grocery items will limit sales growth due to margin compression. Due to lower prices, spending on clothing and footwear will not increase. Among services, providers of health care, food services, and accommodations will see above average growth in spending. In contrast, consumers' outlays for telecommunications services will grow relatively slowly. Consumers' spending on luxury goods should expand in line with the overall economy, but such spending will be sensitive to the performance of the US stock market. At the time of this writing, the US stock market appears to be overvalued and therefore vulnerable to correction.

Labor Markets

The US economy recently posted the longest string of consecutive monthly jobs gains in the history of the nation. Job growth will continue. On an annual average basis, total nonfarm employment will increase by 1.1 percent in 2018, which is less than the 1.5 percent gain estimated for 2017. Job growth will be broadly based both geographically and across the major industrial sectors. One exception, however, is manufacturing, which will lose jobs. Companies will hire as demand for goods and services expands. Venture capital – which fuels job creation – will be available in 2018. The rate of job destruction in the private sector will be quite low. Thus, 2.5 percent GDP growth will generate 1.1 percent job growth. In addition, GDP growth will continue to outpace productivity growth, which will push firms to hire additional staff as end markets expand. GDP growth will sustain job creation, but the pace of job growth will decelerate. The tight labor market and expectations of another year of below average top-line growth will be the main factors behind the slowdown in job growth. More positively a larger share of the new jobs will be full-time rather than part-time. Assuming that the labor force participation increases only slightly, net job creation will reduce the unemployment rate from 4.4 percent to 4.1 percent on an annual average basis, which is either full employment, or beyond. The depressed labor force participation rate will prevent wages from rising as fast as one might expect given the low unemployment rate. The aging of the population, low levels of unionization, and the higher concentration of firms are additional factors that will limit workers bargaining power.

With the unemployment rate closing in on 4 percent, it is a seller's market for labor. It is already very difficult to hire workers that have very specialized training or educational requirements. As the labor market surpasses, full employment, wage growth will accelerate, but low productivity growth will prevent wages from rising too rapidly. Wages and

benefits will rise by about 3 percent. Health insurance costs will be the primary force behind benefit cost increases. Unit labor costs will rise about 2.5 percent. One implication of the slow growth of unit labor costs is that the Federal Reserve does not need to raise short-term policy interest rates aggressively.

Although net hiring will expand, several factors will limit the gains. First, below average GDP growth limits the impetus to hire. Second, a slight pickup in productivity will slow job growth. Third, employers will invest more in laborsaving equipment and processes. Fourth, the outsourcing of US jobs to developing countries will continue to spread from blue-collar occupations in manufacturing to white-collar occupations in high tech and service industries. Finally, some of the new jobs that businesses will need to create will not match the skill sets of the unemployed. Fortunately, structural unemployment stemming from labor force immobility will diminish as housing markets improve. However, structural unemployment due to the skills mismatch is unlikely to diminish and probably will worsen – a legacy of cuts in spending by many state and local governments for K-12 as well as adult/technical education and training.

In the coming year, natural resources and mining will post the fastest rate of employment growth, but this sector does not employ many workers. Construction companies will see the second fastest rate of job growth. Professional and business services firms will see the third fastest rate of job growth. Leisure, hospitality, education, and healthcare will see solid employment gains. Retail, transportation, utilities, information, and government will see limited, but positive employment growth. Manufacturing is the only major sector expected to shed jobs.

Housing

Housing will continue to be a strong tailwind for US GDP growth. That is primarily due to cyclical factors, but the demographic trends also are becoming more supportive. This traditional driver of economic growth finally got traction in 2012, and gained ground in 2013-17, but improvements in housing activity have been uneven both temporally and geographically.

In 2018, the number of single-family home starts for new construction will increase by over 20 percent. That large percentage gain in single-family housing starts pales in comparison to the peak-to-trough plunge in activity that occurred. Single-family housing starts peaked at 1.747 million units (annualized rate) in the third quarter of 2005 and bottomed at 356 thousand units in the first quarter of 2009.

Existing single-family home prices stabilized in 2012 and rose substantially in 2013-17. Existing home prices will continue to rise, but at a much more moderate rate – about 3 percent in 2018. Any remaining pockets of home price depreciation are spotty, reflected local imbalances rather than overall macroeconomic conditions. In most markets, home price appreciation therefore will continue to bolster the psyche of the consumer, households' net worth, and homeowners' ability to spend.

As the record of home price appreciation lengthens, potential homebuyers who have been waiting on the sidelines will increasingly opt to become homeowners. Rising rents will strongly reinforce this trend. Many investors pulled the trigger on home purchases in late 2011 or in 2012, but people who buy homes to live in them did so in increasing numbers in 2013-17. In 2018, the share of homes sold to people who live in them will rise and the share sold to investors will decline.

Going forward, the performance of the housing market will depend primarily on the performance of the labor market, with changes in mortgage rates, and credit conditions playing secondary and tertiary roles. Employment and personal income will grow in 2018. These new jobs and bigger paychecks – plus appreciating home values – will give more people the wherewithal and the confidence to buy homes, sustaining the housing market's recovery.

Mortgage rates will remain a tremendous bargain, but rates will move higher in 2018. The rise in mortgage rates will not be large enough to stop – or reverse – the housing recovery, but it will be a headwind. Home mortgages should be somewhat easier to obtain, however. Credit conditions will ease as home values and macroeconomic conditions improve, but credit will remain tight for riskier home loans. Although lending standards for new home construction and new residential developments will get a bit easier, credit lines and money to builders will still be somewhat scarce, restricting the supply of newly built homes. Supply constraints – the scarcity of developed lots and a shortage of skilled construction tradespeople – will slow recovery of the single-family homebuilding industry. Fortunately financing for lot development should be more available in 2018 than in recent years.

Despite recent home price gains, many households still owe more on their mortgages than their homes are worth, which limits the availability of financing, especially for those with lower credit scores. In addition, many homeowners are in near negative equity situations. These households will not be able to absorb the transactions costs involved in selling their homes, make a significant down payment, or qualify for a new mortgage. These homeowners are stuck in their current homes, unable to trade up or trade down. Another development that will restrain housing activity for many years is that many homeowners have locked in extraordinary low

mortgage rates that they will be reluctant to give up.

Stronger foreign economies and a somewhat weaker dollar will increase the number of foreign investors who are looking to buy residential properties in the US. Foreign buyers have played a major role in the recovery of housing markets in the urban core of many large US MSAs, especially for luxury multi-unit residents. On the plus side, several developed foreign economies (e.g. Canada) are implementing substantial new taxes on foreign real estate buyers, which will encourage foreign buyers to focus more intently on US real estate markets.

A potentially powerful demand side support for homebuilding is the rebound in the rate of household formation, which was quite depressed in 2007-2013. Job growth will unlock pent-up demand for housing that built up as young adults opted to stay a home a bit longer. In addition, improving job prospects will partially reverse the recent surge in college enrollment and might slow the rate at which student loan debt is piling up. Indeed, record breaking levels of student loan debt is one reason why young adults have delayed moving out on their own, getting married, having children, and buying a starter house.

Non-Residential Construction

Spending for new nonresidential construction will increase more slowly in 2018 than in recent years. Nonetheless, the upcycle that began in the second quarter of 2013 will continue. New business formation and expansion, employment gains, and population growth will generate gains in net occupancy. In many markets, tenants no longer have the upper hand in lease negotiations. There will be some negative trends: Higher interest rates will be a slight headwind. Credit conditions will not ease further for those looking to build nonresidential structures, and will be tight in markets with high vacancy rates. Although the US dollar has weakened recently, dollar

strength will continue to dampen foreign investors' interest in US real estate. These counter trends imply that the current up cycle in the nonresidential real estate will proceed, but it will lack vigor.

Office and retail vacancy rates will continue to improve, but are still elevated in too many markets. Demand for new office space will increase the most in markets that benefit from growth of high technology and health care industries. Abundant supplies of existing space will limit retail construction, but pockets of new development will appear in the most desirable locations. Competition from online retailers limits the need to build more stores, but increases the need to build more distribution centers. Industrial development will benefit from growth in industrial production, with new development focused on locations with logistical advantages.

Spending for publicly funded structures will increase, reversing the downtrend of recent years. The primary headwind for public construction by local governments has been the property bust, which led to downward – or at least slowed upward – adjustments in assessed property values. Typically, such adjustments lag movements in market prices by several years. Property tax bases have responded to the upturn in real estate prices. Therefore, local governments' property tax bases will be supportive of revenue collections and in turn public construction.

Business Spending

Due to faster growth of end markets, higher commodity prices, growth in corporate profits, new business formation and expansion, less regulation, and tight labor markets business spending for nonresidential fixed investment will be about 4 percent larger in 2018 than in 2017. Nonresidential fixed investment will be a tailwind to US GDP growth. Stronger foreign GDP growth and a weaker dollar will boost export growth, which in turn will fuel business spending for

investment. The need to improve productivity, good cash flows, and access to credit – albeit slightly more expensive – will support such spending. With the economy at, or beyond, full employment, an acceleration in wage growth will incentivize businesses to substitute capital for labor, which bodes well for producers of durable equipment and software. Significant downside risks to business spending for investment include federal policy uncertainty, inadequate public investment on infrastructure, and turmoil in the financial markets.

Due to top line growth, better profits, and better access to credit, investment spending by small businesses should grow more rapidly in 2018 than in 2017. Home price appreciation is adding to home equity, which is a major source of collateral for many small business loans. Small business owners are optimistic. Top line growth and fewer new federal regulations will help small businesses.

By historical standards, businesses' capital spending has been very weak. Consequently, there is a need to increase spending on nonresidential fixed investment despite low levels of capacity utilization. That is because the capital stock is getting quite old. The age of nonresidential fixed assets across all private industries is at its highest level in 40 years. The average age of equipment used in manufacturing is at an all-time high. In recent years, businesses have spent aggressively on stock buybacks and acquisitions, but have not spent aggressively on equipment and other forms of capital that raise productivity. Investments have been deferred for so long that replacement needs should raise capital spending in 2018. It helps that lending standards will not tighten appreciably. In addition, for many companies, cash flows will be adequate relative to the amount of funds they need for investment, lessening the impact of lingering credit constraints or slightly higher interest rates.

In 2018, below average levels of capacity utilization will be a headwind for business spending for equipment and software. The US economy is far from the point where strong GDP growth generates more GDP growth because inadequate capacity begins to encourage more capital spending. However, if much of the excess capacity is either in the wrong location, or in the wrong industry, or too old, then the push to GDP growth could be larger than expected. The rate of capacity utilization in all industries was 76.6 percent in mid-2017, which is up considerably from its low point of 66.7 percent in 2009. However, the long-run (1972-2016) average rate of capacity utilization for all industries in the US is 79.9 percent. Because the rate of capacity utilization is 3.3 percentage points below its long-term average, capacity utilization will not spur capacity additions in 2018.

Capacity utilization varies by industry, but all of the major subsectors are operating at rates below their long-term averages. For example, in mid-2017, capacity utilization for industries producing goods at the finished stage was 74.9 percent, a rate 2.0 percentage points below its long-run average. Capacity utilization for goods at the primary and semi-finished stages of production was only 75.9 percent, a rate 4.6 percentage points below its long-run average. Capacity utilization for industries producing crude products was 83.3 percent, a rate 2.8 percentage points below its long-run average. In 2018, producer prices for lumber and industrial commodities will increase faster than prices for crude, intermediate, or finished goods, which should raise capacity utilization for industries producing crude products faster than utilization in industries producing finished or semi-finished products.

Corporate Profits

The pace of US GDP growth will accelerate modestly in 2018, which implies modest growth in domestically generated corporate profits. International markets also will expand more vigorously in 2018 than in recent

years. However, it bears keeping in mind that corporate profits are at very high levels. In addition, tight labor markets will push up wage and benefit costs in 2018. On the other hand, businesses are likely to see some regulatory relief, which could lower production costs and increase productivity. Businesses therefore should expect mid-single digit percentage point gains in profits in 2018. Expense management and more broadly based – albeit moderate – growth in demand for goods and services will be the primary factors supporting profit growth. Cash flow should be good. In 2018, financing should still be reasonably easy to obtain, albeit slightly more expensive.

The recovery of housing markets and substantially more single-family homebuilding will be primary factors contributing to the broadening of the base of profit growth by boosting profits for many home-related industries. Growth in spending for business equipment bodes well for profits earned by technology-oriented companies. Slightly higher oil and modestly higher commodity prices will raise the profits of energy and commodity producing companies as well as businesses that cater to their needs. Productivity growth is likely to be slightly stronger in 2018 than it was in 2017, but still weak from a historical perspective. Productivity is a panacea for profits, wages, and the overall economy.

The dollar will weaken in 2018, which will help profit growth based on overseas earnings. Faster expansion of foreign GDP – especially in the EU – will boost sales prospects for many export-oriented companies. On the negative side, businesses' pricing power will not firm dramatically. It is also important to recognize that financial institutions' profit margins will still be constrained by the flatter than normal yield curve.

International Trade

The baseline forecast assumes that a trade war is avoided. In 2018, both real exports and imports will grow faster than US GDP, reflecting the ongoing globalization of input and product markets. Imports will rise much faster than exports, and the 2018 trade gap will be larger than in 2017. Hence, net exports will be a negative factor in terms of 2018 US GDP growth. The main obstacles to faster US export growth are the same as in 2017: the strong US dollar – albeit weaker than in 2016 – and modest rather than strong economic growth in the rest of the World. Foreign GDP growth will be faster in 2018 than in 2017, however. The main reason why imports will grow in 2018 will be the growth of domestic consumer spending which will prompt US consumers to purchase more imported finished products and go on more trips abroad.

In 2018, US export growth will be broadly based, and growth will be faster in emerging-market economies than in developed economies. There will be increases for all of the major categories of goods and services. Exports of services will grow much faster than exports of goods. Among goods, export growth will be fastest for vehicles & parts and industrial materials and supplies. Export growth will be slowest for consumer goods. Capital goods, foods, feeds, and beverages will see moderate gains. The broad-based quality of US export growth reduces the chances that export growth will stall.

The US dollar depreciation that began in late 2016 will continue through 2018 and beyond, and it will help boost US exports, but not very dramatically. That is because the US dollar's value will still be quite high and it will depreciate gradually. The 2018 current account deficit will almost equal about 3 percent of US GDP, which is higher than in 2017.

Inflation & Monetary Policy

Consumer price inflation will increase by about 2 percent in 2018, which is the same as expected in 2017. That is close to the level that the Federal Reserve appears to be targeting, which implies that the Federal Reserve will increase policy interest rates modestly in 2018. A tighter job market, higher medical prices, higher housing prices – rents – and higher energy prices will drive the increase. Most of the usual drivers of inflation will be only slightly more intense in 2018. For example, the pace of 2018 GDP growth will be 0.3 percentage points higher than in 2016. There is still excess capacity in a large number of economic sectors, illustrated by the below average rate of capacity utilization, but capacity utilization will be higher in 2018 than in 2017. In addition, the strong dollar will keep inflation at bay, but the dollar has been weakening since late 2016. Consumer spending will grow at about the same pace as in 2017. As long as the Federal Reserve does not keep rates too low for too long, the risk of stagflation remains very low. The evidence, however, increasingly suggests that the Federal Reserve does need to become slightly more aggressive in terms of hiking policy interest rates.

The national unemployment rate is closing in on 4 percent. Although the labor market is at full employment, it is unlikely that inflation will be a major problem in 2018. Labor market conditions will continue to improve, but not enough to ignite rapidly accelerating inflation. Indeed, employment will grow more slowly in 2018 than in 2017. The bottom line is that the employment situation has improved to the point where labor market conditions will support moderately higher inflation, but not rapidly accelerating inflation. Thus, the Federal Reserve needs to tighten monetary policy to prevent inflation from getting too much traction, but it does not need to do so very aggressively.

The precise timing and magnitude of the future rate increases by the Federal Reserve will depend on both the magnitude and perceived durability of the expansion. Based on the 2018 forecast of sustained modest US GDP growth, the Federal Reserve will continue to increase short-term policy interest rates slowly in 2018. The federal funds rate is likely to be about 2 percent at the end of 2018. At that point, short-term policy interest rates will be essentially neutral. Those rate increases will not be high enough to prevent inflation from exceeding its 2 percent target, but it will not exceed it by very much – 0.1 percentage points if the forecast is correct.

In addition to raising policy interest rates, the Federal Reserve will be reducing its balance sheet – unwinding quantitative easing. In the wake of the financial crisis, the Federal Reserve's balance sheet swelled from \$900 billion to \$4.5 trillion. The Federal Reserve is likely to allow a proportion of maturing assets to roll off its balance sheet. It will not sell treasuries or mortgage backed securities. Indeed, large proportions of maturing assets will be reinvested, slowing the pace of balance sheet reduction.

Crude Oil Markets

Absent additional significant supply interruptions or additional price premiums due to increased political tensions it is unlikely that oil prices will go much higher than \$55 per barrel. That is slightly above the approximate breakeven price for US shale oil production. Prices higher than \$50 will cause US shale oil and other marginal producers to quickly ramp up production. Before Saudi Arabia, Iran, and Iraq decided to defend their market share by flooding the market, oil prices were about \$100 per barrel.

Because oil markets are so volatile, a significant supply interruption would cause oil to trade significantly higher. There is no shortage of potential negative supply shocks, ranging from the Nigeria Delta Defenders, to

the economic crisis in Venezuela, to ISIS, to Libya's ability to sustain production, to hurricanes in the Gulf of Mexico. This forecast assumes a slight acceleration in the modest pace of global economic growth and no major disruptions in the supply of crude or refined products.

Productivity

In this economic cycle, a major barrier to faster GDP growth is below-average productivity growth. Faster productivity growth would raise wages and living standards. In 2018, the pace of productivity growth will increase only slightly, however. Since the Great Recession ended, there has not been very much capital deepening – adding more capital per worker. That may change. In 2018, the tight labor market will encourage businesses to invest more in labor saving equipment and processes. The scarcity of workers also will encourage employers to use their workers much more efficiently, which boosts productivity. We are likely to see significantly less federal government regulation, which will boost productivity growth. Removing regulations that benefit specific groups by protecting them from competition would be especially beneficial to productivity growth and the overall economy. An expected increase in new business formation also should boost productivity growth because new businesses tend to be more productive than older/established firms. In addition, policies that support investment spending in both the public (e.g., infrastructure) and private sectors should boost productivity growth. Finally, the Federal Reserve's step back from its easy money policies will remove a prop that has the unintended consequence of supporting relatively unproductive economic activities.

Unfortunately, many of the likely causes of weak productivity growth will not lessen and may intensify. For example, slower gains in educational achievement have probably contributed significantly to the recent run of

sub-par productivity growth. We are simply not adding enough to human capital to generate average, or above average, productivity growth. Since the Great Recession, many state and local governments reduced inflation-adjusted spending per student for both K-12 and higher education. Moreover, public spending priorities do not appear to be moving towards providing more support to the retired rather than to students. Access to higher education will continue to be more expensive. Access for recent generations therefore is more restrictive than it was for the baby boomer generation. The aging of the population also limits productivity growth. In addition, a less liberal immigration policy might limit productivity growth, but not if more visas are given to those with the most skills.

Forecast Risks

The US economy is operating at the late stage of the current economic cycle. That in of itself does not imply that a recession is imminent. After all, Australia has avoided a recession of over 25 years. Nonetheless, with the year-over-year rate of US GDP growth predicted at a below-average rate, the economy will be vulnerable to economic shocks and/or policy mistakes. In addition, excesses are beginning to appear in both the financial and labor markets, which makes the overall economy more vulnerable than usual to the unexpected shock or major policy blunder.

The main risks to US economic growth are (1) financial panics and/or massive shifts in asset prices, (2) mistakes in US fiscal or monetary policies, (3) geopolitical tensions, (4) a hard landing in China, and (5) a full-blown trade war. Risks to the outlook have increased. The probability of recession beginning sometime in 2018 is 40 percent, which is higher than the 25 percent and 35 percent recession probability estimated at this time one and two years ago, respectively. The higher risk of recession in 2018 compared to 2016-17 mainly reflects concerns about inflated asset

prices (e.g., equities and bonds). At the time of this writing, all the popular price/earnings ratios were well above their long-term averages. Consumer spending is sensitive to equity prices. As always, energy prices are a wild card. Finally, informal executive branch communications and/or policy changes with the potential to destabilize markets are impossible to handicap with any degree of confidence, but add somewhat to the overall riskiness of the economic environment.

THE GEORGIA ECONOMIC OUTLOOK FOR 2018

By Jeffrey M. Humphreys, Terry College of Business, University of Georgia

The 2018 outlook for Georgia's economy is good. Georgia's economy will continue to expand. The pace of GDP and personal income growth will be sustained. New jobs will be plentiful, but tight labor markets will cause the pace of job growth to slow. Job growth will be well balanced, with gains in both goods producing and service providing industries. The state's economy is extremely diverse will benefit from multiple, reliable sources of economic growth. Georgia's politics are business-friendly. Atlanta is the distribution and cultural center of the Southeast. The state's population is growing strongly due to the in-migration of many young, educated workers. Existing home prices will rise to all-time record highs. On average, Georgia's economy will grow significantly faster than the nation's economy.

Because Georgia's economy is strongly linked to the national economy, the risk of a recession beginning sometime in 2018 is 40 percent, up from 35 percent in 2017 and 25 percent in 2016. The primary risks likely to trigger a new recession are external to Georgia; financial panics and/or massive shifts in asset prices (e.g., equities and/or bonds), mistakes in US fiscal and/or monetary policies, geopolitical tensions, and a hard landing in China. In addition, there is little doubt that a full-blown trade war would shock both the US and Georgia's economy into a severe recession – Georgia is the nation's eleventh largest export state and the seventh largest import state. Tighter immigration rules and more enforcement of existing immigration laws will not precipitate a recession, but could slow growth more than expected. Extreme economic policy uncertainty, or extreme policy miscommunication at the federal level, also could put many decisions by businesses

and households on hold, delaying some decisions to expand, hire, or spend for big-ticket items. Policy mistakes or miscommunications also could prove quite disruptive to the financial markets.

The 2018 forecast calls for Georgia's inflation-adjusted GDP to increase by 3.2 percent, which is the same as the 3.2 percent growth estimated for 2017. Georgia's 2018 GDP growth rate will be 0.7 percentage points higher than the 2.5 percent rate estimated for US GDP. It will also be above the long-term average rate of US GDP growth – 2.9 percent. The positive differentials reflect (1) many major projects in Georgia's economic development pipeline, (2) more leverage from the housing recovery, (3) more supportive demographic forces, (4) faster expansion of Georgia's manufacturing industries, (5) fast-paced growth of trade and distribution, (6) more competitive economic development incentives, and (7) more customized workforce-training.

The state's nominal personal income will grow by 5.8 percent in 2018, which is about the same as the 5.6 percent gain estimated for 2017. It exceeds the 5.5 percent gain expected for US personal income. Georgia's nonfarm employment will rise by 2.0 percent in 2018, which exceeds the 1.1 percent gain estimated for the US. It is smaller, however, than the 2.5 percent job gain Georgia posted for 2017.

As always, there will be some headwinds: The strong – albeit weakening – US dollar will make it difficult for our exporters. The Federal Reserve will hike interest rates and reduce the size of its balance sheet, which will increase borrowing costs on the margin. Tight labor markets will temper job growth. Low productivity growth will limit increases in wages and salaries, which in turn will limit growth in consumer spending. In addition, US

auto sales are expected to decline in 2018. Asset markets will be vulnerable to correction in 2018.

Georgia's unemployment rate for 2018 will average 4.9 percent, or about 0.1 percentage points lower than the 5.0 percent rate estimated for 2017. The unemployment rate will not come down very much in 2018 because of in-migration of workers from other states, increases in labor force participation, and the slowdown in job growth.

The pattern of job growth across industries established in 2017 will repeat in 2018. The fastest job growth will occur in construction, followed by professional and business services, leisure and hospitality, and education and health services. Solid, but below-average job growth will occur in manufacturing, financial activities as well as trade, transportation & utilities. Positive, but slow job growth is projected for information and government. Local government rather than federal or state government will account for all of the increase in government employment. None of the major sectors of Georgia's economy will lose jobs in 2018.

Prospects for Service Producing Industries in 2018

Service producing businesses led the upturn in Georgia's economy that began in early 2010, but some major service industry subsectors – financial activities and information – initially did not participate and continued to cut jobs. The 2018 forecast indicates that all Georgia's major categories of service-related businesses will expand, with the broader base of growth reflecting the upturn in housing markets, growing demand for information and high technology services, and competitive economic development incentives.

Fintech, transactions processing, data processing, cyber security, and development of software and mobile apps will power Georgia's economic growth. IT companies that

announced major projects in 2015-17, include Switch PRIME, Sysnet Global Solutions, Global Technology, Better Cloud, GE Digital, Honeywell, NCR, VIX Global Solutions, ADP, Keysight Technologies, VIX Verify, Merchant e-Solutions, Applied Systems, Courion, Sage, and Stefanini. Despite the Equifax data breach, Fintech will continue to become a major cluster in the Atlanta MSA. Fiserv, a provider of financial services and technology solutions, will add 500 jobs over five years, bringing its total employment to about 2,500 workers. Similarly, cyber security is becoming a major cluster in the Augusta MSA. The Georgia Cyber Training and Innovation Center in Augusta will provide the talent needed to attract even more cyber security firms.

Healthcare IT is an industry that promises to create thousands of high-paying jobs in Georgia over the next decade. For example, athenahealth will add 500 jobs over 3 years, doubling its workforce in the Atlanta area. In 2016, Anthem Inc. announced that it will create 1,800 healthcare IT jobs at a services hub in midtown Atlanta. In addition, Kaiser Permanente announced that it will create 800 jobs in the Atlanta MSA, which are in addition to the 900 jobs announced in 2015 that would be created at its new IT facility in midtown Atlanta. In 2016, Anthem, Inc. announced that it will create 450 new health-IT jobs in Columbus.

In 2018, the build out of headquarters projects announced over the last several years will be an important force powering Georgia's economic growth. At this stage of the business cycle, not very many new headquarters projects will be announced, but previously announced project will continue to spur growth as they build out more fully and become more interwoven into the business fabric of the state. Hartsfield-Jackson International Airport and Georgia's ideal geographic location makes Georgia a good hub from which to serve operations in the Americas. Access to talent and the strength of the business community also are important drivers of headquarters locations in the

Atlanta MSA. According to FEMA, Georgia has a very low risk for business disruption due to natural disasters, which is an important consideration for headquarters locations. Fifteen companies' headquarters in the Atlanta MSA are among the 2017 Fortune 500.

Projects announced in 2015-2017 that brought, or will soon bring, job gains at headquarters operations include Lidl's regional headquarters which will bring 250 jobs to Bartow County, Mercedes Benz USA, Honeywell (division headquarters), Jindal Films (national headquarters), Merchant e-Solutions, VIX Verify, Sage (North American headquarters), mLevel, Comcast (regional headquarters), Wells Lighting, CSM Bakery Solutions, Courion, and Osmose Utilities Services. In addition, Global Ministries, the philanthropic arm of the United Methodist Church, moved its headquarters from New York to Atlanta, creating 168 jobs.

The outlook for Georgia's healthcare providers is good, but not exuberant. There is widespread agreement that Georgia's growing and aging population will demand more healthcare services, but intractable disagreement about who will pay the bills is a headwind for the industry's growth. More specifically, uncertainties regarding the long-term viability of the ACA as well as Georgia's nonparticipation in the expanded Medicare program cloud the outlook for the healthcare industry, especially rural hospitals. Nonetheless, this sector will be one of the better performers in 2018. The large numbers of baby boomers are reaching the age where the incidence of heart attacks, strokes, cancer, and other care-intensive problems begin to rise rapidly. In essence, the population of persons with multiple chronic health conditions that require ongoing healthcare continues to grow rapidly regardless of the vicissitudes of the business cycle or healthcare policy.

Factors encouraging providers of high-tech and highly specialized professional services to

favor sites in Georgia – especially the Atlanta MSA – include the good business climate, logistical advantages in terms of serving far-flung clients, and the available professional workforce. Providers of business services that either lower costs or provide necessities should do well. The recovery of housing and nonresidential real estate markets will boost money spent on legal fees. The outlook for consultants is positive due to continuing economic expansion, growth in corporate profits, more business expansions and relocations, and higher revenue collections by state and local governments. The Boston Consulting Group's decision to create a new regional support center in Atlanta reflects the ease of using the area as a geographic hub from which to serve clients throughout the Southeast. Similarly, Accenture – one of the largest consulting firms – announced a major expansion of its operations in Atlanta. Georgia's staffing and temporary agencies should do well because the modest pace of economic growth coupled with the higher risk of recession should encourage many employers to remain flexible and responsive to potentially changing economic conditions. The state's low unemployment rate will restrain growth of the staffing industry, however. Workers will be less willing to accept temporary positions and the supply of suitable workers will be very limited. Recent and continuing increases in spending for new equipment and software will underpin higher demand for computer services for businesses.

Cyclical increases in domestic and foreign economic activity combined with Georgia's strong transportation and logistics infrastructure will ensure job growth in the logistics and distribution industry. Cargo volumes will outpace state- and US-GDP growth in 2018. That is quite an accomplishment for an industry that typically moves in lockstep with the overall economy. The many economic development projects involving the relocation and expansion of manufacturers contributes to the very positive outlook for Georgia's freight traffic. Distribution and logistics announcements in

2017 include Safavieh, Z Gallerie, the Elk Group International, Lidl, Coyote Logistics, and ASOS. Announcements over the last few of years include Tory Burch, HD Supply, Polymer Logistics, Total Quality Logistics, and United Arab Shipping Company. Sonoco Packaging will create 595 jobs in a new packaging center in Fairburn. Georgia's logistical advantages led Luxottica Group to choose Henry County for an assembly and distribution center. This project will create about 1,000 new jobs. Georgia will benefit from many new logistical/distribution centers for both online and bricks and mortar retailers, including Sports Warehouse, Home Chef, Variety Wholesalers, Amazon, Dollar General, thredUP, Ollie's, Badcock, and Walmart.

The growth of advanced manufacturing will create opportunities for firms that provide very specialized services such as the West Penn Testing Group. The faster pace of economic growth will bring relief to many consulting firms, and larger government budgets will provide gains for firms with many public-sector clients.

Generous incentives and the attainment of critical mass will ensure that Georgia's film industry makes a substantial contribution to economic growth in 2018. Georgia's film industry ranks number one globally in the production of the top grossing feature films, followed by the United Kingdom, Canada, California, Louisiana, and New York. In addition, the number of TV productions in Georgia is very impressive. The annual economic impact of Georgia's film and TV production industry is over \$7 billion. State incentives ensure that nearly all studio space is booked. Georgia's diversity of locations provides a good fit for a wide range of film and TV productions. Georgia is at the stage of development where new movie and film production increasingly begets additional movie and film production. In addition, as the professional, technical, and physical infrastructure becomes more fully developed, the economic benefits of each dollar spent on

film and television production in Georgia will generate larger economic impacts for our state's economy. One major risk to the outlook for Georgia's film industry is divisive state legislation, such as "religious liberty" or "bathroom" bills.

Improving economic conditions – especially the upcycle in real estate – and improving demographic trends will help Georgia's financial institutions. Rising asset values favor banks' top- and bottom-line growth. The prospects for deposit growth also are excellent. In 2018, the relatively flat yield curve will persist, but higher demand for most types of loans will support Georgia banks' profits, which have recently risen substantially. Households' credit scores are at relatively high levels. Higher consumer spending for expensive durables should ensure growth of non-revolving credit to households, but banks will tighten lending for auto loans due to rising delinquencies. More major home renovation projects will cause the use of home equity loans to increase. The high compliance costs of re-regulations, fewer auto loans, and less mortgage refinancing will challenge the bottom line, but the prospects for some regulatory relief are good. Traditional banks and credit unions will see more competition from large retailers, venture capital funds, microfinance, and other nonbanks. These nontraditional competitors are less heavily regulated than traditional banks or savings and loans. Mobile banking will transform banking into a much more customer-focused business, and could give advantages to technology firms or retailers that invade markets currently served by banks.

For seven straight years, the leisure and hospitality industry has outperformed Georgia's overall economy. It will continue to do so in 2018, but by a lesser extent than in recent years. Both limited service properties that cater primarily to tourists and full-service properties that are popular with business travelers will post significant gains. The success of film and TV production will

continue to generate spillover benefits for the state's hospitality industry. Lodging demand will rise moderately from already elevated levels. Since the lodging market is not oversupplied, the benefits to the industry from higher demand will be significant. Nonetheless, the long stretch of impressive performance has stimulated new development in many areas of the state. In 2018, the number of new hotel rooms completed will slightly exceed demand growth. That imbalance will cause total revenue per available room to grow more slowly in 2018 than in recent years, but revenue will continue to grow faster than GDP. In addition, modest increases in average daily room rates will add to the industry's overall profits. Off-peak rates will not increase significantly, but peak room rates at better properties will set all-time record highs. On top of higher demand for rooms, increased utilization of many hotel services will bolster revenue per available room.

Although the overall economy will grow, there are still some headwinds and downside risks for the lodging industry. The main economic risk for this consumer discretionary industry is the possibility of a recession. The main political risks include more federal entry restrictions on foreign travelers and divisive state-level legislation such as "religious liberty" or "bathroom" bills. In addition, occupancy rates in many markets are at, or near, inflection points. Occupancy rates are poised to decline slightly, especially for older properties in less than prime locations. There will be more pressure on wages and salaries than in recent years, which will exert pressure on the industry's net margins. The \$5 statewide hotel/motel fee that went into effect in 2015 is also a negative factor. The talk about a \$15 national minimum wage is a threat to Georgia's lodging industry, but political considerations suggest that the immediate threat is very small. In contrast, the shared economy is a major disruptor for the traditional lodging industry.

Prospects for Manufacturing in 2018

In the first decade of the new millennium, Georgia lost over 200 thousand – or four out of every ten – manufacturing jobs. The purge ended in early 2010. Over the last seven years, Georgia recovered over 40,000 manufacturing jobs. About 70 percent of the manufacturing jobs that have been replaced should probably be credited to the cyclical recovery of the US economy. The successful recruitment of manufacturers to our state probably accounts for the remaining 30 percent those 40,000 manufacturing jobs. Due to many major economic development project announcements by manufacturers, Georgia is recovering manufacturing jobs more rapidly than in the nation as a whole. Such projects are bolstering growth in aircraft (e.g., Pratt & Whitney and Gulfstream), automobile (e.g., Carcoustics, Sentury Tire, KIA & it's growing roster of in-state suppliers), flooring (e.g., Mohawk Industries, Engineered Floors, Beaulieu International Group, Surya), building materials (e.g., Elixir Extrusions, Sparta Industries, EdenCrete, Caesarstone, Linzer Products, Aspen Aerogels, Viracon), and food processing (e.g., The Linde Group, Colorado Premium, Diana Food, Farmax, Star Snacks, Aviagen, Lake Foods, and Starbucks). It helps that Georgia's manufacturing industry is not geared towards oil or natural gas production, and therefore benefits from lower oil and gas prices.

Going forward, Georgia will see substantial increases in advanced manufacturing activity and employment. Recent project announcements include Pratt & Whitney, SILON, Advanced Digital Cable Inc., and Rinnai. In 2018, Sentury Tire will begin construction on an advanced tire manufacturing and R&D center in LaGrange that will employ over 1,000. The plant should be ready to open sometime in 2019. The Sentury Tire announcement illustrates Georgia's growing economic ties with China and validates the establishment of the State of Georgia's two strategic economic development offices in

China. In order, Canada, Mexico, and China are Georgia's top export markets.

Cyclical economic recovery, more effective economic development policies, low domestic natural gas prices, rising wages and production costs in China – and other overseas locations – are some of the factors behind recent and expected increases in Georgia's manufacturing activity. Concerns about product quality and management of the risks associated with increasingly complex – time-sensitive – supply chains also make manufacturing in Georgia more attractive than manufacturing overseas. Additional factors that will help Georgia attract manufacturers include a superior transportation, logistics, and distribution infrastructure, low costs of doing business relative to other highly developed economies, a favorable tax structure, highly ranked colleges & universities, excellent work-force training programs such as Quick Start, and very competitive economic development incentives.

Manufacturers' contribution to Georgia's GDP will rise in 2018, but the incoming employment data imply that manufacturing jobs are not coming back too quickly. The state added 5,700 manufacturing jobs in 2011, 4,000 jobs in 2012, 3,000 jobs in 2013, 10,200 in 2014, 11,100 in 2015, 9,100 in 2016, and an estimated 2,300 in 2017. Manufacturing employment will rise by 4,300 jobs in 2018. That will sustain the cyclical recovery in manufacturing employment, but at that pace, it will take decades to replace the manufacturing jobs that Georgia lost. In terms of factory jobs, the talk of a manufacturing renaissance in Georgia is overdone, but the sector's output is growing much faster than its employment. Also, many of the jobs that were once done inside the factory are now outsourced to service providers, which therefore are not counted as manufacturing jobs, but are nonetheless jobs that would not otherwise exist in Georgia. The multiplier effects of factory jobs are typically much higher than jobs in most non-manufacturing

industries. Many of Georgia manufacturing industries also provide relatively high paying jobs partially because many low-pay manufacturing jobs have either been offshored or displaced by technological advances and machines. Another factor that contributes to the importance of Georgia's manufacturing base is that research and development jobs often locate near clusters of related manufacturers, especially in highly technical and innovative advanced manufacturing industries. In addition, those are often the manufacturing industries with the highest wages and the best potential for long-term growth. Unfortunately, Georgia's relatively weak culture for innovation limits the prospects for innovation-based manufacturing job growth in many areas of the state.

To become a state where manufacturing activity – as well as factory jobs – truly concentrates Georgia will need to: (1) develop a better educated, more highly skilled, and more productive manufacturing workforce that can use the newest technologies; and (2) become a more fertile ground for developing and quickly adopting innovative productivity-enhancing technologies. In developed economies, the manufacturers that thrive will be extremely capital intensive, not very labor intensive, and very productive. The minimum skill requirements for factory workers therefore will rise rapidly as manufacturers utilize much more sophisticated manufacturing technologies. That is especially true for the types of factories that will be built in the US. The Georgia BioScience Training Center, which supports training for Baxalta's new facility, is a good example of providing much needed skills to Georgia's workers while simultaneously incentivizing life sciences companies. In Atlanta, the Georgia Tech Research Institute and Georgia Tech's Manufacturing Institute promote growth advanced manufacturing and technology industries.

Prospects for State and Local Government

Georgia's state government has adjusted spending and staffing to reflect available revenue, but several long-term fiscal challenges loom. These fiscal challenges – discussed below – will discourage state government from expanding programs or hiring additional workers in 2018. State government spending and hiring therefore will be a neutral factor when it comes to supporting Georgia's GDP growth. The biggest challenge for state government financing is uncertainty regarding federal funding for mandated programs, especially Medicaid. Mandatory spending on Medicaid is already crowding out spending on education and infrastructure, two spending areas that tend to boost Georgia's competitiveness and productivity. The second biggest challenge is an antiquated tax structure that increasingly does not line up with the state's shifting economic structure. Consequently, when Georgia's economy expands our taxes do not generate as much revenue as a similar expansion would have generated in the past. This systemic slowdown in revenue growth is unlikely to go away without comprehensive tax reform. For example, Georgia's sales and use tax depends very heavily on the sales of goods and exempts many services. Increasingly, that is a problem because consumer spending is strongly trending away from taxable goods and towards tax-exempt services. In addition, goods-price inflation is, and will continue to be, much weaker than service-price inflation. Indeed, we have seen several straight years of deflation in goods prices. Overtime, legislated exemptions have also eroded the sales and use tax base. Pension liabilities and state retiree health care costs are the third and fourth biggest challenges to state government financing. These long-term fiscal challenges will exacerbate the effects of the next recession on the state's ability to sustain core deliverables ranging from public safety, to education, and infrastructure.

In 2018, the fiscal situation facing most local governments is better than the situation facing state government. Local government therefore will help to power Georgia's economic growth. Local government employment and programs will expand faster in 2018 than in 2017. Similar to state government, local government will struggle with reductions in federal funding, pension liabilities, and retiree health care costs. Compared to state government, however, local governments depend very heavily on property taxes and fees for services and less heavily on sales taxes. Due to the recovery of the property markets, most local governments have fully reconciled their ability to generate revenue with their spending and staffing levels. In 2018, most will have the financial resources needed to expand programs and hiring. Real estate prices have risen off their recessionary lows and have fully recovered in many markets. In 2018, real estate prices will continue to outpace the overall rate of inflation, which bodes well for future increases in assessed property values. New home construction also will be on the upswing in 2018, which will lead to the expansion of property tax bases. Since, assessed property values tend to lag market values, local governments' property tax revenues should expand briskly in 2018 and beyond. In addition, when the next recession comes, housing is unlikely to be its epicenter, suggesting that property values and in turn property tax revenues will be steadier sources of revenue for local governments than in the wake of the Great Recession.

Federal Reserve Policy

Federal Reserve actions to increase short-term policy interest rates and decrease the size of its balance sheet will be a slightly stronger headwind for Georgia than for the nation as a whole. The shift in Federal Reserve policy from an accommodative to a neutral – or slightly restrictive – stance will create slightly more economic drag in Georgia than in many other states. That is because Georgians carry relatively more debt and have relatively

less savings. In addition, interest-sensitive economic sectors (e.g. real estate development, home building, nonresidential construction, building materials manufacturing, and forestry) have a greater impact on Georgia's overall growth than on the nation's overall growth.

Economic Development

In 2012, Georgia's leaders passed key economic development legislation that made Georgia more competitive. Perhaps even more important, Georgia fields an extremely competitive team of economic development professionals. Georgia is viewed as a place where there is a good working relationship between government and other major players. Government is responsive to the needs of businesses, ranking very high in terms of its regulatory environment and speed of permitting. The available supply of skilled labor attracts businesses, especially in the Atlanta MSA. Georgia also ranks high with respect to its workforce development efforts – Quick Start. Those factors plus Georgia's major transportation and logistical advantages and a competitive tax climate helped to refill Georgia's economic development pipeline. The build out of specialized job training centers – BioScience Training Center and Georgia Cyber Training and Innovation Center – is a very effective way to attract and retain businesses that require workers with highly specialized skills. For these and other reasons, site consultants ranked Georgia the top state in which to do business for the fourth straight year.

Because it often takes many years to build out the typical economic development project, many of the projects announced over the last five years will continue to provide a substantial tailwind to Georgia's economic growth in 2018 and beyond. Examples of large economic development projects announced in 2017 include: ASOS, an online fashion and beauty retailer, will establish an East Coast e-commerce fulfillment center in Fulton County

creating more than 1,600 jobs; Luxottica Group will create 1,000 jobs with the expansion of its North American distribution facility in Henry County; Sonoco Products Company will create 595 jobs in a new packaging center in Fulton County; athenahealth will double its workforce from 500 to almost 1,000 at its health IT facility in Atlanta; Sysnet Global Solutions will create more than 500 jobs at its cybersecurity and financial payments support center in DeKalb County; and Pratt & Whitney will create over 500 jobs in an expansion of its facility in Columbus.

Some of the largest economic development projects announced in 2016 include: NCR will create over 1,800 jobs at its global headquarters in Midtown Atlanta; Anthem will create 1,800 IT jobs at its IT service hub in Midtown Atlanta. Convergys will boost its workforce to about 1,300 workers due to new operations in Columbus and Savannah; UPS will create 1,250 jobs at a new sorting and distribution hub in Atlanta; and Home Chef's decision to open a new facility in DeKalb County will create over 1,200 jobs. Sparta Industries, a manufacturer of HVAC components, will create over 1,000 jobs in Milledgeville.

Another reason Georgia is doing well is that the US automobile manufacturing industry is becoming increasingly concentrated in the Southeast. When it comes to both distribution and consumer markets, Georgia is in the sweet spot in the middle of the Southern Auto Corridor with proximity to major assembly plants, major suppliers, interstates, ports, and rail. Georgia's major projects have included KIA's assembly plant in West Georgia and Mercedes' corporate headquarters in Atlanta. The new Volkswagen assembly plant just across the state line in Chattanooga and the recent announcement that Volvo will build an assembly plant in Charleston make Georgia an even more attractive place to site automobile parts suppliers. For example, Carcoustics will create 200 jobs near Buford that will supply auto parts to plants in the Southeast.

Automotive Body Parts will expand its operations in Bartow County adding 150 jobs. Constellium, a manufacturer of aluminum products for the automotive and other industries, is establishing operations in Barrow County, creating over 150 jobs. NIFCO KTW is locating its US operations in Toccoa, creating 200 jobs. Sentury Tire will create more than 1,000 jobs in LaGrange. One short-term problem, however, is that US auto sales are expected to decline in 2018, but replacing autos damaged by recent hurricanes may provide an upside surprise to auto sales.

Due to cost, logistics, and tax advantages, Georgia is very competitive with other states when it comes to landing economic development projects. Many companies move to Georgia to cut costs. As noted above, these advantages began to bear more fruit in 2012-17. That is partially because Georgia made several strategic shifts in its economic development strategy, including the elimination of sales and use taxes on energy used in manufacturing, and a greater emphasis on workforce training as an economic development policy. Job training programs and new highly specialized workforce training centers will increase the supply of highly skilled workers thereby attracting businesses with high-paying jobs. Overtime that approach towards economic development should raise both productivity and per capita incomes. The exemption for energy used in manufacturing was phased in and reached 100 percent in 2016. In addition, in 2016, business inventories became fully exempt from the state property tax and most counties – 85 percent – already have level one Freeport exemptions. These changes in tax policy will boost Georgia's economy in 2018 and beyond.

Legislation has made Georgia more competitive, but Georgia will have to be very aggressive in closing the right deals. Georgia should target industries that expand the economic base and have good potential for long-term growth. Georgia must invest strategically and grow clusters in areas ranging from biotechnology to advanced

manufacturing. The focus should be on innovation-based companies. Of course, Georgia must also make sure that its statutory incentives remain competitive – the statutory incentives help to get Georgia short-listed by site selection professionals. Then, only after Georgia is short-listed, do those critical deal-closing incentives come into play.

A review of economic development announcements issued by the Office of the Governor and the Georgia Department of Economic Development indicates that economic developers are closing many deals in industries in which the state has the ability to produce at a low opportunity and marginal costs – comparative advantage. Specialization in activities where Georgia has comparative advantage bodes well for sustained success of the companies that received incentives thereby enhancing the prospect for long-term economic growth. Logistics, transportation, distribution, warehousing, information technology, transactions processing, headquarters operations, floor coverings, automotive parts, food processing, and professional and business services are good examples of industries where Georgia competes effectively.

Housing Recovery

Home building and real estate development have long been extremely important to Georgia's economy. This traditional driver of growth finally got traction in 2012 and continued to move forward in 2013-17. The 2018 outlook for the homebuilding industry is very good. Housing and real estate development therefore will be a powerful driver of Georgia's economy in 2018, helping the state's economy to outperform the nation's economy. The number of single-family home starts for new construction will increase by 16%. New multi-unit homebuilding will rise by 4 percent. Georgia gets a five for one from the housing recovery because (1) home builders and realtors benefit directly and (2) demand increases nationally for goods

produced by Georgia's large floor covering, building materials, and forestry industries. Plus, (3) our large transportation and logistics industry benefits from higher levels of activity in construction – a very transportation intensive activity. In addition, (4) recent and continuing increases in US home prices will make it even easier for companies and people to relocate to Georgia. Finally, (5) the home equity generated via home price appreciation will boost small business formation and expansion as well as consumer spending.

Georgia's housing market is responding to a more favorable balance of supply and demand. Increased demand for housing will come mostly from job growth. Those new jobs, and slightly bigger paychecks – plus appreciating home values – will give more people the wherewithal, and the confidence, to buy homes. On average, Georgia's existing home prices have fully recovered, but the degree of home price recovery varies widely within the state. For example, on average, existing home prices in the Atlanta MSA are 8 percent higher than their pre-recession peak level. In contrast, existing home prices in rural Georgia are 8 percent below their pre-recession peak value. Home price appreciation will continue through 2018, but home prices will rise more slowly than in 2012-17.

For the state and nation as a whole, the home price recovery is complete, but those nominal gains do not consider inflation. Nonetheless, the recovery of home prices in nominal terms will help to sustain the housing market's recovery. In addition, rent affordability is at an all-time low. Meanwhile, mortgage rates remain a tremendous bargain from a historical perspective, but mortgage rates are above their recent historic lows and will continue to move higher as the Federal Reserve gradually reverses its easing policies.

Supplies of new homes are still constrained by years of underbuilding. In addition, there is a scarcity of listings of existing homes, and it is especially acute for homes in the bottom value

tier. That is partially because many of Georgia's homeowners are still underwater on their mortgages and are therefore unlikely to put their homes up for sale. It is especially troubling that the negative equity is extremely concentrated in the low price, or starter home segment of the market. That hurts the trade up market. In addition, many homeowners realize they will not qualify for a new mortgage. Therefore, many homeowners will stay put even though negative equity is receding.

The price of the average existing single-family home prices will rise by 4% in Georgia in 2018. As potential homebuyers see a record of price appreciation, more will opt to become homeowners. Rising rents reinforce this trend. In 2012, investors were the main force behind home sales. In 2013-17, people who buy homes to live in them joined investors to become a second major force powering home sales. Nonetheless, as home prices rise and the number of distressed properties shrinks, home sales to investors will drop sharply. Sustaining the recovery of the housing market through 2018 means that trade-up buyers and first-time buyers must become more active. That up cycle has begun, and it is becoming much more vigorous. There is tremendous potential for even more active housing markets because a huge number of young people are still living at home, or are doubled up with roommates rather than living in their own apartments or homes. Improving economic and housing market conditions in combination with soaring rents will cause that potential to be unleashed.

Demographics

Demographic forces are another factor behind Georgia's improving economic performance. For decades, Georgia depended on growth based on high levels of in-migration. That growth model stopped working during the Great Recession due to a dysfunctional housing market, the weak labor market, and high levels of student loan debt. In fact,

household formation dropped to its lowest levels since the 1940s. Even as Georgia's economic developers began to achieve success in recruiting new industry in 2012, the net migration of people to Georgia continued to decline through 2013. That is because it takes a while for new project announcements to generate jobs.

Due to job growth and the housing recovery, geographic mobility turned up in 2014. As net domestic and net international migration increased, Georgia's population began to grow more quickly. In 2015-17, corporate relocations and expansions brought more people to Georgia. The trend of higher migration to Georgia will persist in 2018. Jobs will attract young, educated adults who will be more mobile than they were prior to the housing bust. The nationwide recovery in home prices will give retirees the wherewithal and confidence to move to Sunbelt states such as Georgia. Georgia's population will grow at a pace that exceeds the national average in 2018 – 1.5 percent for Georgia versus 0.7 percent for the US.

More specifically, domestic net migration will continue to recover. It rose to about 23,000 people in 2014, up from a net loss of almost 6,000 people in 2013. Domestic net migration rose to 33,000 in 2015, to 37,000 in 2016, and to an estimated 59,000 in 2017. Most of the incoming domestic migrants will be either young workers or retirees. Georgia's higher rate of population growth also is dependent on net international migration of about 25,000 people, which is about the same as estimated for 2017. Foreign born account for about 10 percent of the state's population, up from 7.1 percent in 2000 and 2.7 percent in 1990. Georgia's population growth should benefit from an increase in number of births as households become more confident in the current situation and their expectations for the future. Population growth therefore will be a much stronger driver of Georgia's GDP in 2018 than in 2008-2017.

Small Business Expansion

The lack of new business formation is one underappreciated reason why Georgia's job recovery initially lagged the nation's job recovery. New companies typically create almost all net new jobs. Business formation requires cash. The typical entrepreneur often obtains the funds needed to start, or expand, their business by borrowing, using their home as collateral. That was a problem for Georgia's entrepreneurs because (1) home price depreciation was much more intense here than it was nationally and (2) Georgia led the nation in bank failures. Federal Housing Finance Agency data show that the peak-to-trough home price decline was 28 percent in Georgia compared to 21 percent nationally. Consequently, much of the home equity that people traditionally use to start a business evaporated. Meanwhile, Georgia's relatively high number of bank failures restricted relationship-based lending to small businesses and entrepreneurs, especially outside the core of the Atlanta area. The good news is that Georgia's home prices have fully recovered from their lowest point. Thus, home equity will be much more available to finance new business startups and small business expansion. In addition, business people have had enough time establish new relationships with surviving – or new – bankers. Small business expansion therefore will make a much greater contribution to Georgia's economic growth in 2018 than in recent years.

Georgia's Greatest Weakness: Relatively Low Educational Achievement

Georgia needs to adjust its priorities to put much greater emphasis on educational achievement. That will be critical in terms of improving Georgia's productivity and competitiveness, which ultimately determines Georgians' standard of living. Success in recruiting new business and industry and retaining existing industry increasingly is dependent on the availability of labor that is

qualified to utilize the latest advanced technologies. The goal is to generate a virtuous cycle of growth whereby policies that increase the supply of skilled labor will stimulate labor demand as the additional supply of skilled workers attracts employers with skilled jobs. Offering customized training is proving to be a very effective way to recruit new industry and ensure that existing businesses expand in Georgia.

The challenge is immense: Georgia trails many other states when it comes to educational achievement, especially for K-12 education. K-12 Education is probably the state's greatest economic weakness, and it contributes to Georgia's relatively low productivity and low per capita income. According to the National Center for Education Statistics (2015 data), Georgia's 8th graders rank 36th among the states in math, 37th in reading, 29th in science, and 27th in writing. In math, only 28 percent of Georgia's eighth graders are proficient or better. Ultimately, in a flat world a failure to educate our children lowers Georgian's relative standard of living. That is definitely showing up in the incoming data. After rising for decades, per capita person income in Georgia peaked at 95% of the US average in 1999. Since then we have seen an almost continuous slide of per capita income in Georgia relative to the US. The data for 2016 clock per capita person income in Georgia at only 84 percent of the national average. We dropped 16 places in the national rankings from 26th highest per capita personal income in 1999 to 40th in 2016.

For Georgia's economy to outperform the average state's economy by the large margins that we got used to in the 1970s, 80s, and 90s, we need to improve Georgia's competitiveness by improving educational achievement. The culture of the state must change in ways that put a higher priority on core subjects such as math, reading, writing, and science. For grades K-8, more in-school time devoted to these core areas might help. Career academies

and more internships might boost student achievement at the high school level.

Relatively low educational achievement is Georgia's greatest weakness and is probably the main reason why Georgia's per capita income, productivity, and innovation ecosystem are below average. Doing a better job educating our people will go a long way towards assuring that Georgia's economic performance remains among the best in the nation. It would improve the climate for innovation, stimulating innovation-based economic growth.

THE ATLANTA MSA OUTLOOK FOR 2018

BY JEFFREY M. HUMPHREYS, TERRY COLLEGE OF BUSINESS, UNIVERSITY OF GEORGIA

Atlanta will be one of the fastest growing large MSAs in the nation, especially with respect to job growth. Business development, a revival of population growth – due to an upturn in domestic migration – and the housing recovery will strongly underpin Atlanta's robust economic expansion. In 2018, new jobs will be plentiful, but the pace of job growth will slow slightly. The area's economy and its growth are extremely diverse, which decreases the economic risk associated with living and doing business in Atlanta. The MSA's politics are very business friendly. Atlanta is a major business and logistics hub. The Atlanta MSA's top ten employers are Delta Airlines, Emory University/Emory Healthcare, Home Depot, WellStar Health System, AT&T, UPS, Northside Hospital, Piedmont Healthcare, Marriott International, and Publix Super Markets. Atlanta is the cultural center of the Southeast. The population's level of educational attainment exceeds the national average. The hospitality industry is thriving. At this late stage of the business cycle, financial activities and professional and business services industries should do very well, which will benefit Atlanta.

The Atlanta MSA is dependent on two highly cyclical industries – distribution and new construction, but those tilts should work to the area's advantage in 2018. Exports account for about 8.6 percent of the area's GDP. The MSA therefore is not overly dependent on export markets. Immigrants account for about 13.4 percent of the MSA's population. Thus, changes in US immigration laws or stricter enforcement of existing immigration laws will affect the MSA's economic performance. The Atlanta MSA's main weakness is an overburdened infrastructure.

In 2018, the area's high concentration of college-educated workers, business partners, cyber security, high-tech companies, and

research universities will continue to attract high technology companies in life sciences, software development, research & development, healthcare IT, professional and business services, and advanced manufacturing. The CDC and nonprofits such as the national headquarters of the American Cancer Society and the Arthritis Foundation attracts life sciences companies. New high tech industries (e.g., healthcare IT, Fintech, cyber security, software development, and mobile apps) are growing rapidly in Atlanta. That trend will continue. The information industry is highly concentrated in the Atlanta MSA and it will expand in 2018.

Atlanta's high-tech development depends on easy access to quality universities, especially university research centers that transfer new ideas and technologies to local businesses. For example, in the wake of the "Great Recession", the innovation district that developed around Tech Square achieved the critical mass needed to attract high-tech companies to Midtown Atlanta. The innovation ecosystem in Midtown attracts established high-tech companies, high-tech startups, innovation centers, research and development centers, service providers, as well as venture capitalists. This vibrant innovation district is booming. Accenture plans to expand its operations at Tech Square, adding hundreds of tech-related jobs over the next few years. In partnership with Georgia Tech, Keysight Technologies is expanding its presence by opening a software design center in Midtown, creating over 200 software and engineering jobs. Kaiser Permanente is establishing an IT campus in Midtown that will support 900 jobs when fully developed. NCR is building its new global headquarters campus in Midtown near Tech Square. The NCR campus will include a research, innovation, and design-thinking lab. In total, NCR will create over 1,800 jobs in Midtown. Over the next five years, Honeywell will create 830 jobs at its global headquarters

for “Home and Building Technologies,” which will include a state-of-the-art software center. The UCB Solutions Accelerator recently opened at Technology Square. KPMG opened “Ignition” in Midtown, which is an innovation center that currently supports about 80 jobs, but will expand to employ about 160 professionals by the end of 2019. In the new Delta Advanced Manufacturing Pilot Facility at Georgia Tech, Boeing recently opened a manufacturing research and development center that will develop advanced manufacturing technologies. In addition, many small and startup companies are locating near Tech Square.

Just a few miles north of Tech Square, Buckhead is developing as a prominent high-tech cluster. For example, GE’s first global digital operations center will be in the Prominence office tower, creating 250 jobs. The new GE digital hub will be across the street from the Atlanta Tech Village, a “co-working” space for technology companies. BetterCloud will expand its software development hub at the Piedmont Center, adding 150 jobs over the next two years.

Compared to other large metropolitan areas with strong links to global markets the costs of living and doing business in the Atlanta MSA are low. Companies and nonprofit organizations looking to lower costs will continue to relocate to Atlanta. Access to workers, especially skilled labor, is vital to business success. Despite the limit that traffic congestion places on realistically accessible workers, many companies are attracted to Atlanta due to the large and diverse pool of available workers. The pool of talent is large and deep for occupations that require a college degree as well as for occupations that do not require college degrees. In addition, the high concentration of colleges and universities ensures an abundant supply of experienced faculty, newly minted college graduates, and student interns.

On an annual average basis, the 29-county Atlanta MSA will add 68,700 jobs in 2018, a year-over-year increase of 2.5 percent. Atlanta therefore will account for 78 percent of the state’s net job growth, up from 73 percent in 2017. Atlanta’s high concentration of service producing industries, IT companies, distribution companies, e-commerce fulfillment centers, institutions of higher education, health care providers, life sciences companies and headquarters operations will keep the job machine in forward gear. Many of the headquarters and other large projects recently announced by the Georgia Department of Economic Development were located in the metropolitan area. Atlanta’s outsized information industry will benefit from expanding film and television production as well as surging demand for more sophisticated wireless services and high-volume mobile data applications.

Major improvements at Hartsfield-Jackson International Airport bode well for Atlanta’s growth, especially the new international terminal. The airport is the world’s busiest for passenger traffic and is the number one high-tech airport in the nation. It has excellent access to mass transit. Extreme weather events capable of shutting down the airport are relatively rare. The airport makes the Atlanta area an ideal location to operate corporate headquarters due to its large number of direct domestic and international flights. Multi-state and multi-national companies based in Atlanta are flying executives and salespeople everywhere almost every day.

Production sites near Hartsfield-Jackson International Airport and/or near cold storage facilities appeal to manufacturers of perishable biomedical products (e.g., plasma-based pharmaceuticals) that require cold storage and cold shipping. Lightweight, highly perishable, or time-sensitive products are well suited to air transportation, and therefore many high-tech production companies consider the extensive air cargo facilities at Hartsfield-Jackson to be essential to their

operations. The airport also makes Atlanta an excellent hub from which to manage operations or provide business services to a geographically dispersed client base.

Due to its large meetings and convention industry, Atlanta is the seventh most-visited city in the US. The Georgia Aquarium is Atlanta's most popular attraction. The new Mercedes-Benz Stadium will host the Super Bowl in 2019. Atlanta is also a popular destination for international visitors. Cyclical improvements in the national and regional economies will boost Georgia's hospitality industry. Hotel occupancy rates are at or near record levels, but growth in the supply of new rooms will exceed increases in the demand for rooms, reversing the upward trend in occupancy rates that the industry has benefitted from for several years. Airport improvements will help Atlanta to become even more popular as a destination for tourists, persons attending business meetings & conventions, trade shows, as well as sporting/cultural events. New attractions such as Porsche Customer and Driver Experience Center, the College Football Hall of Fame, and the Delta Flight Museum will boost Atlanta's appeal to travelers.

The Atlanta MSA is highly specialized in transportation, warehousing, and wholesale trade, with employment concentrated in these inherently cyclical industries. Faster growth in US GDP in 2018 than in 2017 therefore bodes well for these highly cyclical industries and in turn for Atlanta. Recent project announcements in the Atlanta MSA include Home Chef, Variety Warehouses, thredUP, Dollar General, and HD Supply. In 2018, Atlanta will continue to develop as an inland port for transportation, distribution and

warehousing products. The connectivity of Georgia's ports to the interstate system, rail, and air cargo is excellent. Among major US metros, Atlanta is a relatively low-cost, low-risk place to operate a warehouse.

Given the federal budget situation, one major long-term plus for Atlanta is that the metro area is not very dependent on federal jobs. Only 3.0 percent of the Atlanta area's nonfarm earnings come from federal employment versus 5.7 percent for the state and 4.1 percent for the nation. Atlanta is not the home of a major military base. Only 0.3 percent of nonfarm earnings come from Military jobs versus 2.3 percent for the state. State and local government accounts for only 8.4 percent of earnings in metro Atlanta versus 10.9 percent for the state and 12.6 percent for the nation. Thus, public-sector restructuring will be less problematic for Atlanta's growth than for growth elsewhere in Georgia or the nation.

Due to above average growth in employment and population, the housing recovery is stronger in the Atlanta MSA than in most in-state markets. Existing single-family home prices peaked in the second quarter of 2007, and bottomed out in the second quarter of 2012. From peak to trough, the metro area's existing home prices declined by 27 percent, which exceeds the decline experienced by the nation. Home prices have recovered relatively quickly in the Atlanta market. As of mid-2017, Atlanta's home prices were 8 percent above their pre-recession peak levels. In terms of new single-family home construction, Atlanta's housing recovery began in 2010 and gained traction in 2012-2017. The 2018 prospects for Atlanta's single-family homebuilding outlook are excellent.

UNITED STATES BASELINE FORECAST 2017-2018

United States	2013	2014	2015	2016	2017	2018
Gross Domestic Product, Bil. of 2009\$	15,612.2	15,982.3	16,397.2	16,662.1	17,028.7	17,454.4
Percent change	1.7	2.4	2.6	1.6	2.2	2.5
Nonfarm Employment (Mil.)	136.4	139.0	141.8	144.3	146.8	148.1
Percent change	1.6	1.9	2.1	1.7	1.5	1.1
Personal Income, Bil. of 2009\$	13,087.9	13,568.2	14,113.2	14,438.7	14,879.7	15,390.3
Percent change	-0.2	3.7	4.0	2.3	3.1	3.4
Personal Income, Bil. of \$	14,073.7	14,809.7	15,458.5	15,986.7	16,722.1	17,641.8
Percent change	1.1	5.2	4.4	3.4	4.6	5.5
Civilian Unemployment Rate (%)	7.4	6.2	5.3	4.9	4.4	4.0
CPI-U, Ann. % Chg.	1.5	1.6	0.1	1.3	2.0	2.0

Source: The Selig Center for Economic Growth, Terry College of Business, University of Georgia, 01/04/2018

UNITED STATES BASELINE FORECAST 2018-2023

United States	2018	2019	2020	2021	2022	2023
Gross Domestic Product, Bil. of 2009\$	17,454.4	17,681.3	17,557.5	17,961.3	18,374.5	18,797.1
Percent change	2.5	1.3	-0.7	2.3	2.3	2.3
Nonfarm Employment (Mil.)	148.1	148.8	147.5	147.9	150.0	151.5
Percent change	1.1	0.5	-0.9	0.3	1.1	1.3
Personal Income, Bil. of 2009\$	15,390.3	15,616.2	15,494.3	15,846.4	16,221.1	16,700.6
Percent change	3.4	1.5	-0.8	2.3	2.4	3.0
Personal Income, Bil. of \$	17,641.8	18,294.5	18,605.6	19,256.8	20,007.8	20,908.1
Percent change	5.5	3.7	1.7	3.5	3.9	4.5
Civilian Unemployment Rate (%)	4.0	4.4	6.7	6.5	5.9	5.1
CPI-U, Ann. % Chg.	2.0	2.2	2.5	1.2	1.5	1.8

Source: The Selig Center for Economic Growth, Terry College of Business, University of Georgia, 01/04/2018

GEORGIA BASELINE FORECAST, 2017-2018

Georgia	2013	2014	2015	2016	2017	2018
Gross Domestic Product, Bil of 2009\$	424.4	438.4	451.8	465.4	480.3	495.7
Percent change	1.4	3.3	3.1	3.0	3.2	3.2
Nonfarm Employment (thousands)	4,032.4	4,144.9	4,261.9	4,378.0	4,486.9	4,574.8
Percent change	2.0	2.8	2.8	2.7	2.5	2.0
Personal Income, Bil of \$	371.2	394.7	418.4	434.7	459.0	485.6
Percent change	1.6	6.3	6.0	3.9	5.6	5.8
Housing Permits, Total	36,174	39,423	45,549	51,675	52,407	58,391
Percent change	48.6	9.0	15.5	13.4	1.4	11.4
Unemployment Rate (percent)	8.2	7.1	6.0	5.4	5.0	4.9

Source: The Selig Center for Economic Growth, Terry College of Business, The University of Georgia, 01/04/2018.

GEORGIA BASELINE FORECAST, 2018-2023

Georgia	2018	2019	2020	2021	2022	2023
Gross Domestic Product, Bil of 2009\$	495.7	504.6	502.1	516.1	531.6	547.6
Percent change	3.2	1.8	-0.5	2.8	3.0	3.0
Nonfarm Employment (thousands)	4,578.8	4,615.9	4,588.2	4,606.6	4,675.7	4,759.9
Percent change	2.0	0.9	-0.6	0.4	1.5	1.8
Personal Income, Bil of \$	485.6	506.0	516.2	537.3	562.0	587.9
Percent change	5.8	4.2	2.0	4.1	4.6	4.6
Housing Permits, Total	58,391	60,818	44,750	49,246	53,881	61,611
Percent change	11.4	4.2	-26.4	10.0	9.4	14.3
Unemployment Rate (percent)	4.9	5.2	6.5	6.3	5.5	5.3

Source: The Selig Center for Economic Growth, Terry College of Business, The University of Georgia, 01/04/2018.

ATLANTA MSA BASELINE FORECAST, 2017-2018

Atlanta, MSA	2013	2014	2015	2016	2017	2018
Real Gross Metro Product, Bil of 2009\$	288.5	300.0	308.8	320.2	331.4	343.0
Percent change	3.6	3.9	3.0	3.7	3.5	3.5
Nonfarm Employment (thousands)	2,414.3	2,503.4	2,582.1	2,667.8	2,747.8	2,816.5
Percent change	2.5	3.7	3.1	3.3	3.0	2.5
Personal Income, Bil of \$	228.2	245.8	261.8	274.1	291.6	311.2
Percent change	1.6	7.7	6.5	4.7	6.4	6.7
Housing Permits, Total	24,297	26,683	30,342	36,357	34,272	38,625
Percent change	69.0	9.8	13.7	19.8	-5.7	12.7
Unemployment Rate (percent)	7.8	6.7	5.6	5.1	4.6	4.5

Source: The Selig Center for Economic Growth, Terry College of Business, The University of Georgia, 01/04/2018.

ATLANTA MSA BASELINE FORECAST, 2018-2023

Atlanta, MSA	2018	2019	2020	2021	2022	2023
Real Gross Metro Product, Bil of 2009\$	343.0	349.8	347.4	358.9	371.4	384.4
Percent change	3.5	2.0	-0.7	3.3	3.5	3.5
Nonfarm Employment (thousands)	2,816.5	2,844.7	2,821.9	2,841.7	2,887.1	2,942.0
Percent change	2.5	1.0	-0.8	0.7	1.6	1.9
Personal Income, Bil of \$	311.2	328.3	335.2	352.0	370.6	389.9
Percent change	6.7	5.5	2.1	5.0	5.3	5.2
Housing Permits, Total	38,625	40,479	30,885	34,282	38,362	45,114
Percent change	12.7	4.8	-23.7	11.0	11.9	17.6
Unemployment Rate (percent)	4.5	5.0	6.3	6.4	5.4	5.1

Source: The Selig Center for Economic Growth, Terry College of Business, The University of Georgia, 01/04/2018.



REVENUE FORECAST SUMMARY

FORECAST METHODOLOGY

The City's Department of Finance-Office of Revenue continues a solid partnership with the Selig Center for Economic Growth at the University of Georgia. The City began its partnership with the Selig Center at the peak of the Great Recession. This nine-year partnership has enabled City management to gain important independent economic analyses and metrics which are integrated into our multi-year revenue model. Key metrics are S&P Case-Shiller Index, Atlanta Gross Metro Product, Atlanta Unemployment rate, Building Permits, Construction Activity, Jones, Lang, LaSalle Office Vacancy Rates, CBRE Hotel Occupancy Rates and Revenue Per Available Rooms, Atlanta Personal Income, U.S. & Atlanta Metro Consumer Price Index (% Annualized), and Georgia State Product by Sector. The City Office of Revenue uses the Municast Financial modeling software by inputting the aforementioned key metrics tool as further enhancement in our multi-year forecasting.

CITY CHARTER REQUIREMENT

The responsibility for revenue anticipations and specified appropriations is fixed by law through the Budget Commission. The Budget Commission members approve revenue anticipations for all City operating funds in June of each year.

REVENUE ANTICIPATIONS

The FY 2018 General Fund Revenue forecast, as of the date of this Five Year Plan, is \$664.5 million and is on pace to exceed the revenue amount adopted by the Budget Commission in June of 2017. The estimated FY 2019 General Fund Revenue Anticipation is

\$653.7 million. The City Finance team expects that the overall 2018 property tax revenues will continue to grow at a rate of 1.5% with the growth being attributed to new construction. As of publication of the Five Year Plan, there is no available estimate from the Tax Assessor's office on the 2018 tax digest. Therefore, the City relies on historic and other independent economic data including the Case-Shiller Index, which is a national housing price index, to determine City property valuation trends and estimates.

The City's property tax base is a primary component of City General Fund revenues accounting for approximately thirty one percent of General Fund revenues. Property tax revenues have continued the increase, which began in 2014 due to an improved housing market. The City continues to demonstrate a measured response by continuing to estimate property tax revenue growth conservatively.

More discussion on Property Tax revenue assumptions is provided later in the trend narrative. Sales tax revenue is the next largest share of General Fund revenues accounting for approximately seventeen percent of General Fund revenues. Sales tax revenue is highly elastic and demonstrates significant peak and troughs in revenues due to changes in economic performance associated with Gross Metro Product indexes, disposable income and unemployment levels. The lodging market, which is the driver for hotel/motel tax revenues, is expected to be another important contributor to the City's economic recovery. CBRE Consulting Research provides additional insight under the hotel/motel forecast narrative section.

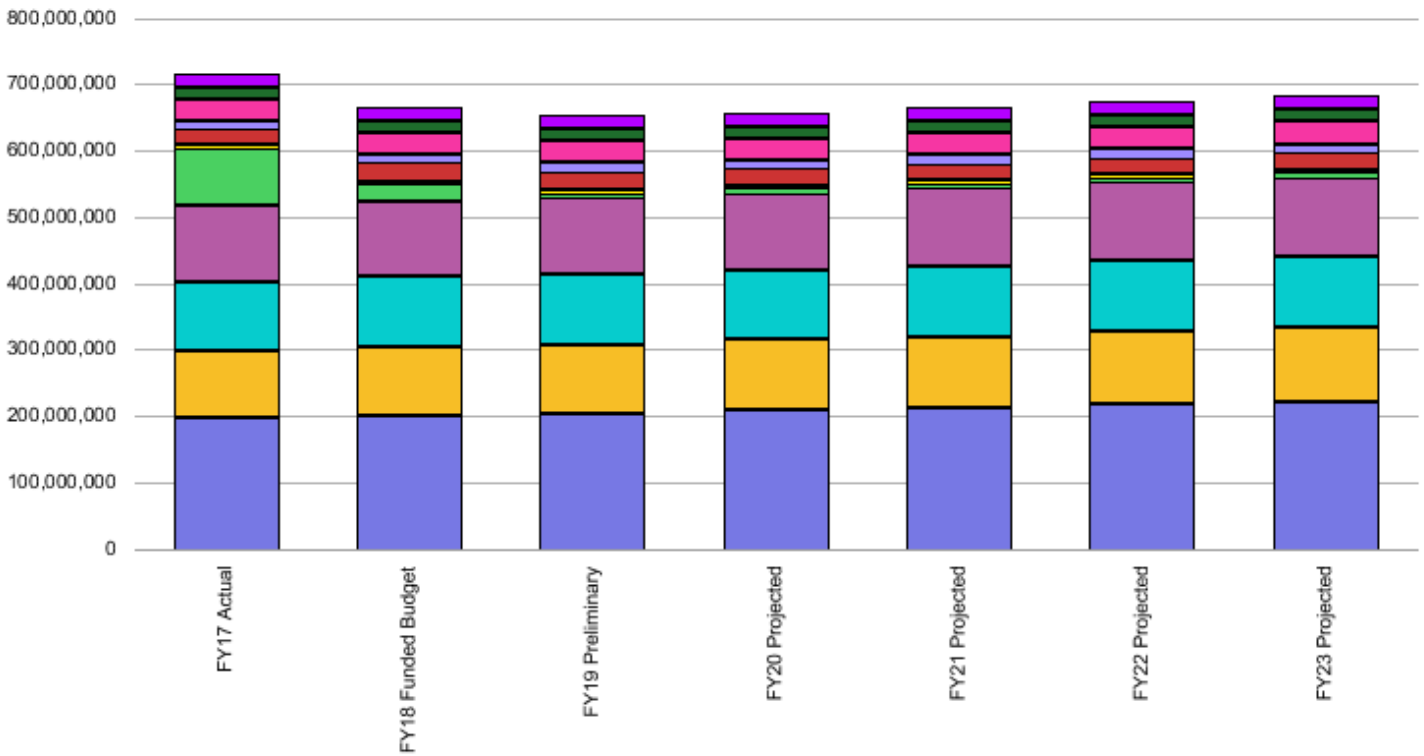
The FY 2019 General Fund Revenue anticipations are consistent with the City Charter requirements and the City Finance team continues to exercise fiscal discipline in the revenue forecast. It is important to note, that General Fund Revenues have exceeded General Fund Expenditures the past 6 fiscal years (FY 2012 through FY 2017).

Furthermore, City senior management monitors Budget versus Actual performance on a monthly basis and makes timely forecast revisions as deemed appropriate.

PROJECTED REVENUES BY MAJOR CATEGORY

General Fund

	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20 Projected	FY21 Projected	FY22 Projected	FY23 Projected
Property Taxes	198,105,145	201,920,375	205,756,649	209,831,995	213,988,751	218,228,545	222,553,039
Public Utility, Alcoholic Beverage and Other Taxes	101,005,269	103,908,966	103,908,966	105,883,709	107,193,325	110,091,980	111,584,060
Local Option Sales Taxes	103,354,450	105,392,343	105,392,343	105,919,305	106,448,901	106,981,146	107,516,051
Licenses and Permits Revenue	116,965,223	114,375,544	114,375,544	115,428,903	116,507,442	117,624,575	118,783,538
Other Revenue	85,236,931	24,644,172	7,332,494	7,335,748	7,339,005	7,342,265	7,345,529
Charges For Current Services	6,574,030	4,662,825	4,662,826	4,693,759	4,725,699	4,758,791	4,793,080
Fines, Forfeitures and Penalties	22,769,305	28,108,818	28,108,818	25,093,232	25,207,678	25,324,412	25,443,481
Building Rentals and Concessions	11,368,725	13,990,662	13,990,662	13,092,726	13,163,709	13,236,112	13,309,963
Indirect Costs Recovery	33,338,968	31,431,000	32,643,573	33,331,000	33,760,000	34,285,000	34,737,000
Hotel & Motel Tax Revenue	18,138,507	17,541,183	17,541,183	17,716,595	17,893,761	18,072,698	18,253,425
Pilot & Franchise Fees	19,887,243	19,983,048	19,983,046	20,082,961	20,183,376	20,284,293	20,385,714
Total	\$716,743,795	\$665,958,936	\$653,696,104	\$658,409,933	\$666,411,647	\$676,229,817	\$684,704,880



- Property Taxes
- Fines, Forfeitures and Penalties
- Public Utility, Alcoholic Beverage and Other Taxes
- Building Rentals and Concessions
- Local Option Sales Taxes
- Indirect Costs Recovery
- Licenses and Permits Revenue
- Hotel & Motel Tax Revenue
- Other Revenue
- Pilot & Franchise Fees
- Charges For Current Services

GENERAL FUND

The General Fund is the chief operating governmental fund for the City of Atlanta, capturing revenues and expenditures for general operations.

PROPERTY TAXES

This major revenue category consists of various revenue sources including current and prior year property taxes, intangible recording & real estate transfer taxes, penalties and interest from delinquent property taxes, and payments in lieu of taxes.

Major Revenue Category	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Property Tax	\$205,756,649	\$209,831,995	\$213,988,751	\$218,228,545	\$222,553,039

A summation of total revenues within this major category and a breakdown of some of the key revenue contributors within the category are as follows:

Current Year Property Taxes: FY 2019-23 Forecast:

FY2019	FY2020	FY2021	FY2022	FY2023
\$195,649,963	\$199,562,962	\$203,554,221	\$207,625,305	\$211,777,812

The City of Atlanta imposes a tax on real and personal property. Revenues are derived from the millage rate and the tax digest assessed values. The first year of tax digest growth in five years following the Great Recession was in 2013. The 2014 through 2017 net tax digests have continued to grow at an average of about 4.6% over the period. The 2017 net tax digest increased by 3.5% with a net tax digest of \$26.7 billion compared to \$25.5 billion in 2016. The 2017 City's tax digest is comprised as follows: 47% residential and 53% non-residential. The 2018 net tax digest is expected to grow and continue the positive trend reflective of the real estate rebound witness throughout the city of Atlanta.

The City's current year five-year property tax forecast assumes a rollback of property taxes due to positive reassessment. The projected current year property tax revenue growth from new construction is estimated at 2.0% over the five year forecast horizon. The 1999 Taxpayers Bill of Rights allows municipalities to retain new construction growth without any additional public hearing and tax notice requirements. The collection rate assumption is 99% and is consistent with historical collection rates. According to the Selig Center Economic Outlook, "Home prices have recovered relatively quickly in the Atlanta market. As of mid-2017, Atlanta's home prices were 8 percent above their pre-recession peak levels. In terms of new single-family home construction, Atlanta's housing recovery began in 2010 and gained traction in 2012-2017. The 2018 prospects for Atlanta's single-family homebuilding outlook are excellent."

Intangible Recording Taxes: FY 2019-23 Forecast:

FY2019	FY2020	FY2021	FY2022	FY2023
\$5,332,389	\$5,332,957	\$5,439,616	\$5,548,408	\$5,659,376

The intangible recording tax is due and payable on each instrument securing one or more long-term notes at the rate of \$1.50 per each \$500 or fraction thereof of the face amount of all notes secured by

real property. The maximum tax on a single instrument is \$25,000. Examples include mortgages, deeds to secure debt bonds for title, or any other real estate security instrument that gives the lender a resource to be used if the principal obligation is not paid.

Real Estate Transfer Tax: FY 2019-23 Forecast:

FY2019	FY2020	FY2021	FY2022	FY2023
\$ 2,568,582	\$ 2,619,954	\$ 2,672,353	\$ 2,725,800	\$ 2,780,316

The real estate transfer tax is levied on the sale or transfer of real estate located in Atlanta. The tax is at the rate of \$1 for the first \$1,000 or fractional part of \$1,000 and at the rate of .10 cents for each additional \$100 or fractional part of \$100 on each deed, instrument, or other writing by which any lands, tenements, or other realty sold is granted, assigned, transferred, or otherwise conveyed to or vested in the purchaser(s). A transfer tax raises the price paid by real estate buyers and lowers the price received by real estate sellers. As a result, the overall level of real estate market activity is reduced. Ordinary property and sales taxes are paid by property owners and consumers. In contrast, only the buyers and sellers of real estate pay a transfer tax. For most arms' length transactions, the tax is based on the actual price or consideration agreed to by the parties.

These two revenue sources are impacted by trends in the housing market. According to the Selig Center Economic Outlook, "Existing single-family home prices peaked in the second quarter of 2007 and bottomed out in the second quarter of 2012. From peak to trough, the metro area's existing home prices declined by 27 percent, which exceeds the decline experienced by the nation. But, home prices have recovered relatively quickly in the Atlanta market." As of October-2017, Atlanta's home prices have exceeded their pre-recession peak levels. The S&P Case-Shiller Atlanta Home Price Index as of October 2017 is 140.01 as compared to 133.31 as of October 2016, which represents a 5.0% year-over-year increase. Over the Pre-Recession to Recovery horizon, the Atlanta Case-Shiller Index peaked at 136.47 in July 2007 while the Great Recession low was 82.54 in March 2012. The projected Real Estate Transfer and Intangible Recording Tax revenue growth is estimated at 2.0%.

Other Taxes: FY 2019-23 Forecast:

This category consists of Prior Year Property Taxes, Penalties & Interest, and Payments In Lieu of Taxes (PILOT). The projected Other Taxes revenue growth is estimated to remain relatively stable and reflects current collection trends.

FY2019	FY2020	FY2021	FY2022	FY2023
\$2,309,715	\$2,316,122	\$2,322,561	\$2,329,031	\$2,335,535

PUBLIC UTILITY, ALCOHOL BEVERAGE AND OTHER TAXES

This major revenue category consists of various revenue sources including current and prior year public utility taxes, motor vehicle & title ad valorem taxes, state railroad ad valorem tax, public utility franchise tax, insurance premium tax, alcohol beverage and by the drink taxes and interest & penalties.

Major Revenue Category	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Public Utility, Alcohol Beverage & Other Taxes	\$103,908,966	\$105,883,709	\$107,193,325	\$110,091,980	\$111,584,060

A summation of total revenues within this major category and a breakdown of some of the key revenue contributors within the category are as follows:

Public Utility Franchise Fee: FY 2019-23 Forecast:

FY2019	FY2020	FY2021	FY2022	FY2023
\$42,793,230	\$ 43,007,196	\$ 43,222,232	\$ 43,438,343	\$ 43,655,535

This category includes franchise fee assessments for electric, gas, cable and telecommunication companies. Georgia Power remits an annual payment in January of each year and the fee is based on 5% of gross receipts. The Telecommunications Act of 2008 (O.C.G.A. 46-5-1) invalidated existing municipal franchise agreements as of December 31, 2012 and streamlined the required compensation for a municipal authority from a percentage of gross receipts to a cap of 3% of actual local service revenues which reduced the City’s revenue stream in this category. Due to current population trends and utility rate increases, this revenue category has not been adversely impacted.

This revenue source correlates with Atlanta unemployment and real estate development trends and is projected to grow rather modestly over the five-year forecast horizon. The growth rate is minimal due to negotiated changes to the collection amounts for fiscal years 2018 to 2020. Under normal conditions, as unemployment declines and real estate development increases, the demand for public utility services increases which generates additional franchise revenue.

Alcohol Tax: FY 2019-23 Forecast:

FY2019	FY2020	FY2021	FY2022	FY2023
\$18,579,711	\$18,916,768	\$19,268,436	\$19,635,432	\$20,018,516

Alcohol taxes are levied on wholesale distributors at the rate of .22 cents per liter. A 3% tax-by-the-drink is also assessed on patrons of eating and drinking alcohol establishments within the City limits. The forecast horizon reflects an average 1.8% growth estimate for current year accounts, which is tied to trends in taxable sales from food and drinking establishments. Alcohol consumption has tended to be inelastic.

Insurance Premium Tax: FY 2019-23 Forecast:

FY2019	FY2020	FY2021	FY2022	FY2023
\$ 27,541,410	\$ 28,918,481	\$ 30,364,405	\$ 31,882,625	\$ 33,476,756

The insurance premium tax is levied to every insurance company domestic or foreign, operating within the State of Georgia. Each insurance company is assessed a tax at the rate of 2.25% on the gross direct premiums. The insurance premium tax is remitted to the Georgia Department of Insurance. The City’s share is based on the population of the City relative to all incorporated cities and the State population.

Other Taxes: FY 2019-23 Forecast:

FY2019	FY2020	FY2021	FY2022	FY2023
\$14,994,615	\$15,041,264	\$14,338,252	\$15,135,580	\$14,433,253

This category consists of various revenue sources including the motor vehicle tax, other public utility taxes, and title ad valorem taxes. The decrease in forecast for this category in FY2021 and FY2023 reflects revenues related to the state railroad ad valorem taxes which are dispersed in alternating years. Also, revenue from declines in the “birthday” motor vehicle tax is estimated from vehicles rolling off the phased out motor vehicle tax.

LOCAL OPTION SALES TAX (LOST)

Local option sales tax is a major revenue source for the City and is imposed on the purchase, sale, rental, storage, use, or consumption on tangible personal property and related services. Proceeds from this tax are collected by the Georgia Department of Revenue and disbursed to the county and municipalities based on a negotiated allocation between Fulton County and the cities within the county. The City of Atlanta’s share of the 1% LOST is 40.43%.

Major Revenue Category	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Local Option Sales Tax	\$105,392,343	\$105,919,305	\$106,448,901	\$106,981,146	\$107,516,051

FY 2019-23 Forecast:

Sales tax is one of the most economically sensitive governmental revenue sources with a close correlation to Atlanta retail sales activity, employment, and personal income levels. Sales tax revenue over the five-year period is projected at a stable 0.5% annually and has seen very little fluctuation over the last several years due to favorable employment and personal income statistics. The Selig report indicates, “We expect that job creation will total 68,900 by the end of this year (including 17,000 premium jobs), an increase of 3.1%, which is slightly lower than the 2016 growth rate of 3.4%. In 2018 we expect the addition of 51,900 new jobs (with 12,500 premium jobs).” Real personal income is projected to increase by an average annual rate of 3.5% over the five-year forecast horizon.

LICENSES AND PERMITS

This major revenue category consists of various revenue sources including alcohol, professional, insurance, and financial institution licenses, general business (occupation) license tax, various parking & building permits, and occupancy certificates.

Major Revenue Category	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Licenses and Permits	\$114,375,544	\$115,428,903	\$116,507,442	\$117,624,575	\$118,783,538

A summation of total revenues within this major category and a breakdown of some of the major revenue contributors within this category are as follows:

General Business/License Tax: FY 2019-23 Forecast:

FY2019	FY2020	FY2021	FY2022	FY2023
\$60,772,416	\$62,208,707	\$62,815,266	\$63,427,859	\$64,046,543

The general business/license tax also known as the occupational tax is levied on all entities conducting business in the City. The general business/license tax is computed on two separate criteria 1) estimated gross revenue and 2) number of employees. The estimated gross revenue amount filed in the prior year is adjusted by the actual gross amount when filing for the next year’s business/license tax. The general business/license tax is closely tied to corporate income and employment levels.

The forecast for current year general business/license tax revenue is based on average annual growth of 1.0% and is closely correlated with employment levels and consumer demand. The Selig report indicates that Non-Farm Employment is projected to grow by an average annual growth of 1.0% from 2019-2023. “Atlanta will be one of the fastest growing large MSAs in the nation, especially with respect to job growth. Business development, a revival of population growth – due to an upturn in domestic migration – and the housing recovery will strongly underpin Atlanta’s robust economic expansion. In 2018, new jobs will be plentiful, but the pace of job growth will slow slightly. The area’s economy and its growth are extremely diverse, which decreases the economic risk associated with living and doing business in Atlanta. The MSA’s politics are very business friendly. Atlanta is a major business and logistics hub.”

Building Permits: FY 2019-23 Forecast:

FY2019	FY2020	FY2021	FY2022	FY2023
\$31,486,387	\$30,820,318	\$30,974,419	\$31,129,292	\$31,284,937

Building Permits accounts for the collection of income and disbursement of funds associated with the operation of all building permitting activity. The Building Permits Fund which was established in November 2011 as an enterprise fund was closed in FY2017. The revenues from the Building Permits fund are now a part of the General Fund. Building Permit growth is projected to remain relatively constant over the forecast horizon. Based on the information provided by the GSU Economic Forecasting Center report dated November 2017, “Total permitting activity is expected to drop by 4.7% in 2017, as multifamily permits fall 34.4% while single-family permits grow a better 12.6%. In 2018, we expect a gain of only 0.5%, while in 2019 total housing permits are forecast to grow by a better 3.0%.

This revenue summation noted above contains the revenues from the various types of Building Permits and is comprised of building, occupancy certificates, plumbing, electrical, and hvac.

Other Licenses/Permits: FY 2019-23 Forecast:

FY2019	FY2020	FY2021	FY2022	FY2023
\$22,166,741	\$22,399,878	\$22,717,757	\$23,067,424	\$22,452,058

This category contains all remaining revenues in the License/Permits major revenue category except for business licenses. These revenue sources include alcohol related licenses and permits for Public Safety and Public Works (right-of-way, sidewalk closure, parking, and driveway aprons).

This projection is tied to residential and commercial development and reflects an average annual increase of 1.1% over the forecast horizon. Revenues within this category also correlate to infrastructure investments and the hospitality related sectors.

OTHER REVENUES

This major revenue category consists of various sources of miscellaneous revenue incurred citywide including investment income and revenue from the sale of city assets.

Major Revenue Category	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Other Revenues	\$7,332,494	\$7,335,748	\$7,339,005	\$7,342,265	\$7,345,529

FY 2019-23 Forecast:

The historical trends in these revenues within this category, reveal an abundance of volatility due to the non-recurring revenues typically held in this category. As a result, a conservative growth rate was used for the forecast over the five-year horizon.

CHARGES FOR CURRENT SERVICES

This major revenue category consists of various revenue sources including fees for police services, entertainment & film applications, towing, and registration and rezoning petitions.

Major Revenue Category	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Charges For Current Services	\$4,662,826	\$4,693,759	\$4,725,699	\$4,758,791	\$4,793,080

FY 2019-23 Forecast:

Revenues in this category are projected to have an average annual growth rate of 1.0%.

FINES, FORFEITURES AND PENALTIES

The Fines, Forfeitures and Penalties major revenue category is comprised primarily of traffic fines and forfeitures. Fines and forfeitures are administered through the City Municipal Court and the ATL Plus Atlanta contract guarantee. Case filing histories and trends are one of the key metrics in developing the City's annual budget forecast. Case statistics are captured monthly by the corresponding case types.

Major Revenue Category	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Fines/Forfeitures /Penalties	\$28,108,818	\$25,093,232	\$25,207,678	\$25,324,412	\$25,443,481

FY 2019-23 Forecast:

The FY 2019-2023 forecast reflects historical performance. Traffic citations, a major metric, is down. The FY 2019-2023 forecast also holds constant the current guaranteed revenue assumption from outsourced parking received through the contract with the current vendor ATL Plus which has been finalized.

BUILDING RENTALS AND CONCESSIONS

The Building rentals and concessions major revenue category consist of revenue received from cell towers, various parks and recreation rentals, and Corrections revenue from housing of federal inmates.

Major Revenue Category	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Building Rentals & Concessions	\$13,990,662	\$13,092,726	\$13,163,709	\$13,236,112	\$13,309,963

FY 2019-23 Forecast:

Revenue from this category is heavily dependent on the availability of City of Atlanta property lease space, commercial development lease space and pricing. This revenue has also been impacted greatly by the Federal Administration’s aggressive stance on illegal immigration. The Jones Lang LaSalle (JLL) most recent quarterly report states, “Direct asking rents continued to increase at a steady clip. Overall rates have now increased for 16 of the last 17 quarters, growing more than 23 percent over this time. After passing \$30 per square foot for the first time earlier this year, urban Class A rates have not slowed down, ending the year at \$31.55 per square foot, increasing 11.0 percent from 2016.”

Class A buildings are typically large buildings built after 1991, with full amenity packages. Class B buildings are generally older buildings that have been renovated and/or have more limited amenity packages.

INDIRECT COST RECOVERY

The City allocates a portion of general services costs such as purchasing, accounting, budgeting, personnel administration, and certain other indirect costs based on allocation methodology determined by an independent cost allocation plan.

Major Revenue Category	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Indirect Cost Recovery	\$32,643,573	\$33,331,000	\$33,760,000	\$34,285,000	\$34,737,000

FY 2019-23 Forecast:

The anticipation is based on the City’s cost allocation plan.

HOTEL/MOTEL TAX

The hotel/motel tax is shared between the City, Atlanta Conventions & Visitors Bureau, Georgia World Congress, and the Mercedes Benz Stadium project. The total below represents the City’s allocated share of the hotel/motel tax which is 24.99%, with the remaining 75.01% distributed by the City to the aforementioned entities. This tax is collected on the 20th day of every month by the City. The Hotel Motel Tax rate is 8% on rent for occupancy of a guestroom in a hotel in the City.

Major Revenue Category	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Hotel/Motel Tax	\$17,541,183	\$17,716,595	\$17,893,761	\$18,072,698	\$18,253,425

FY 2019-23 Forecast:

CBRE Consulting / Hospitality Research (CBRE-HR) is the industry leader in hospitality research econometrics. Its data is one of the primary resources used in developing the City’s hotel/motel forecast. CBRE manages an extensive database of hotel property income statements and sale prices. Occupancy Rates, Average Daily Room Rates, and Rev-Par Index (defined as Revenue Per Available Room) are all key metrics used in developing the forecast. The CBRE Hotels most recent quarterly report states, “Looking towards 2018, Atlanta RevPAR is expected to grow 2.5%. This is less than the

rate of growth in 2017. Prospects for RevPAR growth in the lower-priced segment (positive 3.1%) are better than in the upper-priced segment (positive 2.0%). Atlanta market occupancy levels are expected to range from 68.3% to 69.9% during the 5-year forecast period.”

PILOT AND FRANCHISE FEES (WATERSHED)

This major revenue category consists of Watershed Pilot and franchise fee revenues derived from a 5% franchise fee levied on gross water and sewer revenues on all active accounts and a city mill rate levied on Department of Watershed real property.

Major Revenue Category	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Pilot & Franchise Fees	\$19,983,046	\$20,082,961	\$20,183,376	\$20,284,293	\$20,385,714

FY 2019-23 Forecast:

This forecast is based on historical trends in revenues received from a Department of Watershed computation derived from the gross revenue and capital assets of the Department of Watershed Management.

OVERALL GENERAL FUND FORECAST

Revenue Category	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
General Fund	\$653,696,104	\$658,409,933	\$666,411,647	\$676,229,817	\$684,704,880

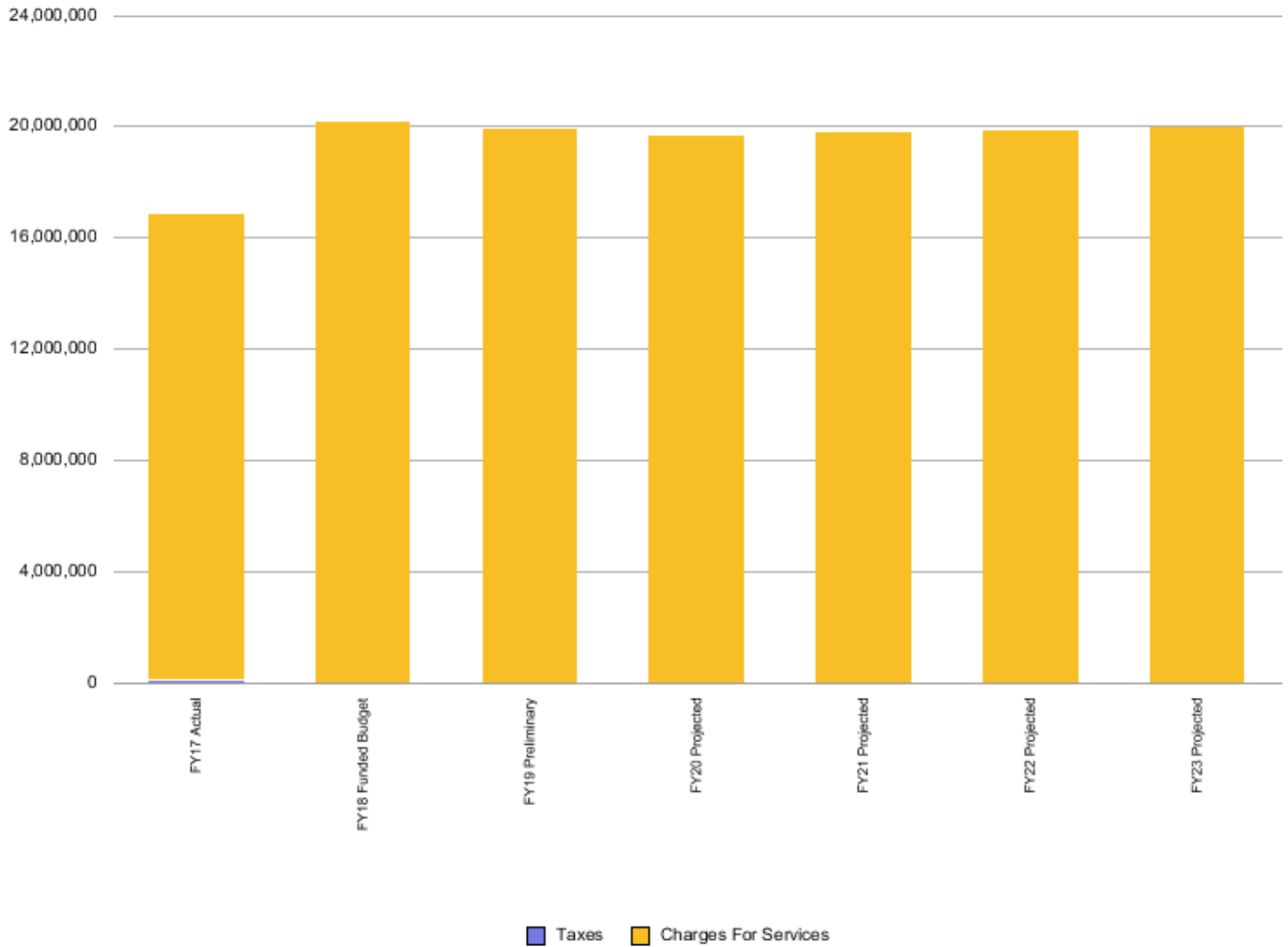
The improving local economy as indicated by the Atlanta Gross Metro Product forecast of 2.0% and a 65% increase in the S&P Case-Shiller Index over the pre-recession horizon, all support an anticipated General Fund Revenue average annual growth rate of 1.0% over the five-year forecast horizon.

The Fiscal Year 2019-23 General Fund revenue forecast assumes 2.0% new construction property tax digest growth and rollback of the current millage rate of 8.84 mills. The MuniCast financial model and the Selig Center economic report have enabled the City team to better understand, and respond to the underlying economic drivers of City revenues.

PROJECTED REVENUE BY MAJOR CATEGORY

Emergency Telephone System

	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20 Projected	FY21 Projected	FY22 Projected	FY23 Projected
Taxes	99,250	-	-	-	-	-	-
Charges For Services	16,804,924	20,233,845	19,986,175	19,710,874	19,808,874	19,899,314	20,002,257
Revenues	\$16,904,174	\$20,233,845	\$19,986,175	\$19,710,874	\$19,808,874	\$19,899,314	\$20,002,257



EMERGENCY TELEPHONE SYSTEM FUND

The E-911 Fund supports the E-911 call center operation.

Major Revenue Category	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
E-911 Revenue	\$19,986,175	\$19,710,874	\$19,808,874	\$19,899,314	\$20,002,257

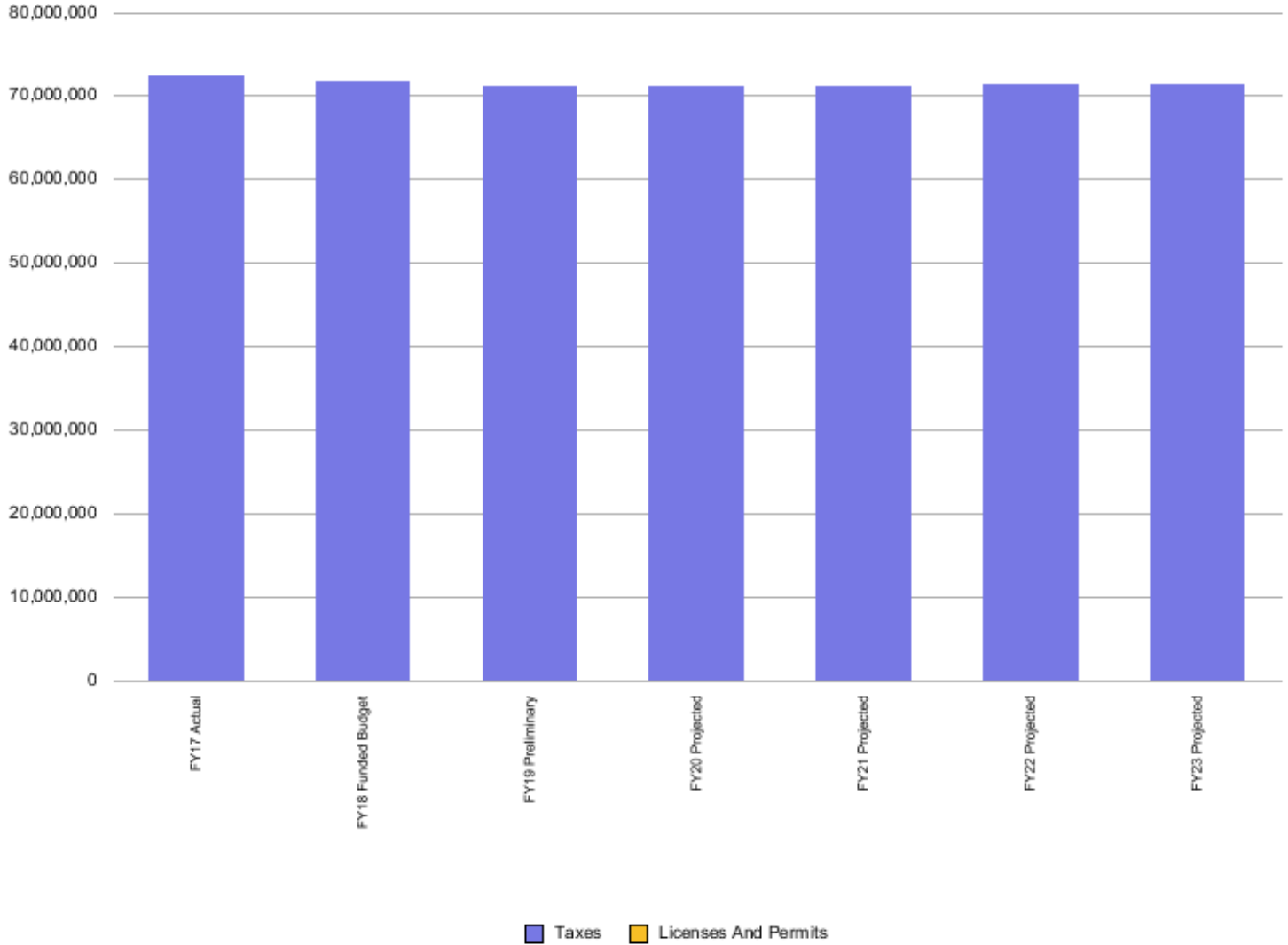
FY 2019-23 Forecast:

In the past, this fund has operated in a deficit position annually due to insufficient landline and wireless fees to cover operating expenses. The City's E-911 revenue forecast correlates to per capita and telecommunication subscriber trends. In May of 2017 the City approved an increase to the Public Safety Access Assessment from \$26 for residential to \$34 and from \$307 for commercial to \$397 to cover increases in operating expenses.

PROJECTED REVENUE BY MAJOR CATEGORY

Hotel/Motel Tax Fund

	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20 Projected	FY21 Projected	FY22 Projected	FY23 Projected
Taxes	72,583,037	71,867,980	71,219,067	71,290,286	71,361,576	71,432,938	71,504,371
Licenses And Permits	25	-	-	-	-	-	-
Revenues	\$72,583,062	\$71,867,980	\$71,219,067	\$71,290,286	\$71,361,576	\$71,432,938	\$71,504,371



HOTEL/MOTEL TAX FUND

The Hotel/Motel Tax Fund revenue is derived from an 8% rate on rent for occupancy of a guestroom in a hotel in the City. The tax is shared between the City, Atlanta Conventions & Visitors Bureau, Georgia World Congress Center, and the Mercedes Benz Stadium project. The City’s allocated share of the hotel/motel tax is 24.99%, with the remaining 75.01% distributed by the City to the aforementioned parties.

Major Revenue Category	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Hotel/Motel Tax	\$ 71,219,067	\$ 71,290,286	\$ 71,361,576	\$ 71,432,938	\$ 71,504,371

FY 2019-23 Forecast:

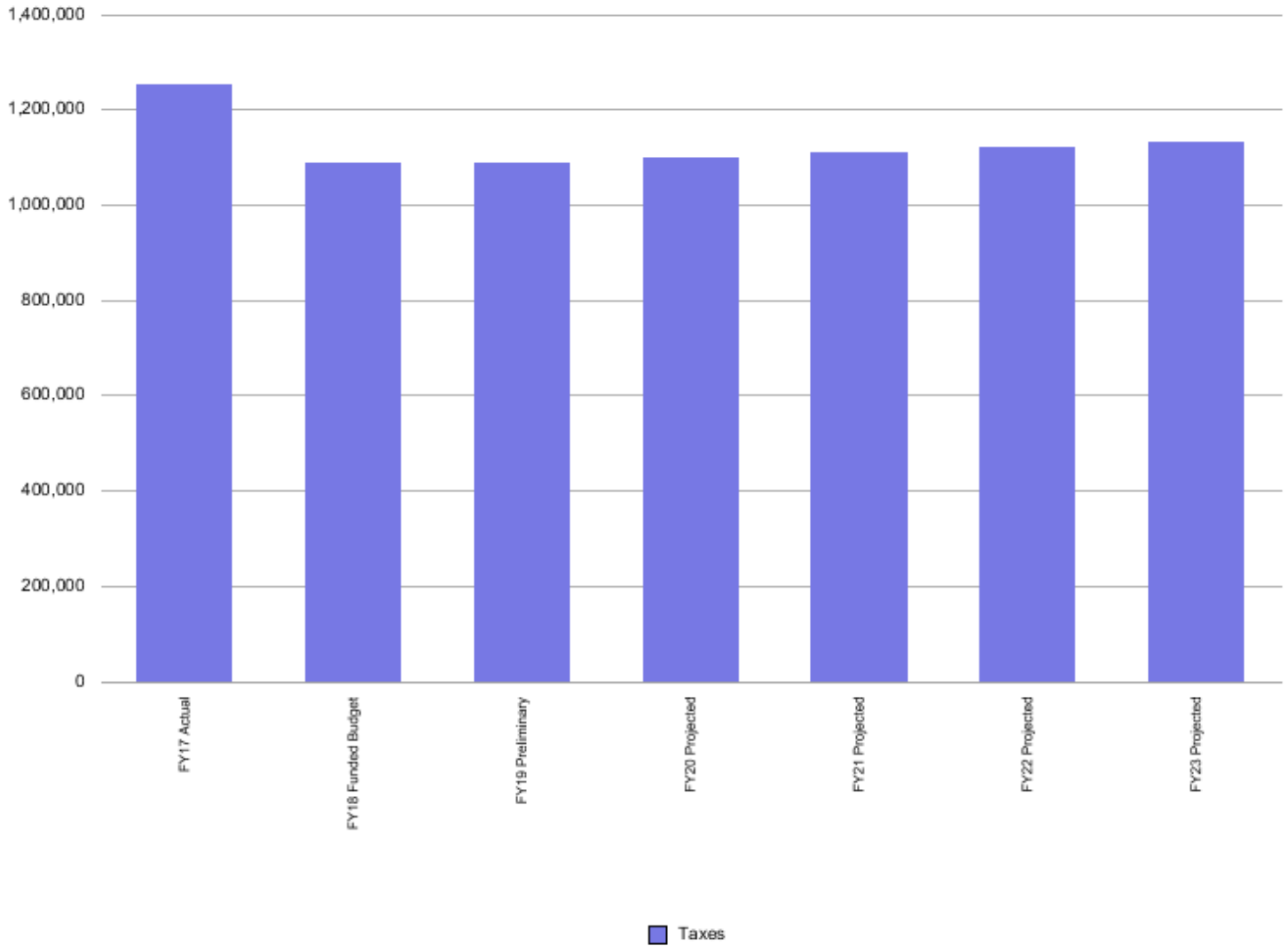
CBRE Consulting/Hospitality Research (CBRE-HR) is the industry leader in hospitality research econometrics. Its data is one of the primary resources used in developing the City’s hotel/motel forecast. CBRE manages an extensive database of hotel property income statements and sale prices. Occupancy Rates, Average Daily Room Rates, and Rev-Par Index (defined as Revenue Per Available Room) are all key metrics used in developing the forecast. The CBRE Hotels most recent quarterly report states, “Looking towards 2018, Atlanta RevPAR is expected to grow 2.5%. This is less than the rate of growth in 2017. Prospects for RevPAR growth in the lower-priced segment (positive 3.1%) are better than in the upper-priced segment (positive 2.0%). Atlanta market occupancy levels are expected to range from 68.3% to 69.9% during the 5-year forecast period.”

Note: In November 2011, the Hotel Motel Tax rate increased from 7% to 8%.

PROJECTED REVENUE BY MAJOR CATEGORY

Rental/Motor Vehicle Tax Fund

	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20 Projected	FY21 Projected	FY22 Projected	FY23 Projected
Taxes	1,253,762	1,092,076	1,092,076	1,102,997	1,114,027	1,125,167	1,136,419
Revenues	\$1,253,762	\$1,092,076	\$1,092,076	\$1,102,997	\$1,114,027	\$1,125,167	\$1,136,419



RENTAL/MOTOR VEHICLE TAX FUND

The Rental/Motor Vehicle Fund contains revenue from transactions associated with a 3% excise tax levied on Car Rental Facilities within the City corporate limits. This Fund operates as a pass through fund with all of the revenues remitted to a Bank Trustee for debt service payments pursuant to the trust indenture.

Major Revenue Category	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Rental/Motor Vehicle Tax	\$1,092,076	\$1,102,997	\$1,114,027	\$1,125,167	\$1,136,419

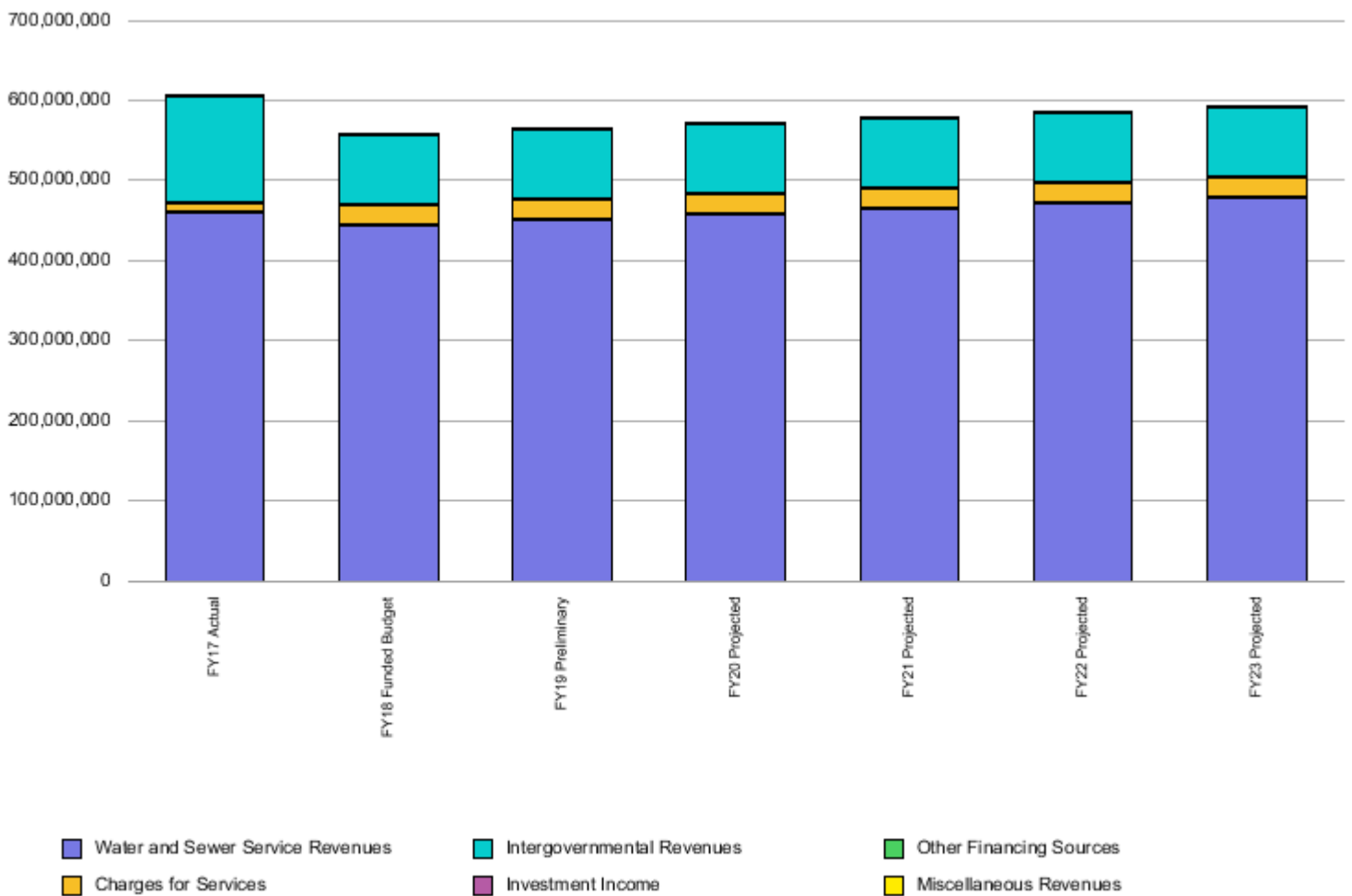
FY 2019-23 Forecast:

The Car Rental Tax Fund revenues correlate with travel and tourism activity. The Atlanta hospitality industry forecast indicates sustained visitor activity, which has been factored into the forecast trend for the fund.

PROJECTED REVENUE BY MAJOR CATEGORY

Water & Wastewater Revenue Fund

	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20 Projected	FY21 Projected	FY22 Projected	FY23 Projected
Water and Sewer Service Revenues	460,663,986	445,450,217	452,131,970	458,913,950	465,797,659	472,784,624	479,876,393
Charges for Services	12,641,169	24,129,600	24,179,354	24,229,261	24,279,324	24,329,541	24,372,406
Intergovernmental Revenues	131,709,603	87,500,000	87,500,000	87,500,000	87,500,000	87,500,000	87,500,000
Investment Income	668,228	455,000	455,000	455,000	455,000	455,000	455,000
Other Financing Sources	2,598,342	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
Miscellaneous Revenues	72,519	120,000	120,000	120,000	120,000	120,000	120,000
Total	\$608,353,848	\$560,154,817	\$566,886,324	\$573,718,211	\$580,651,983	\$587,689,165	\$594,823,799



WATER AND WASTEWATER FUND

The Water and Wastewater Fund was established to account for all transactions associated with the operation, development, and maintenance of the City's expansive water and wastewater infrastructure system. The system is financed by user charges for water and wastewater services and the Municipal Option Sales Tax.

WATER AND SEWER SERVICE REVENUE

This category includes Water and Wastewater Service Charges. Projected revenue of \$452.1M for FY2019 is \$6.6M higher than the FY2018 Budget of \$445.5M, but in line with projected actuals. The increase is due primarily to an expected increase in anticipated customer consumption and increase in number of active accounts. The Department does not plan to increase its water and sewer rates in FY 2019.

Major Revenue Category	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Water and Sewer Service Revenue	\$452,131,970	\$458,913,950	\$465,797,659	\$472,784,624	\$479,876,393

CHARGES FOR SERVICES

This category includes Inter-jurisdictional revenue, industrial waste, inspections and reviews, as well as other selected revenue accounts. The FY2019 projection of \$24.2M is in line with the FY2018 Budget of \$24.1M.

Major Revenue Category	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Charges for Services	\$24,179,354	\$24,229,261	\$24,279,324	\$24,329,541	\$24,372,406

INTERGOVERNMENTAL REVENUES

The FY2019 anticipated revenues from the Municipal Option Sales Tax are \$125M, which is consistent with the amount anticipated in FY2018. For FY18 \$87.5M of the total will be allocated in the Water and Wastewater Revenue Fund and \$37.5M in the Water & Wastewater Renewal & Extension Fund.

The Municipal Option Sales Tax (MOST) was established under authorizing legislation by the State and was initially placed in effect for a four-year term beginning on October 1, 2004. In March 2008, March 2012, and March 2016, City of Atlanta voters elected to renew the MOST for an additional four-year term.

Major Revenue Category	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Intergovernmental Revenue	\$87,500,000	\$87,500,000	\$87,500,000	\$87,500,000	\$87,500,000

INVESTMENT INCOME

This category is for interest earned as a result of the Department's Fund equity in the Cash Pool. The Department does earn interest on its Fund 5051 equity in the Investment in Cash Pool and as a result of the Cash Pool MOU.

Major Revenue Category	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Investment Income	\$455,000	\$455,000	\$455,000	\$455,000	\$455,000

OTHER FINANCING SOURCES

This category includes the administrative fee charged to Fulton County for collecting the County's sewer payments. Per Article IX Section 9.0 of the agreement, the County agrees to pay the City a monthly fee calculated at 8% of the total County monthly collections. The FY2019 fee of \$2.5M is in line with the FY2018 amount.

Major Revenue Category	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Other Financing Sources	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000

MISCELLANEOUS REVENUES

This category includes revenue for recoveries of prior year delinquent accounts/arrearages and fees for land rentals. The Department based its estimate on revenues generated in prior fiscal years.

Major Revenue Category	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Miscellaneous Revenue	\$120,000	\$120,000	\$120,000	\$120,000	\$120,000

OVERALL WATER & WASTEWATER REVENUE FUND FORECAST

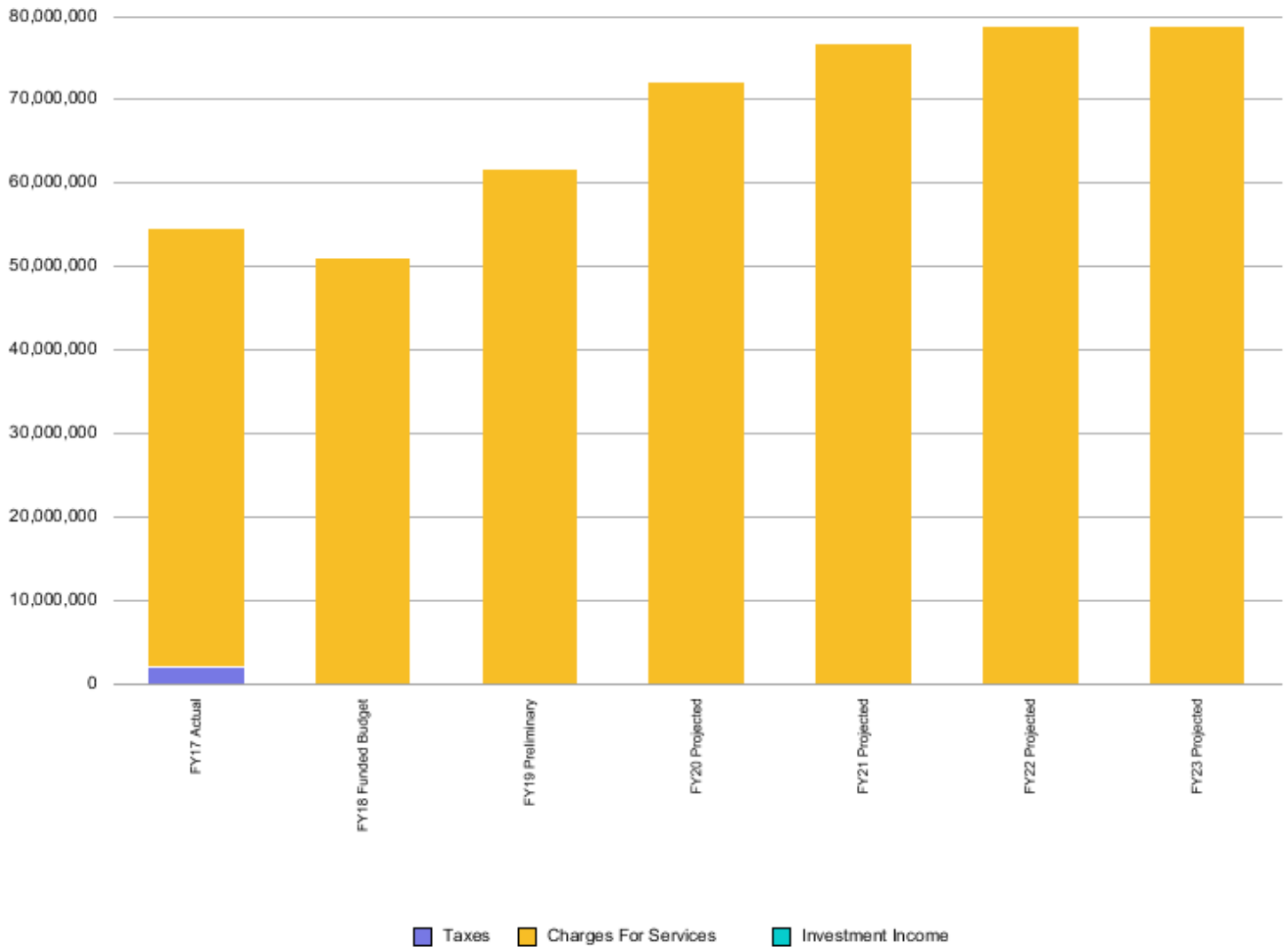
Major Revenue Category	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Water & Wastewater Revenue Fund	\$566,886,324	\$573,718,211	\$580,651,983	\$587,689,165	\$594,823,799

The Department of Watershed Management has implemented a department wide reorganization, which has streamlined operations and aligned similar functions. The departmental reorganization was executed with an overall goal of reducing operations and maintenance expenses.

PROJECTED REVENUE BY MAJOR CATEGORY

Solid Waste Services Revenue Fund

	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20 Projected	FY21 Projected	FY22 Projected	FY23 Projected
Taxes	1,876,868	-	-	-	-	-	-
Charges For Services	52,822,121	51,066,125	61,717,571	72,174,221	76,649,581	78,887,262	78,887,263
Investment Income	(145,596)	63,992	-	-	-	-	-
Revenues	\$54,553,392	\$51,130,117	\$61,717,571	\$72,174,221	\$76,649,581	\$78,887,262	\$78,887,263



SOLID WASTE SERVICES REVENUE FUND

The Solid Waste Services Revenue Fund supports the operation of sanitary services activities, including collection and disposal of solid waste, recycling, yard waste and bulk rubbish, street sweeping, de-littering, debris removal, right-of-way-cutting, dead animal removal, education and enforcement. It also includes land post-closure management and city-wide emergency response operations. Revenue is generated from user fees or charges for the aforementioned services.

Major Revenue Category	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Solid Waste Services Revenue	\$61,717,570	\$72,174,221	\$76,649,581	\$78,887,262	\$78,887,262

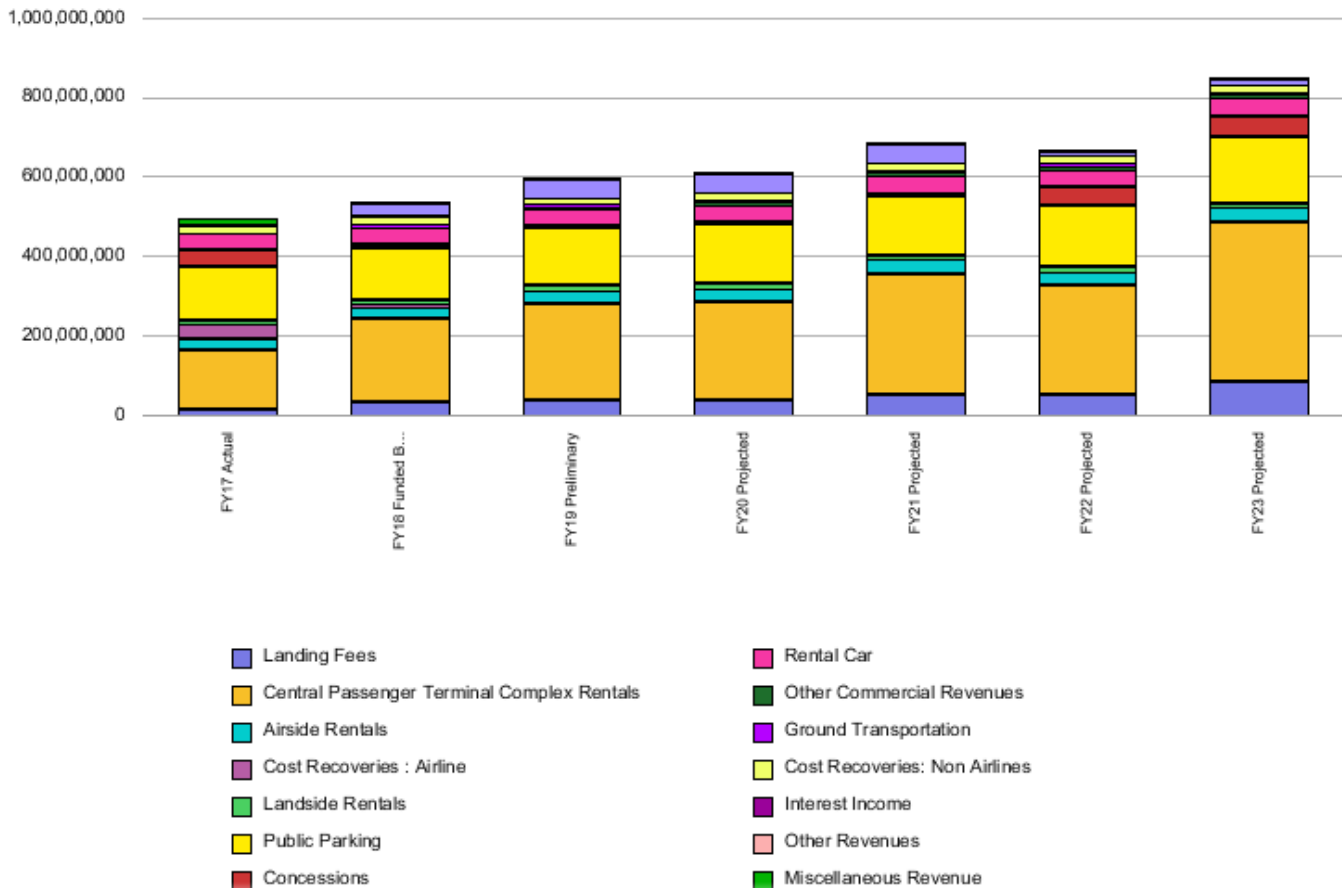
FY 2019-23 Forecast:

Solid Waste Fund revenues are primarily comprised of user fees to cover the cost of operations. A 12.5% fee increase is projected for each year FY19-21 to fund equipment purchases.

PROJECTED REVENUE BY MAJOR CATEGORY

Airport Revenue Fund

	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20 Projected	FY21 Projected	FY22 Projected	FY23 Projected
Aeronautical Revenues							
Landing Fees	17,219,858	35,790,739	40,366,809	41,474,572	54,828,918	54,529,445	88,346,511
Central Passenger Terminal Complex Rentals	148,546,045	208,474,800	242,390,560	244,485,507	303,165,376	273,134,903	399,509,343
Airside Rentals	30,266,849	29,100,640	33,796,880	34,431,702	34,680,962	35,301,976	35,544,719
Cost Recoveries : Airline	37,890,011	10,178,610	-	-	-	-	-
Sup-Total Aeronautical Revenues	233,922,763	283,544,789	316,554,249	320,391,781	392,675,256	362,966,324	523,400,573
Non-Aeronautical Revenues							
Landside Rentals	9,236,020	9,452,128	11,805,914	11,946,120	11,982,538	12,169,503	12,217,703
Public Parking	131,895,218	127,646,543	144,438,749	148,838,024	148,125,261	152,967,497	165,895,294
Concessions	104,054,094	116,818,004	124,701,634	130,342,780	136,211,712	142,317,020	148,667,603
Concession Credits	-61,167,043	-103,188,971	-120,243,649	-124,592,902	-129,103,157	-93,983,203	-97,430,836
Rental Car	40,358,962	40,580,777	41,476,652	42,341,064	43,218,061	44,107,804	45,929,037
Other Commercial Revenues	1,280,000	1,280,000	8,567,981	8,658,768	8,752,761	8,850,072	8,950,815
Ground Transportation	2,281,094	8,811,713	6,342,494	6,723,000	7,166,870	7,679,137	7,763,313
Cost Recoveries: Non Airlines	15,401,479	15,140,000	15,600,381	16,250,518	16,925,622	17,626,607	18,354,418
Interest Income	-59,221	-	559,777	559,777	559,777	559,777	559,777
Other Revenues	6,884,176	8,367,492	-	-	-	-	-
Miscellaneous Revenue	13,327,065	-	-	-	-	-	-
Sup-Total Non-Aeronautical Revenues	263,491,844	224,907,686	233,249,933	241,067,149	243,839,445	292,294,214	310,907,124
Revenues	497,414,607	508,452,475	549,804,182	561,458,930	636,514,701	655,260,538	834,307,697



AVIATION REVENUE FUND REVENUE SUMMARY

The Department of Aviation was established to operate and maintain Hartsfield-Jackson Atlanta International Airport (ATL). Its mission is to provide the Atlanta region a safe, secure and cost-competitive gateway to the world that drives economic development and operates with the highest level of customer service and efficiency, while exercising fiscal and environmental responsibility. The Department classifies its revenues into two general categories: Aeronautical and Non-Aeronautical.

Aeronautical

LANDING FEES

The Department of Aviation collects landing fees from signatory and non-signatory carriers. These fees are intended to recover the cost of operating and maintaining the airfield; including all capital improvement projects, debt service and debt service coverage. The FY18 landing fee for signatory airlines at ATL is \$0.7466 per 1,000 pounds of landed weight and \$0.773 for non-signatory carriers.

Major Revenue Category	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Landing Fees	\$40,366,809	\$41,474,572	\$54,828,918	\$54,529,445	\$88,346,511

FY19-23 Forecast:

Landing Fees are expected to increase in FY19, primarily due to the full impact of our newly implemented Airlines Use and Lease Agreement (AULA); which became effective the second quarter of FY18 and the projected increase in passenger growth of 1.14%.

CENTRAL PASSENGER TERMINAL COMPLEX (CPTC) RENTALS

The Department of Aviation charges each of its airline tenants rent for space occupied within the Central Passenger Terminal Complex (CPTC). These rents are intended to recover cost associated with the safety and security of the facilities, capital cost associated with the construction and upgrade of the CPTC's, as well as the debt service requirement and coverage.

Major Revenue Category	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
CPTC Rentals	\$242,390,560	\$244,485,507	\$303,165,376	\$273,134,903	\$399,509,343

FY19-23 Forecast:

These rents are expected to increase in FY19, primarily due to the full impact of our newly implemented AULA; which became effective the second quarter of FY18. The anticipated issuance of General Airport Revenue Bonds (GARB) in FY19 will also have an impact on these revenues.

AIRSIDE RENTALS

Airside rentals are rental revenue collected for space occupied by the Airport's numerous airline and airline-support tenants.

Major Revenue Category	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Airside Rentals	\$33,796,880	\$34,431,702	\$34,680,962	\$35,301,976	\$35,544,719

FY19-23 Forecast:

Minimal growth is expected from this revenue stream. Several leases will be escalated by 3% in FY19. In FY20, new appraisals will be obtained and the rates will be recalculated.

Non-Aeronautical

LANDSIDE RENTALS

Landside rentals are revenues collected for space occupied in any of the Airport's off-airfield or landside properties.

Major Revenue Category	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Landside Rentals	\$11,805,914	\$11,946,120	\$11,982,538	\$12,169,503	\$12,217,703

FY19-23 Forecast:

The current projections reflect no substantive growth. The base rent for some leases will experience standard escalations based on the lease agreement; however, this will have minimal impact on revenues.

PUBLIC PARKING

These are revenues generated from the Airport's parking facilities. The Airport provides various parking options including covered, park and ride at both the international and domestic terminals. A third party vendor is responsible for the day-to-day management of these facilities.

Major Revenue Category	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Public Parking	\$144,438,749	\$148,838,024	\$148,125,261	\$152,967,497	\$165,895,294

FY19-23 Forecast:

Parking will increase in FY19 due to a rate increase, effective August 2017. However, a decrease in revenue is expected in FY20, due to certain ongoing construction projects that will impact parking capacity. Efforts will be made to maximize the use of available capacity, and mitigate the impact of any potential loss..

INSIDE CONCESSIONS

These revenues are collected from the Airport's various food & beverage, retail, service, duty-free, and advertising outlets.

Major Revenue Category	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Inside Concessions	\$124,701,634	\$130,342,780	\$136,211,712	\$142,317,020	\$148,667,603

FY19-23 Forecast:

Inside concessions revenue will continue to increase over the next five years. The projected increase in enplanements and concessionaires' gross revenues will have a positive impact on concessions revenues.

AIRLINE CREDITS

Seventy percent of all concessions revenues is shared with the contracting airlines and \$0.60 per enplaned passengers. Additionally, the Airport's portion of certain operational costs are reflected in this account

Major Revenue Category	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Inside Concessions Cr.	(120,243,649)	(\$124,592,902)	(\$129,103,157)	(\$93,983,203)	(\$97,430,836)

FY19-23 Forecast:

This credit will reflect changes in direct correlation to Inside Concessions and Enplaned Passengers. As these increase, so will the airline credits.

RENTAL CAR

The Airport maintains a consolidated rental car center (RCC) which houses 12 rental car companies and 8,700 parking spaces. Each of the rental car companies pays the Department of Aviation 10% of annual gross sales in return for occupying RCC space. The rental car companies are subject to a Minimum Annual Guarantee (MAG), and they reimburse the Airport for utilities.

Major Revenue Category	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Rental Car	\$41,476,652	\$42,341,064	\$43,218,061	\$44,107,804	\$45,929,037

FY19-23 Forecast: The Airport is anticipating some growth due to a projected increase in originating/destination passengers. Although, the origination and destination metric is a main driver for this revenue, Transportation Network Companies (TNC) is having an effect on this revenue stream.

OTHER COMMERCIAL REVENUES

Included in this category are distributed antennae fees collected from our cell phone providers, fees for security badges and security violations, revenue generated from our EMS services and non-recurring revenues.

Major Revenue Category	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Other Commercial Revenues	\$8,567,981	\$8,656,768	\$8,752,761	\$8,850,072	\$8,950,815

FY19-23 Forecast:

This category is expected to increase slightly. We will continue to recover the operating and maintenance cost from the cell phone providers. Charges for Breach of Rule Notice (BORN) are expected to increase slightly now that all employees are screened.

GROUND TRANSPORTATION

This category captures revenues related to the Airport's numerous off-airport parking shuttles, limousine services, hotel shuttle services, Transportation Network Companies (TNC) and other ground transportation venues.

Major Revenue Category	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Ground Transportation	\$6,342,494	\$6,723,000	\$7,166,870	\$7,679,137	\$7,763,313

FY19-23 Forecast:

Without increases in the rates, the revenues collected from ground transportation services will increase substantially due to new agreements entered into with several TNC's.

COST RECOVERIES: NON-AIRLINE

Included in this category are reimbursements received from rental car companies and the Customer Facility Charge Fund for operation and maintenance costs of the RCC. This facility opened in December of 2009. These payments are set such that the Department is reimbursed for 100% of its RCC operating and maintenance expenses.

Major Revenue Category	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Cost Recoveries: Non-Airline	\$15,600,381	\$16,250,518	\$16,925,622	\$17,626,607	\$18,354,418

FY19-23 Forecast:

We continue to experience an increase in utilities, especially water and sewer, which is provided by the City of College Park. In addition, the facilities are now several years old and in need of periodic maintenance. These increases in cost translate to additional revenue since utilities and the maintenance are 100% reimbursable. Also, there will be some security improvement projects commencing in FY19; most of this cost will be recoverable as well.

INVESTMENT INCOME

This category is for interest earned on the Department's Fund equity in the Cash Pool. The Department does earn interest on its Fund 5501 equity in the Investment in Cash Pool as a result of the Cash Pool MOU.

Major Revenue Category	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Investment Income	\$559,777	\$559,777	\$559,777	\$559,777	\$599,777

OVERALL AVIATION REVENUE FUND FORECAST

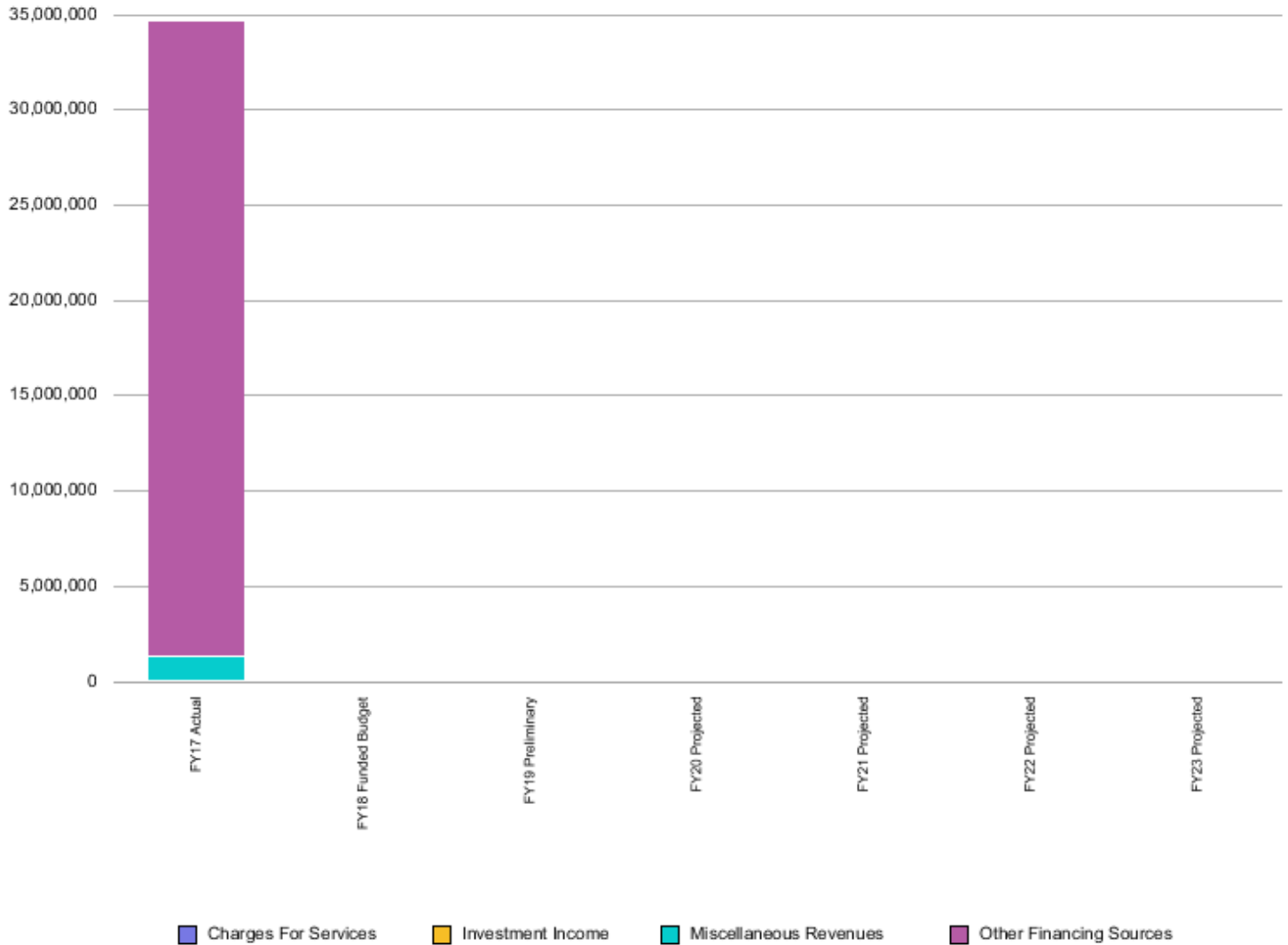
Revenue Category	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Aviation Operating Revenue Fund	\$549,804,182	\$561,458,930	\$636,514,701	\$655,260,538	\$834,307,697

Aviation revenues are projected to increase primarily due to airline tenant rentals, inside concessions, car rentals, and ground transportation.

PROJECTED REVENUE BY MAJOR CATEGORY

Underground Atl Facil Revenue Fund

	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20 Projected	FY21 Projected	FY22 Projected	FY23 Projected
Charges For Services	-	-	0	0	0	0	0
Investment Income	53,876	-	-	-	-	-	-
Miscellaneous Revenues	1,281,021	-	-	-	-	-	-
Other Financing Sources	33,324,814	-	-	-	-	-	-
Revenues	\$34,659,711	-	\$0	\$0	\$0	\$0	\$0



UNDERGROUND ATLANTA FUND

The Underground Atlanta Fund was established in 1989 to account for transactions associated with the public operations of the Underground Atlanta facilities and parking decks. This fund is supported by parking and lease revenues.

Major Revenue Category	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Underground Atlanta Fees	\$0	\$0	\$0	\$0	\$0

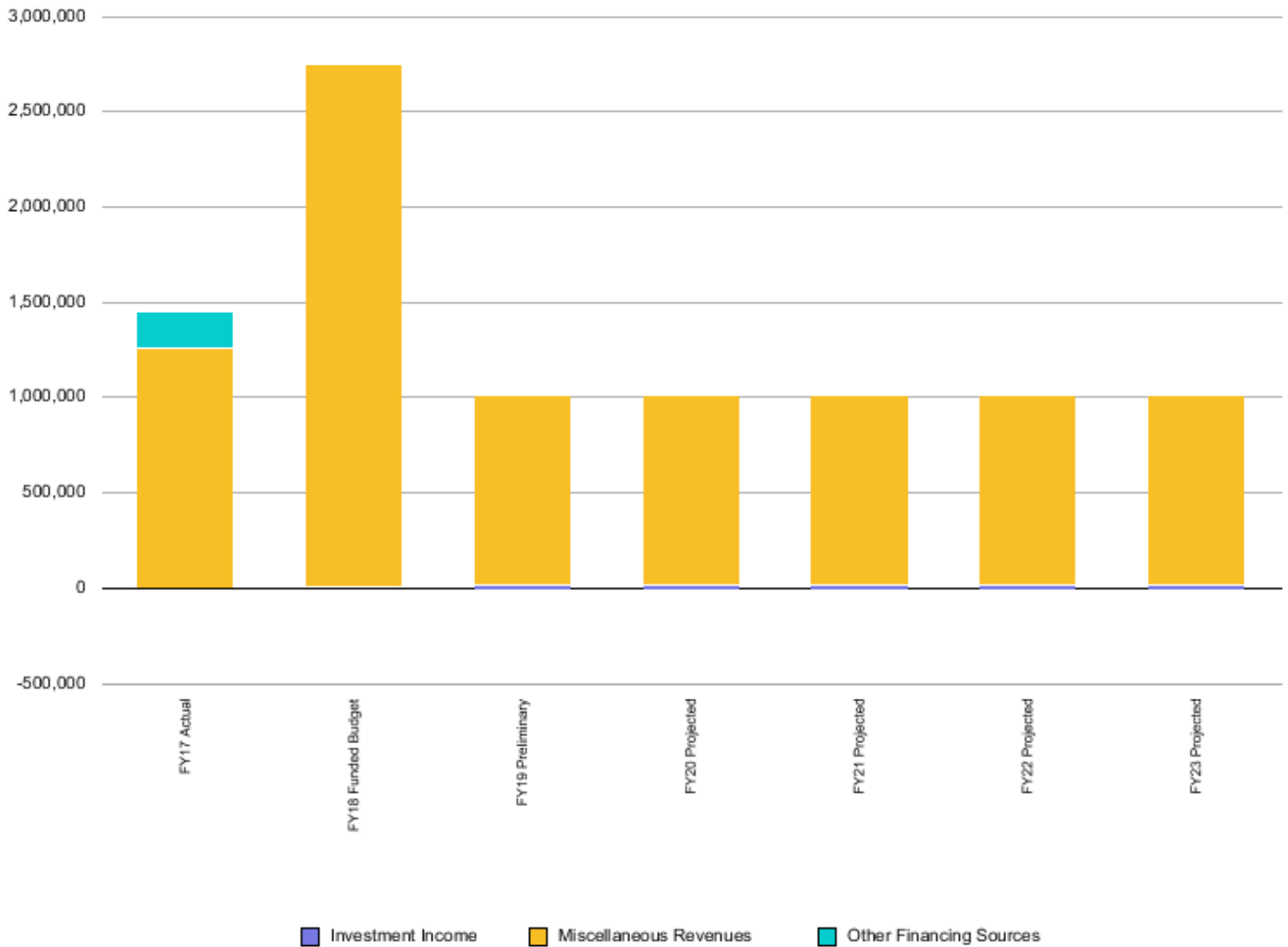
FY 2019-23 Forecast:

The Underground Atlanta was sold in Fiscal Year 2017.

PROJECTED REVENUE BY MAJOR CATEGORY

City Plaza Operating Fund

	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20 Projected	FY21 Projected	FY22 Projected	FY23 Projected
Investment Income	(2,867)	2,694	15,600	15,600	15,600	15,600	15,600
Miscellaneous Revenues	1,260,000	2,743,905	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Other Financing Sources	195,475	-	-	-	-	-	-
Revenues	\$1,452,608	\$2,746,599	\$1,015,600	\$1,015,600	\$1,015,600	\$1,015,600	\$1,015,600



CITY PLAZA OPERATING FUND

The City Plaza Operating Fund was established to track the revenues, expenses and bond proceeds incurred from the operation of the City Plaza Project. A portion of the bond proceeds will be used to reimburse the City for the acquisition costs of the City Plaza Project. Revenues for the fund are derived from rents from residents, tenants, and parking fees.

Major Revenue Category	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
City Plaza Operating Fund	\$ 1,015,600	\$ 1,015,600	\$ 1,015,600	\$ 1,015,600	\$ 1,015,600

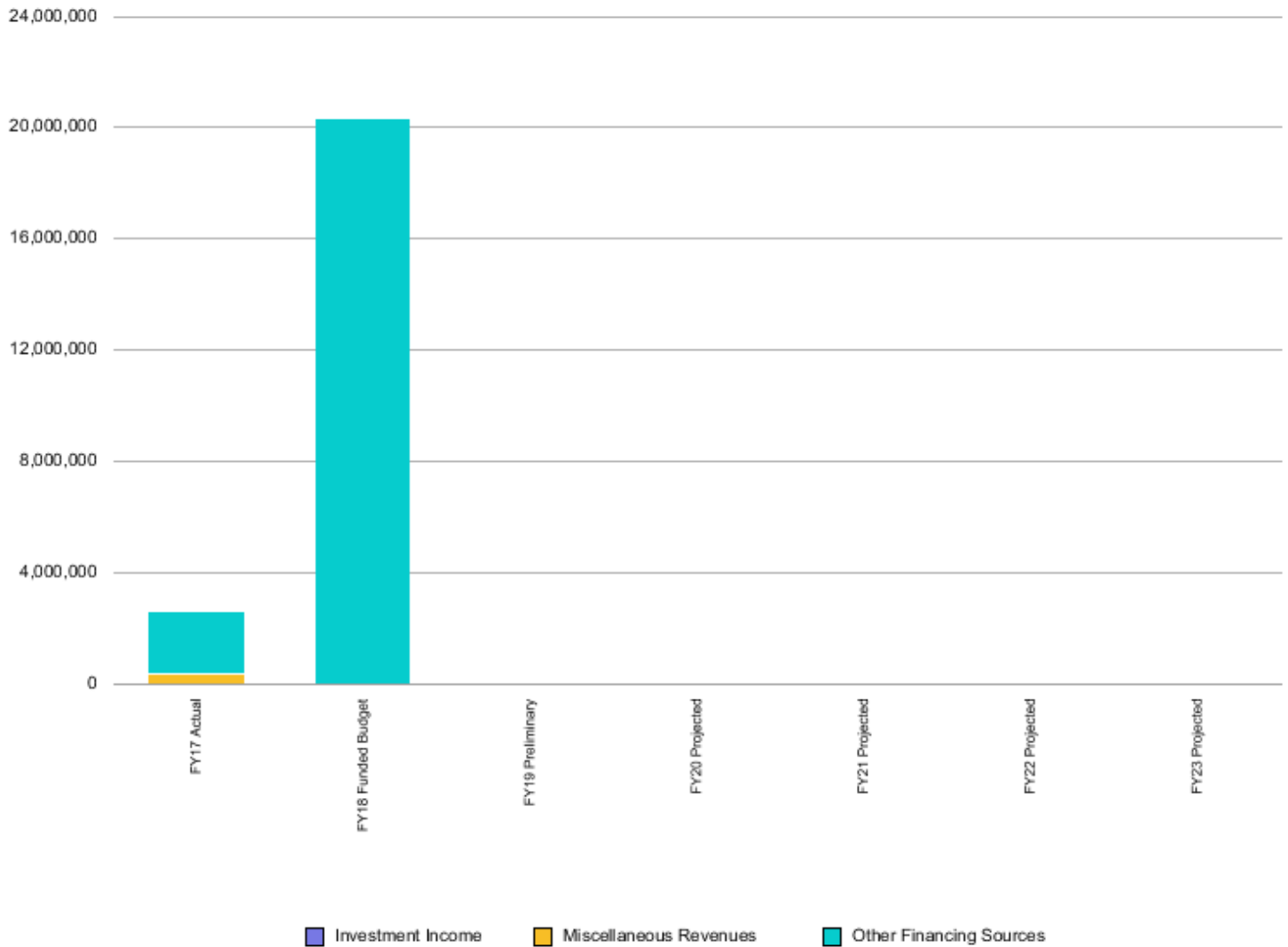
FY 2019-23 Forecast:

The City Plaza Operating Fund income forecast is primarily based on historical rents from residents, tenants, and parking fees.

PROJECTED REVENUE BY MAJOR CATEGORY

Civic Center Revenue Fund

	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20 Projected	FY21 Projected	FY22 Projected	FY23 Projected
Investment Income	663	-	-	-	-	-	-
Miscellaneous Revenues	343,733	-	-	-	-	-	-
Other Financing Sources	2,225,103	20,339,319	-	-	-	-	-
Revenues	\$2,569,498	\$20,339,319	-	-	-	-	-



ATLANTA CIVIC CENTER FUND

The Civic Center Fund accounts for the collection of income associated with the operation of the Boisfeuillet Jones Atlanta Civic Center. These funds are derived from income generated primarily from ticket sales (surcharges), building and land rentals.

Major Revenue Category	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Civic Center Fees	\$0	\$0	\$0	\$0	\$0

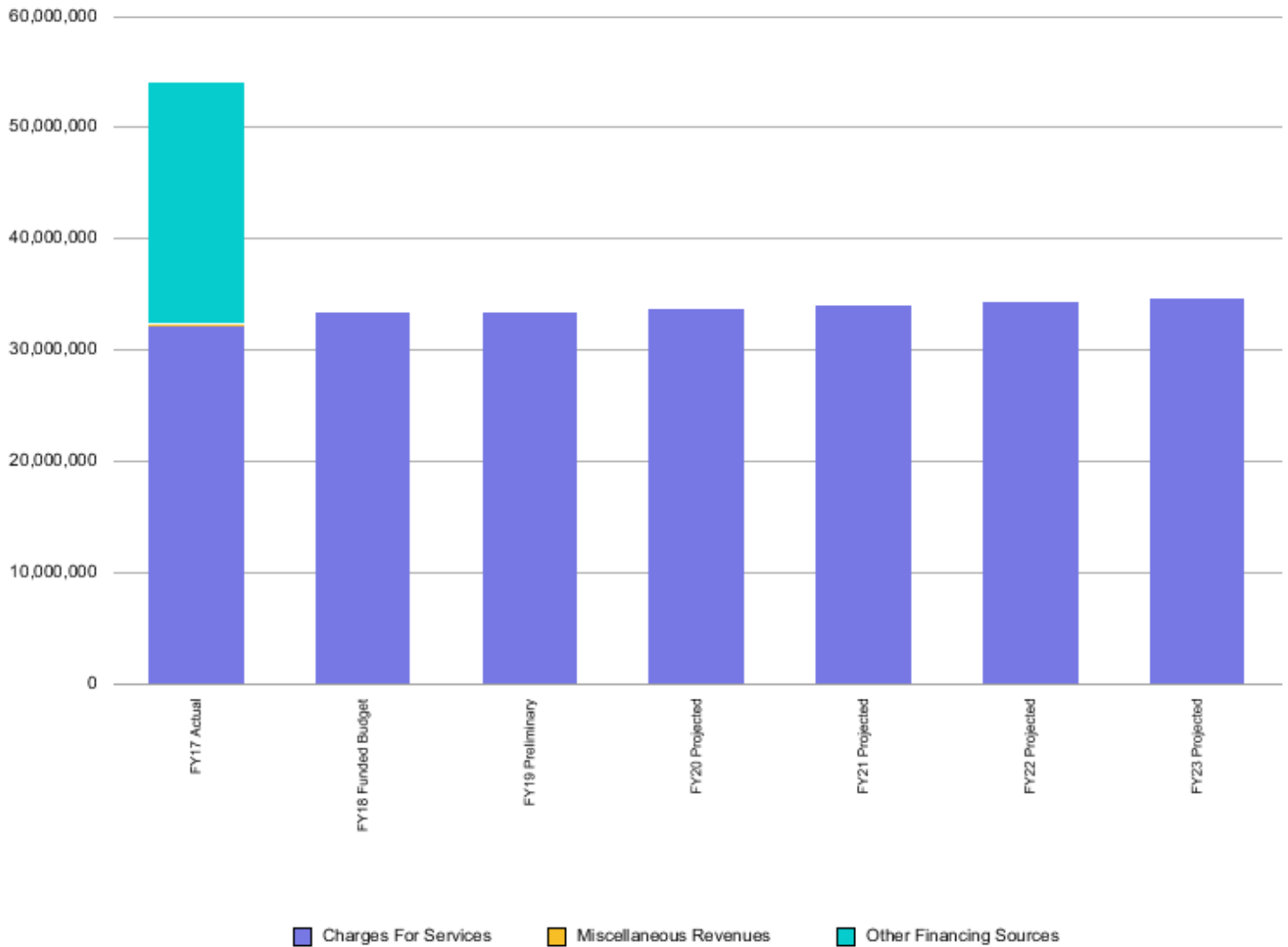
FY 2019-23 Forecast:

The Civic Center was sold in Fiscal Year 2018.

PROJECTED REVENUE BY MAJOR CATEGORY

Fleet Service Fund

	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20 Projected	FY21 Projected	FY22 Projected	FY23 Projected
Charges For Services	32,123,454	33,400,588	33,400,588	33,734,594	34,071,940	34,412,660	34,756,786
Miscellaneous Revenues	247,645	-	-	-	-	-	-
Other Financing Sources	21,800,000	-	-	-	-	-	-
Revenues	\$54,171,099	\$33,400,588	\$33,400,588	\$33,734,594	\$34,071,940	\$34,412,660	\$34,756,786



FLEET SERVICES FUND

The Fleet Services Fund was established for accounting for the operations and maintenance of the City of Atlanta's fleet of vehicles and motorized equipment. The Fleet Services Fund supports fuel and maintenance services to City departments.

Major Revenue Category	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Fleet Services Revenue	\$33,400,588	\$33,734,594	\$34,071,940	\$34,412,660	\$34,756,786

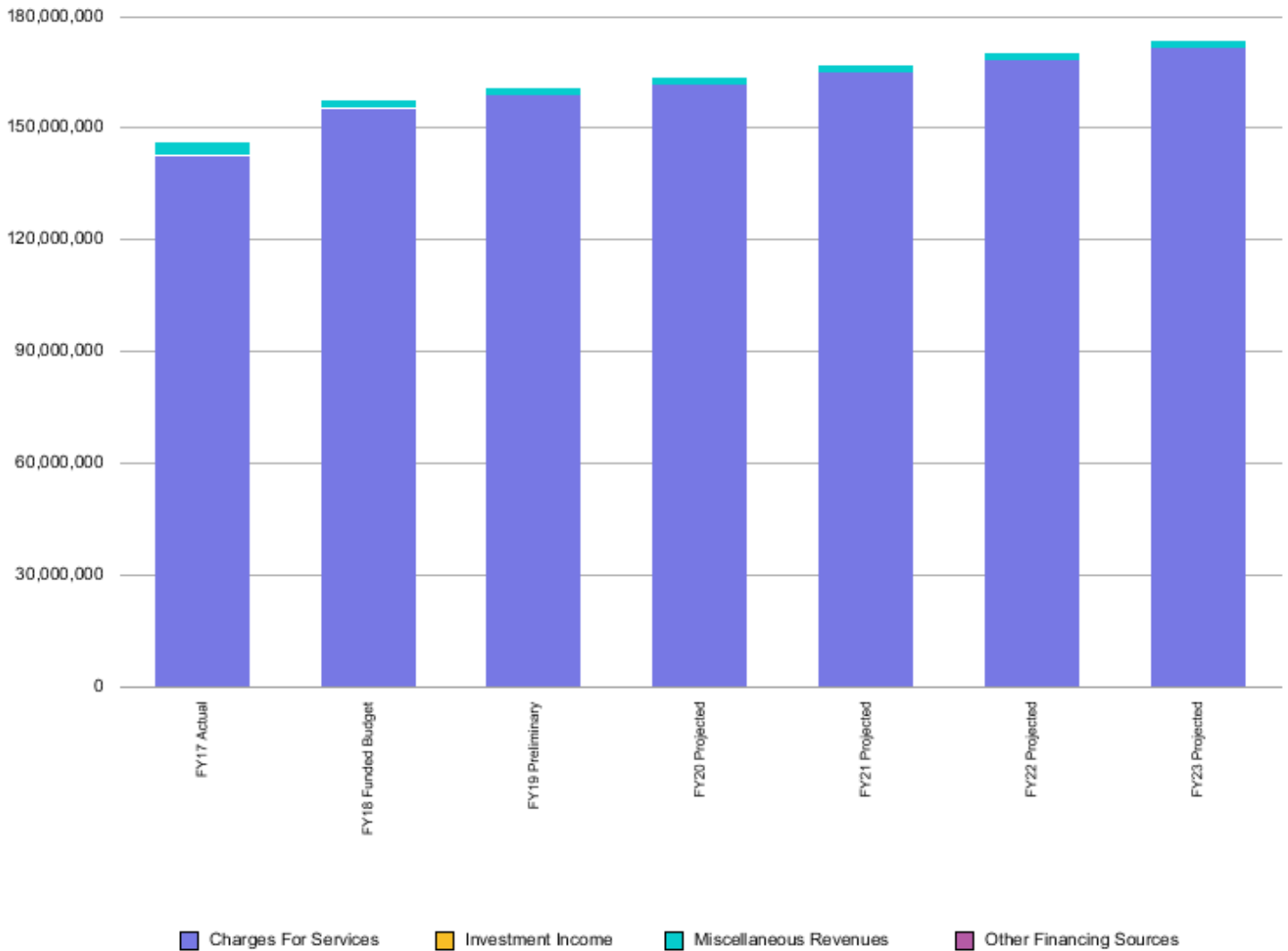
FY 2019-23 Forecast:

The Fleet Services Fund source of income is derived from charge-back recovery to the participating City departments. The forecast is stable which coincides with the projected trend in expenditures.

PROJECTED REVENUE BY MAJOR CATEGORY

Group Insurance Fund

	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20 Projected	FY21 Projected	FY22 Projected	FY23 Projected
Charges For Services	142,676,331	155,523,428	158,868,981	161,927,563	165,108,489	168,416,653	171,857,142
Investment Income	(20,009)	51,584	51,583	51,583	51,583	51,583	51,583
Miscellaneous Revenues	3,524,513	1,908,705	1,908,705	1,908,705	1,908,705	1,908,705	1,908,705
Other Financing Sources	-	36,302	36,302	36,302	36,302	36,302	36,302
Revenues	\$146,180,835	\$157,520,019	\$160,865,571	\$163,924,153	\$167,105,079	\$170,413,243	\$173,853,732



GROUP INSURANCE FUND

The Group Insurance Fund was established to provide quality affordable and accessible health care benefits in the most cost efficient manner while maintaining financial accountability for our stakeholders. This fund covers a fully insured HMO, self-funded POS, and Medicare Advantage plans for employees, retirees and dependents. In addition, the Affordable Care Act tax is also paid from this fund. The fund's revenue valuation is also driven by rate increases and actual utilization.

Major Revenue Category	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Group Insurance	\$160,865,571	\$163,924,153	\$167,105,079	\$170,413,243	\$173,853,732

FY 2019-23 Forecast:

The Group Insurance Fund source of income is derived from city contributions of 70 percent of overall healthcare cost, as well as employee payroll deductions and retiree pension contributions.

EXPENDITURE
OVERVIEW AND
PROJECTIONS

EXPENDITURE AND FORECAST SUMMARY
FUND AND DEPARTMENTAL PROJECTIONS

FIVE YEAR PLAN



EXPENDITURE ASSUMPTIONS AND FORECAST

As mandated in Ordinance 09-0-1406, expenditures in the five-year plan become the current services budget, which then serves as the baseline for the subsequent years. This year five-year plan reflects the preliminary budget for fiscal year 2019. The Preliminary budget for FY2019 is based on the adopted fiscal year 2018 budget and considers inflation, critical needs, and legislative mandates.

Listed below are the five year plan assumptions. All rates will be revisited during FY2019 budget development after receiving more up-to-date information. It is important to note that the five year plan funds current service levels based on FY2018 actual expenses through December and budget for the months of January to June.

- In an effort to comply with the **healthcare** law (Affordable Care Act) that provides an opportunity for millions of uninsured Americans to gain access to medical coverage, the City of Atlanta continues to play its part in this historic event. As a result, the City’s contribution increased citywide from the FY2018 Adopted budget amount of \$66.4M to \$70.5M, and increases by 1% each year thereafter. This increase will provide healthcare coverage for those who were not previously covered.
- Citywide, the **pension** rates were adjusted for all Defined Benefit Plans to account for the Actuarially Determined Contribution (ADC).

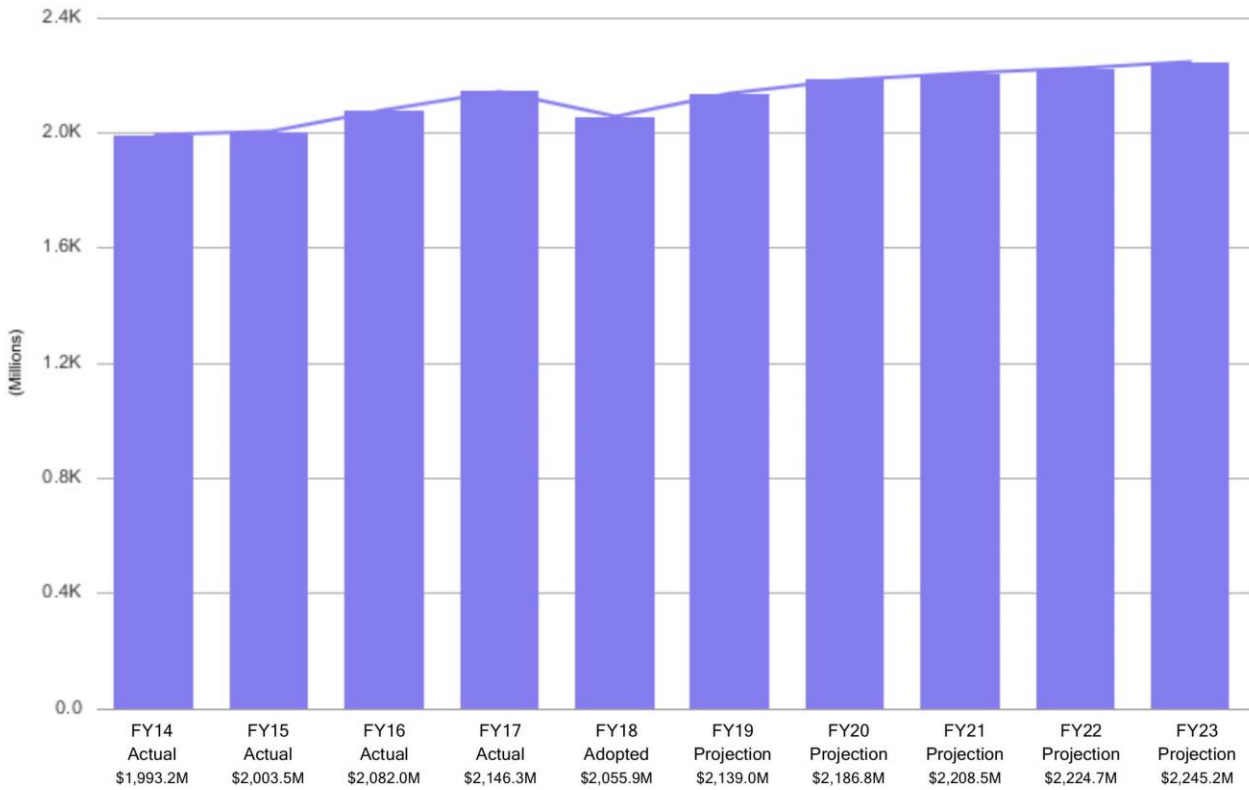
Plan	FY17 ADC	FY18 ADC	FY19 ADC	YOY INCR
Defined Benefit (General)	\$63.8M	\$57.9M	\$55.2M	-\$2.7M
Defined Benefit (Police)	\$27.4M	\$34.2M	\$35.1M	\$0.9M
Defined Benefit (Fire)	\$17.8M	\$22.0M	\$22.4M	\$0.4M
Total	\$109.0M	\$114.1M	\$112.7M	-\$1.4M

- Citywide, the **workers’ compensation** requirement is projected to increase in FY2019. The City will continue its effort in safety programs and other citywide initiatives, and monitor the impact on the number of projected workers’ compensation claims.
- Citywide, **utilities** (natural gas and electricity) are projected to increase by 8% and 10% respectively for FY2019 based on the total FY2017 utilization. Natural gas will increase 2.2% for FY2020 to FY2023 and electricity will increase 2.2% for FY2020 to FY2023. Traffic signals and street lights budgets are projected to increase by 25% in FY2019 and to increase 2.2% for FY2020 to FY2023.
- FY2019, **Water and Sewer** budget is projected to increase by 2% and to increase 2.2% for FY2020 to FY2023.
- **Fuel and maintenance** projections are based on FY2017 utilization. The FY2019 projection for fuel increased by 3%; maintenance increased by 10%. There is a projected increase of 2.2% for both fuel and maintenance for fiscal years 2020 to 2023. The Department will continue to work to determine how it can gain efficiencies through fleet replacement and quantity reductions.

TOTAL OPERATING FUNDS EXPENDITURE PROJECTION

The chart below is a depiction of the total operating budget, which includes the assumptions previously listed. The five year plan includes funding to address the City’s infrastructure, living wage increases, and debt service related to various citywide projects.

TOTAL EXPENDITURE PROJECTION GRAPH Operating

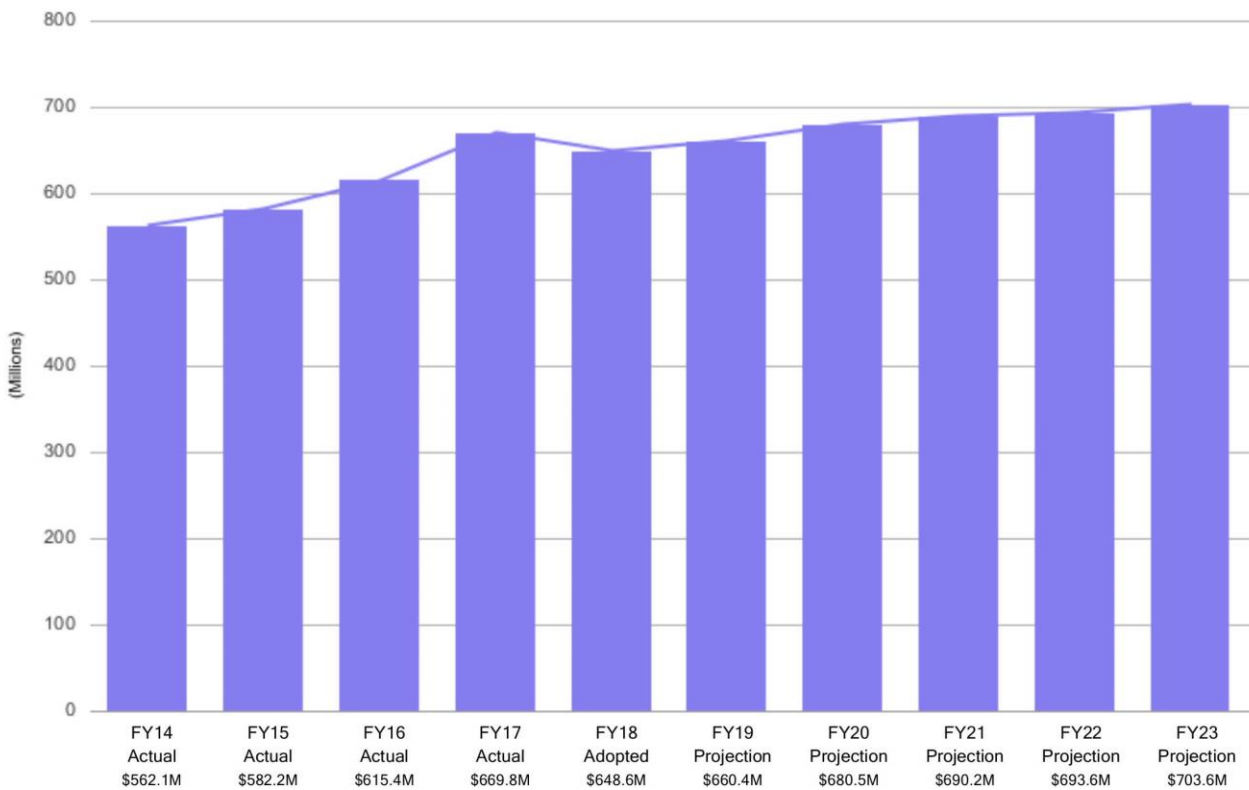


TOTAL GENERAL FUND EXPENDITURE PROJECTION

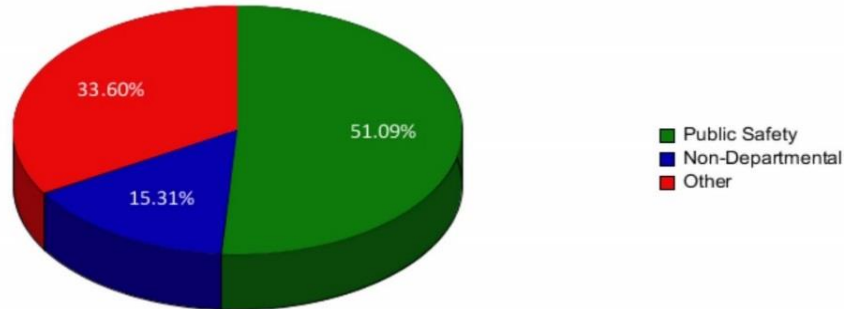
The purpose of budgeting for a reserve was to build the General Fund balance to at least \$100MM and resolve the capital fund deficit. While the goal of the general fund reserve target has been surpassed, (as of June 30, 2017, the general fund balance totaled \$200MM), efforts remain to address the capital fund deficit. The Capital Finance Fund was established to centralize all governmental capital purchases. An example of capital purchases would include vehicles for Public Safety, Public Works, and Parks & Recreation, as well as funding for the Citywide Oracle R12 upgrade.

The Five Year Plan also includes payments for the living wage increase to \$15/hr. Other items in the FY2019 Five Year Plan include support for Invest Atlanta, an increased budget for Other Post-Employment Benefits (OPEB), and the Affordable Care Act.

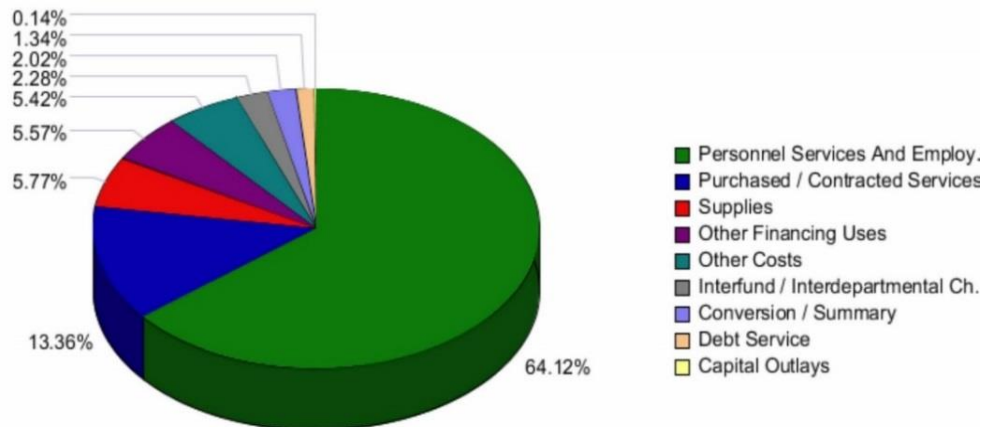
TOTAL EXPENDITURE PROJECTION GRAPH
General Fund



**GENERAL FUND FY2019 BASELINE EXPENDITURE PROJECTION
BY MAJOR DEPARTMENTAL CATEGORY**



Sixty-six percent or 66.40% of the general fund costs are attributable to Public Safety and Non-Departmental, which includes debt service and other required obligations that must be funded irrespective of the number of staff employed. All other activities of City government such as public works, parks, code enforcement, planning, technology, and the support departments are funded with the remaining 33.60%.



Sixty-four percent or 64.12% of the general fund budget is comprised of Personnel expenses, of which Police Services is 40% and Fire & Rescue Services is 18% of the total. In addition to salaries, a large portion of the personnel expenses is health insurance as well as the **Defined Benefit pension plan** and other benefits paid by the City on behalf of the employees. The Defined Benefit pension plan was overhauled during the FY2012 budget adoption for general, sworn police and firefighter employees to address the growing pension crisis that had impacted the City's fiscal stability.

FUND AND DEPARTMENTAL PROJECTIONS

Although the Five Year Plan requires five-year projections for the general fund only, fund-wide projections have been included for the following operating funds:

GENERAL FUND

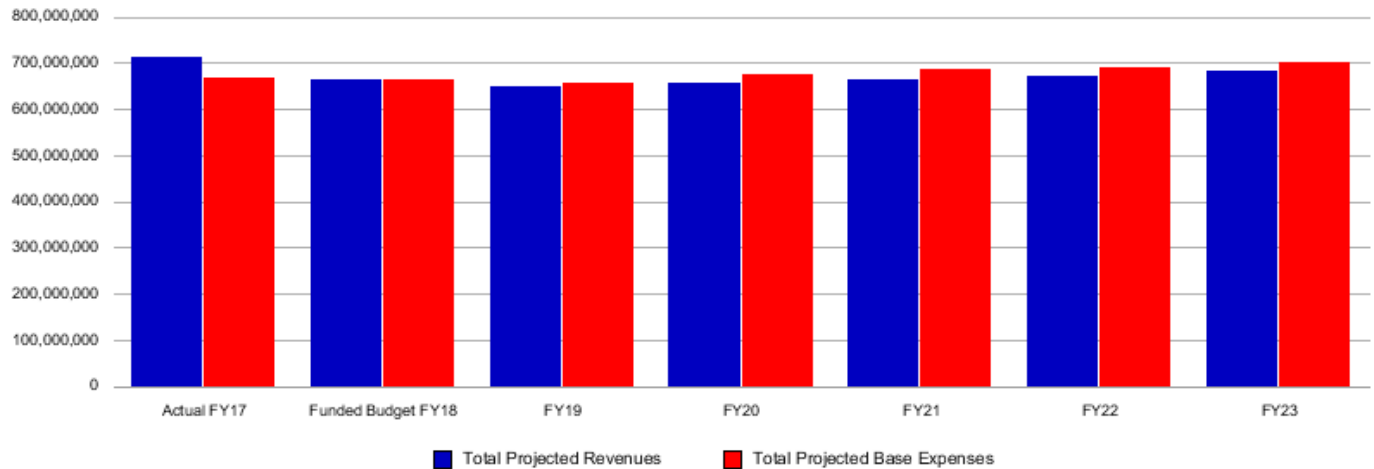
- City Council
- Executive Offices
- Atlanta Information Management
- Law
- Corrections
- Finance
- Procurement
- Public Works
- Parks, Recreation & Cultural Affairs
- Judicial – Municipal Court Operations
- Non-Departmental
- Human Resources
- Fire & Rescue
- Police Services
- City Planning
- Judicial – Solicitor
- Board Officers – Ethics Officer
- Board Officers - Atlanta Citizens Review Board Director
- Board Officers – Internal Auditor
- Judicial – Public Defender

ENTERPRISE AND OTHER FUNDS

Emergency 911 Fund
Hotel/Motel Tax Fund
Rental/Motor Vehicle Tax Fund (Car Rental)
Water & Wastewater Fund
Solid Waste Fund
Aviation Revenue Fund
City Plaza Fund
Fleet Services Fund
Group Insurance Fund
Civic Center Fund – Sold FY2018
Underground Atlanta Fund – Sold FY2017

General Fund - Five Year Plan - Baseline by Major Account Group

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



	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total Plan Years
	Actual	Funded Budget	Preliminary					
Property Taxes	\$198,105,145	\$201,920,375	\$205,756,649	\$209,831,995	\$213,988,751	\$218,228,545	\$222,553,039	\$1,070,358,979
All Other Revenues	\$518,638,650	\$464,038,561	\$447,939,455	\$448,577,938	\$452,422,896	\$458,001,272	\$462,151,841	\$2,269,093,401
Total Projected Revenues	\$716,743,795	\$665,958,936	\$653,696,104	\$658,409,933	\$666,411,647	\$676,229,817	\$684,704,880	\$3,339,452,380
Baseline Expenses								
Personnel Services And Employee Benefits	\$403,923,757	\$406,248,078	\$423,444,326	\$427,728,692	\$431,123,219	\$435,418,685	\$439,643,026	\$2,157,357,947
Purchased / Contracted Services	\$118,973,106	\$106,825,173	\$68,596,970	\$66,372,086	\$70,808,574	\$71,944,609	\$73,148,134	\$350,870,373
Supplies	\$43,426,947	\$38,076,997	\$38,083,572	\$41,808,519	\$42,333,068	\$42,857,616	\$43,382,165	\$208,464,940
Capital Outlays	\$1,785,769	\$1,309,230	\$928,155	\$948,574	\$969,443	\$990,771	\$1,012,568	\$4,849,511
Interfund / Interdepartmental Charges	\$14,998,628	\$15,056,408	\$15,056,402	\$18,196,984	\$19,533,460	\$20,869,936	\$22,206,411	\$95,863,194
Other Costs	\$36,109,426	\$44,952,733	\$35,788,005	\$35,829,267	\$35,871,355	\$35,914,284	\$35,958,071	\$179,360,982
Debt Service	\$11,301,472	\$18,726,764	\$8,826,876	\$8,873,308	\$4,828,990	\$2,239,392	\$2,283,571	\$27,052,137
Conversion / Summary	-	\$11,935,567	\$13,342,403	\$16,463,979	\$16,618,267	\$16,828,103	\$17,045,281	\$80,298,033
Other Financing Uses	\$39,291,204	\$22,827,986	\$36,757,119	\$36,113,220	\$35,350,528	\$36,030,127	\$38,074,443	\$182,325,439
Expenses	\$669,810,310	\$665,958,936	\$640,823,829	\$652,334,630	\$657,436,904	\$663,093,523	\$672,753,671	\$3,286,442,558
Incremental Expenses								
Personnel Services And Employee Benefits	-	-	\$0	\$3,166,330	\$5,097,157	\$5,203,600	\$5,312,271	\$18,779,358
Other Costs	-	-	\$0	-	\$2,500,000	-	-	\$2,500,000
Total Incremental Expenses	-	-	\$0	\$3,166,330	\$7,597,157	\$5,203,600	\$5,312,271	\$21,279,358
Initiative Expenses								
Living Wage	-	-	\$0	\$1,294,527	\$1,304,047	\$1,313,565	\$1,323,083	\$5,235,222
Total Initiative Expenses	-	-	\$0	\$1,294,527	\$1,304,047	\$1,313,565	\$1,323,083	\$5,235,222
Capital Expenses								
Capital Impact	-	-	\$19,610,883	\$23,049,571	\$23,265,573	\$23,559,344	\$23,863,393	\$113,348,764
Total Capital Impact Expenses	-	-	\$19,610,883	\$23,049,571	\$23,265,573	\$23,559,344	\$23,863,393	\$113,348,764
Total Projected Base Expenses	\$669,810,310	\$665,958,936	\$660,434,712	\$679,845,058	\$689,603,681	\$693,170,032	\$703,252,419	\$3,426,305,902
Revenues Over (Under) Expenses	\$46,933,485	\$0	(\$6,738,608)	(\$21,435,125)	(\$23,192,034)	(\$16,940,215)	(\$18,547,539)	(\$86,853,521)
Variance %	7%	0%	(1%)	(3%)	(3%)	(3%)	(3%)	(3%)

Revenue Overview:

The FY2019 General Fund Revenue Anticipation is \$654MM.

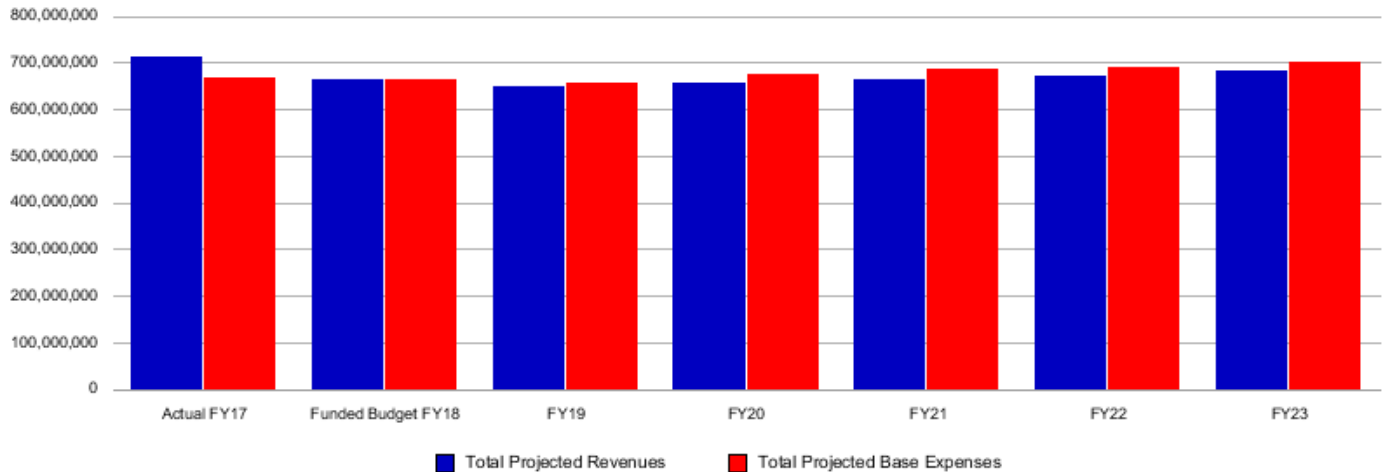
Expense Overview:

The FY2019 General Fund expenses includes the City's infrastructure maintenance backlog, \$14 per hour minimum wage increase, and debt service related to various city wide projects (Zone 3 precinct, Ben Hill Fire Station and Municipal Court Renovations).

Incremental - Known items included to ensure appropriate funding and increases in items that were previously budgeted

General Fund - Five Year Plan - Baseline by Major Department

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



	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total Plan Years
	Actual	Funded Budget	Preliminary					
Property Taxes	\$198,105,145	\$201,920,375	\$205,756,649	\$209,831,995	\$213,988,751	\$218,228,545	\$222,553,039	\$1,070,358,979
All Other Revenues	\$518,638,650	\$464,038,561	\$447,939,455	\$448,577,938	\$452,422,896	\$458,001,272	\$462,151,841	\$2,269,093,401
Total Projected Revenues	\$716,743,795	\$665,958,936	\$653,696,104	\$658,409,933	\$666,411,647	\$676,229,817	\$684,704,880	\$3,339,452,380
Baseline Expenses								
Public Safety	\$316,793,865	\$311,080,655	\$313,140,257	\$315,851,809	\$319,627,630	\$323,777,698	\$327,959,723	\$1,600,357,117
Department of Public Works	\$58,453,752	\$46,083,784	\$28,668,683	\$30,061,042	\$34,161,230	\$35,046,155	\$35,980,914	\$163,918,024
Dept Of Parks & Recreation	\$44,517,860	\$36,038,910	\$38,250,190	\$39,625,726	\$40,161,967	\$40,820,139	\$41,452,095	\$200,310,117
Non-Departmental	\$88,290,391	\$105,243,111	\$101,134,095	\$104,517,444	\$100,005,073	\$98,462,479	\$100,927,160	\$505,046,251
General Government	\$161,754,442	\$167,512,476	\$159,630,604	\$162,278,610	\$163,481,004	\$164,987,052	\$166,433,779	\$816,811,049
Total Baseline Expenses	\$669,810,310	\$665,958,936	\$640,823,829	\$652,334,630	\$657,436,904	\$663,093,523	\$672,753,671	\$3,286,442,558
Incremental Expenses								
Public Safety	-	-	\$0	\$3,166,330	\$5,097,157	\$5,203,600	\$5,312,271	\$18,779,358
Non-Departmental	-	-	\$0	-	\$2,500,000	-	-	\$2,500,000
Total Incremental Expenses	-	-	\$0	\$3,166,330	\$7,597,157	\$5,203,600	\$5,312,271	\$21,279,358
Initiative Expenses								
Public Safety	-	-	\$0	\$265,265	\$267,216	\$269,166	\$271,116	\$1,072,763
Department Of Public Works	-	-	\$0	\$245,762	\$247,569	\$249,376	\$251,183	\$993,890
Dept Of Parks & Recreation	-	-	\$0	\$698,234	\$703,369	\$708,503	\$713,637	\$2,823,743
General Government	-	-	\$0	\$85,266	\$85,893	\$86,520	\$87,147	\$344,826
Total Initiative Expenses	-	-	\$0	\$1,294,527	\$1,304,047	\$1,313,565	\$1,323,083	\$5,235,222
Capital Impact Expense								
Department Of Public Works	-	-	\$19,610,883	\$23,049,571	\$23,265,573	\$23,559,344	\$23,863,393	\$113,348,764
Total Capital Impact Expenses	-	-	\$19,610,883	\$23,049,571	\$23,265,573	\$23,559,344	\$23,863,393	\$113,348,764
Total Projected Base Expenses	\$669,810,310	\$665,958,936	\$660,434,712	\$679,845,058	\$689,603,681	\$693,170,032	\$703,252,419	\$3,426,305,902
Revenues Over (Under) Expenses	\$46,933,485	\$0	(\$6,738,608)	(\$21,435,125)	(\$23,192,034)	(\$16,940,215)	(\$18,547,539)	(\$86,853,521)
Variance %	7%	0%	(1%)	(3%)	(3%)	(3%)	(3%)	(3%)

Revenue Overview:

The FY2019 General Fund Revenue Anticipation is \$654MM.

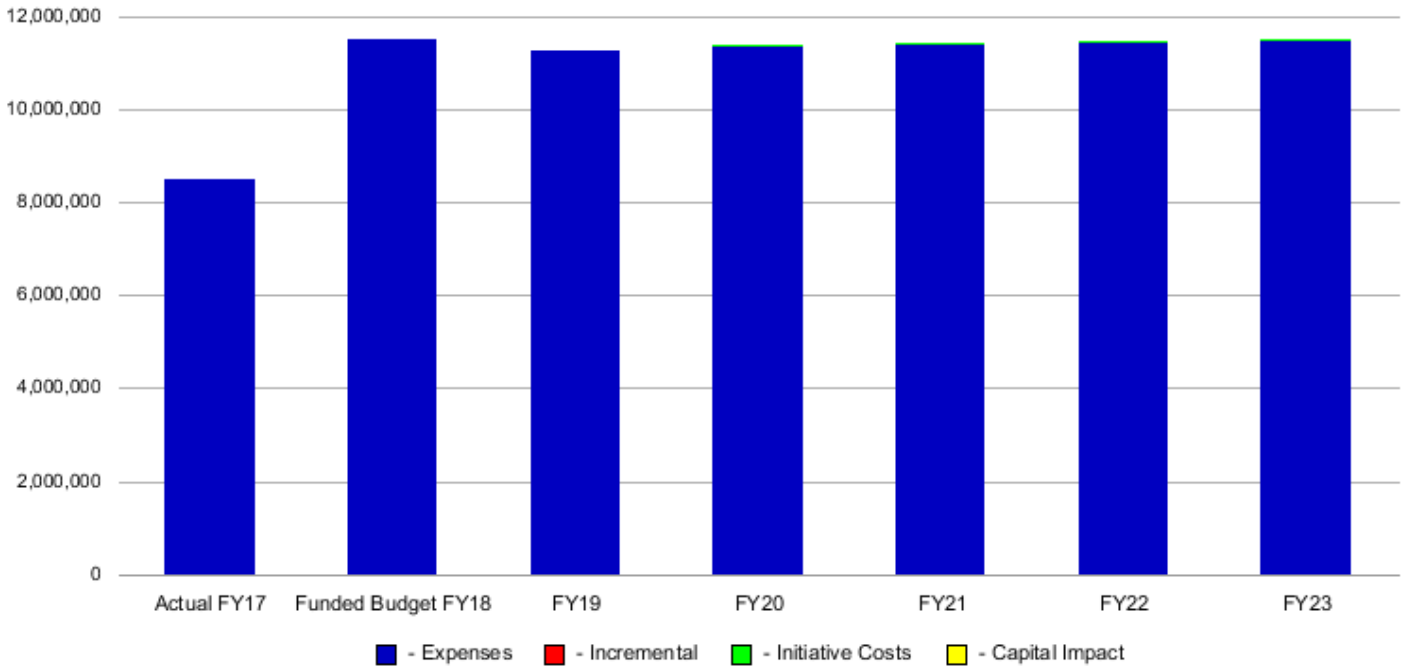
Expense Overview:

The FY2019 General Fund expenses includes the City's infrastructure maintenance backlog, \$14 per hour minimum wage increase, and debt service related to various city wide projects (Zone 3 precinct, Ben Hill Fire Station and Municipal Court Renovations).

Incremental - Known items included to ensure appropriate funding and increases in items that were previously budgeted

General Fund - City Council

The Atlanta City Council's mission is to enact all laws designed to protect the public health, safety and welfare of the citizens of Atlanta and its visitors. The City Council by statute serves as one of the three branches of government, that being the legislative branch.

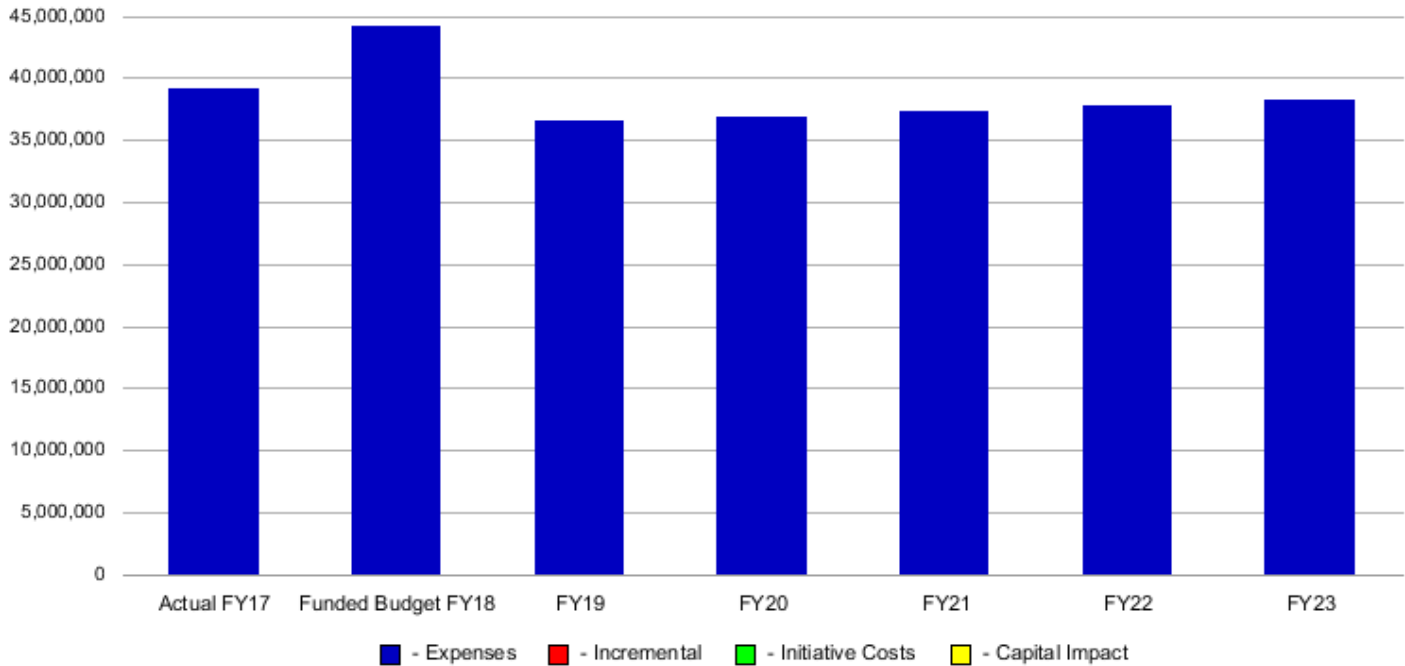


	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20	FY21	FY22	FY23	Total Plan Years
Expenses	\$8,537,851	\$11,537,191	\$11,291,969	\$11,364,454	\$11,395,369	\$11,440,638	\$11,482,779	\$56,975,208
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$48,090	\$48,443	\$48,797	\$49,150	\$194,480
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$8,537,851	\$11,537,191	\$11,291,969	\$11,412,544	\$11,443,812	\$11,489,435	\$11,531,929	\$57,169,688

- Expenses** - Over the next five years, expenses include salaries per legislation, councilmember expenses per code, and Council Carry Forward within each Council District Office.
- Incremental** - N/A
- Initiative Costs** - Initiative costs includes General Fund minimum wage increase to \$14 per hour in FY19, \$15 per hour in FY20, and beyond.
- Capital Impact** - N/A

General Fund - Executive Offices

The Department of Executive Offices mission is to communicate and implement the policy and program agenda of the Mayor. The Offices are responsible for providing leadership with City government to effectively accomplish and execute the laws of the City.

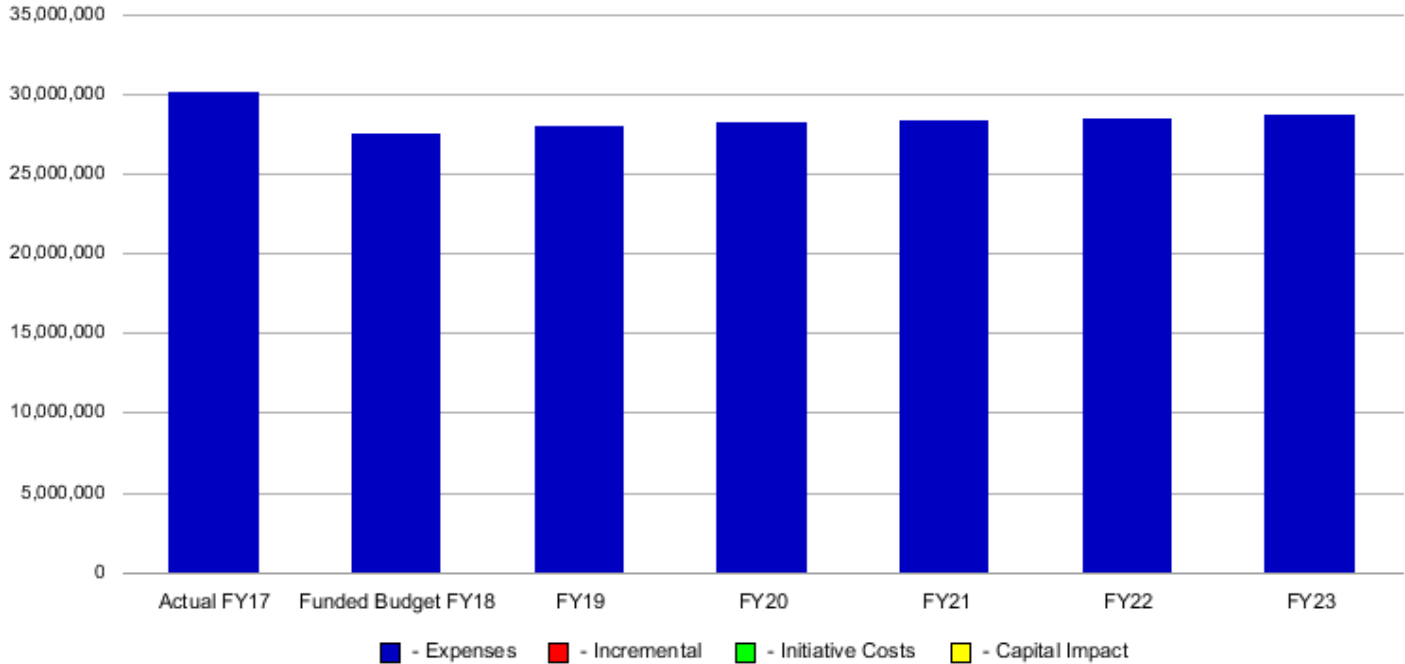


	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20	FY21	FY22	FY23	Total Plan Years
Expenses	\$39,287,883	\$44,379,814	\$36,630,562	\$37,041,312	\$37,437,614	\$37,901,519	\$38,351,885	\$187,362,892
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$27,337	\$27,538	\$27,739	\$27,940	\$110,554
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$39,287,883	\$44,379,814	\$36,630,562	\$37,068,649	\$37,465,152	\$37,929,258	\$38,379,825	\$187,473,446

- Expenses** - Over the next five years, expenses include personnel related costs and contractual services for RyCars Roofing, ARS Mechanical HVAC services, and Atlanta Vision electric vehicles.
- Incremental** - N/A
- Initiative Costs** - Initiative costs includes General Fund minimum wage increase to \$14 per hour in FY19, \$15 per hour in FY20, and beyond.
- Capital Impact** - N/A

General Fund - Department Of Atlanta Information Management

The Department of Atlanta Information Management's (AIM) primary objective is to enable City Operations by consistently delivering reliable and secure services, innovative solutions and best in class customer service.

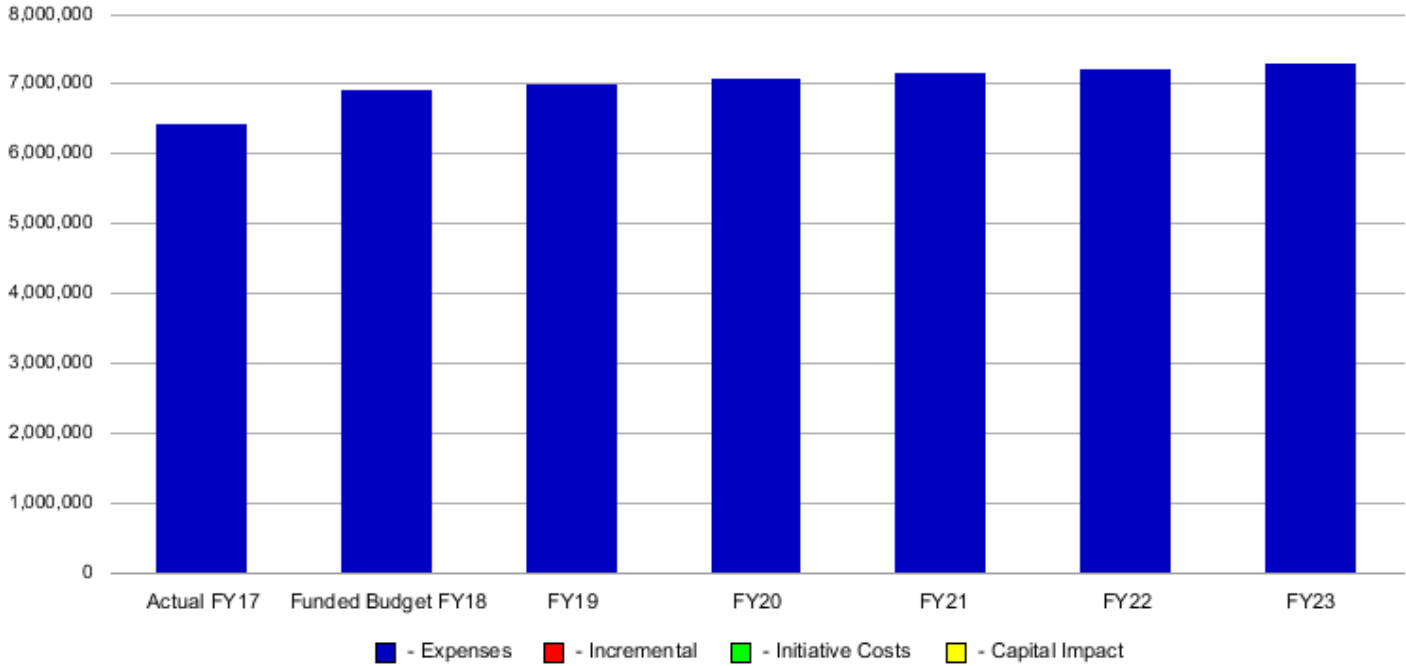


	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20	FY21	FY22	FY23	Total Plan Years
Expenses	\$30,195,347	\$27,565,229	\$28,094,098	\$28,296,249	\$28,418,918	\$28,568,100	\$28,712,334	\$142,089,699
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$9,302	\$9,371	\$9,439	\$9,508	\$37,620
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$30,195,347	\$27,565,229	\$28,094,098	\$28,305,551	\$28,428,289	\$28,577,539	\$28,721,842	\$142,127,319

- Expenses** - Over the next five years, expenses include endeavors to consolidate services, contracts and strengthen the City's technology framework.
- Incremental** - N/A
- Initiative Costs** - Initiative costs includes General Fund minimum wage increase to \$14 per hour in FY19, \$15 per hour in FY20, and beyond.
- Capital Impact** - N/A

General Fund - Department Of Law

The Law Department is a team of professionals committed to providing best-in-class legal representation to the City of Atlanta. In addition to defending the City in all types of civil litigation, the Department works proactively to prevent legal challenges by delivering sound advice, legislation and training.

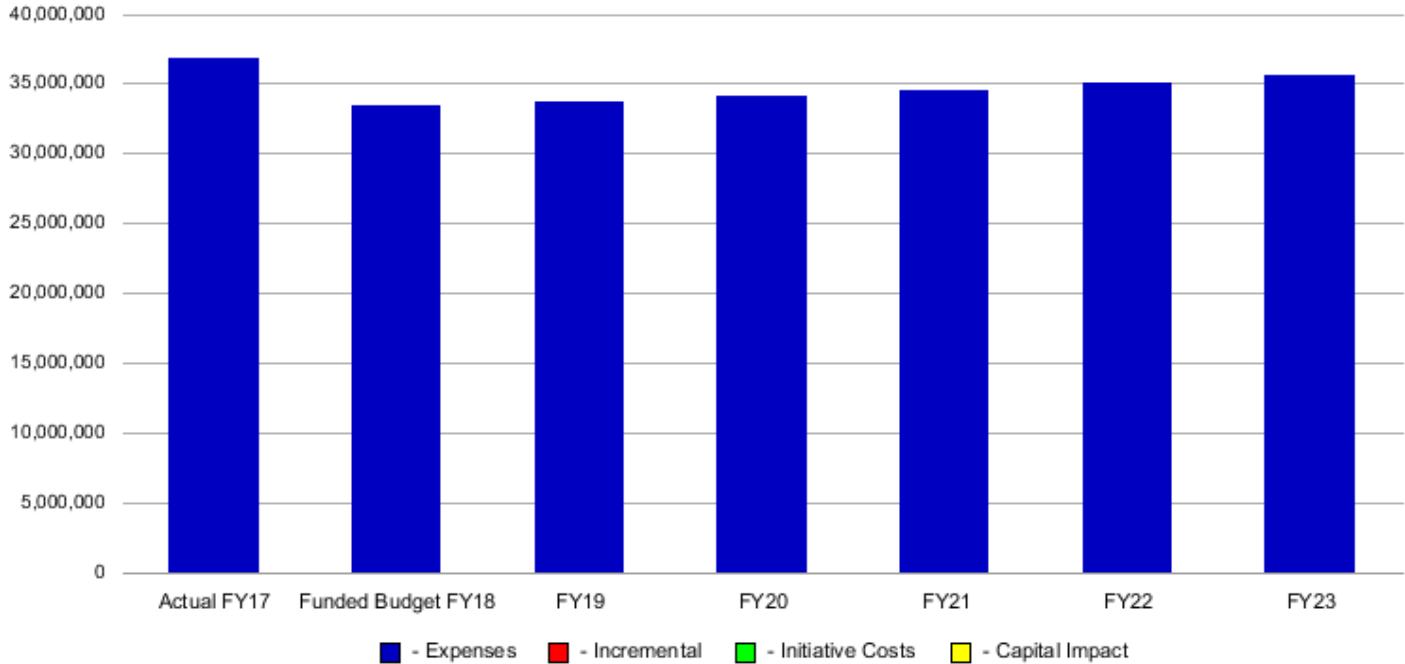


	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20	FY21	FY22	FY23	Total Plan Years
Expenses	\$6,451,342	\$6,917,522	\$7,017,524	\$7,103,558	\$7,162,866	\$7,231,414	\$7,298,195	\$35,813,558
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$6,451,342	\$6,917,522	\$7,017,524	\$7,103,558	\$7,162,866	\$7,231,414	\$7,298,195	\$35,813,558

- Expenses** - Over the next five years, expenses include continued funding for personnel, outside counsel and Continued Legal Education.
- Incremental** - N/A
- Initiative Costs** - N/A
- Capital Impact** - N/A

General Fund - Department Of Corrections

The City of Atlanta Department of Corrections' mission is to provide a safe and secure correctional environment; enhance public safety through partnerships with the community and law enforcement.

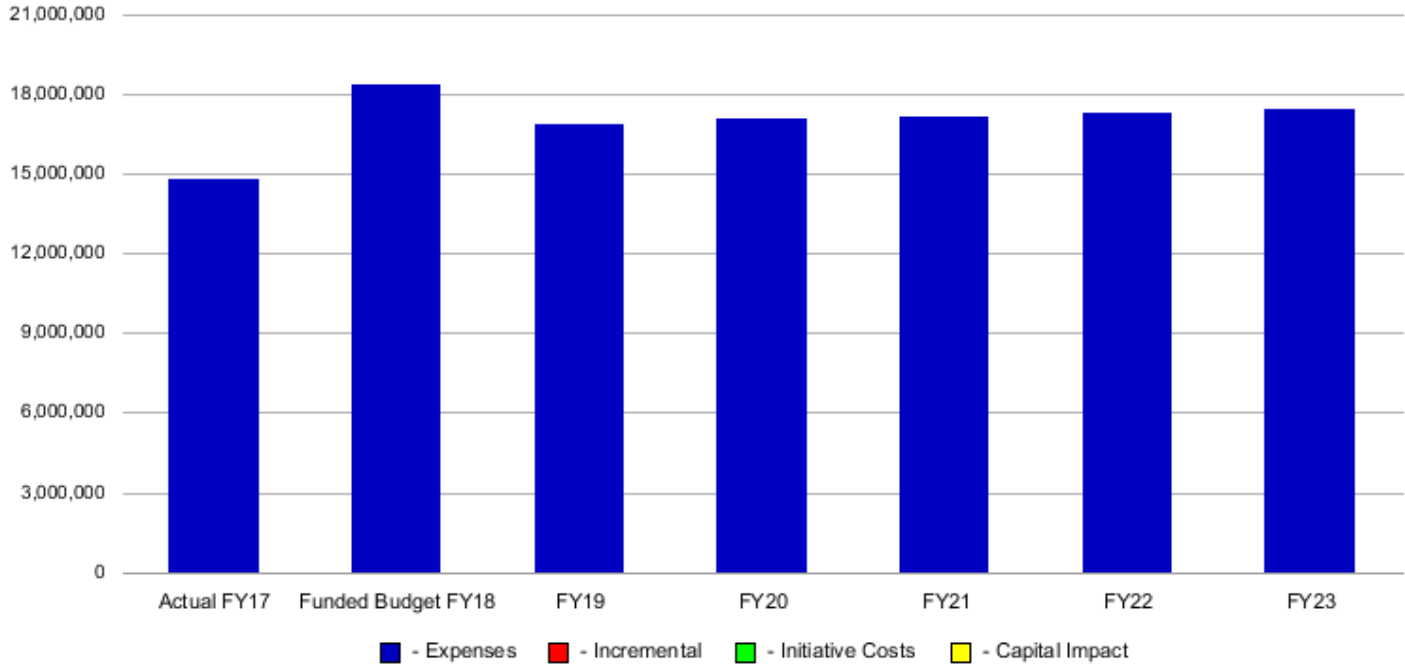


	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20	FY21	FY22	FY23	Total Plan Years
Expenses	\$37,005,107	\$33,546,457	\$33,863,917	\$34,208,787	\$34,611,066	\$35,159,444	\$35,675,350	\$173,518,564
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$92,178	\$92,856	\$93,534	\$94,211	\$372,779
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$37,005,107	\$33,546,457	\$33,863,917	\$34,300,965	\$34,703,922	\$35,252,978	\$35,769,561	\$173,891,343

- Expenses** - Over the next five years, expenses include various contracts such as Inmate Food Services, Inmate Pharmacy, and Steel Based Boarding.
- Incremental** - N/A
- Initiative Costs** - Initiative costs includes General Fund minimum wage increase to \$14 per hour in FY19, \$15 per hour in FY20, and beyond.
- Capital Impact** - N/A

General Fund - Department Of Finance

The Department of Finance's mission is to provide leading practice financial management services and leadership to achieve City of Atlanta goals and objectives.

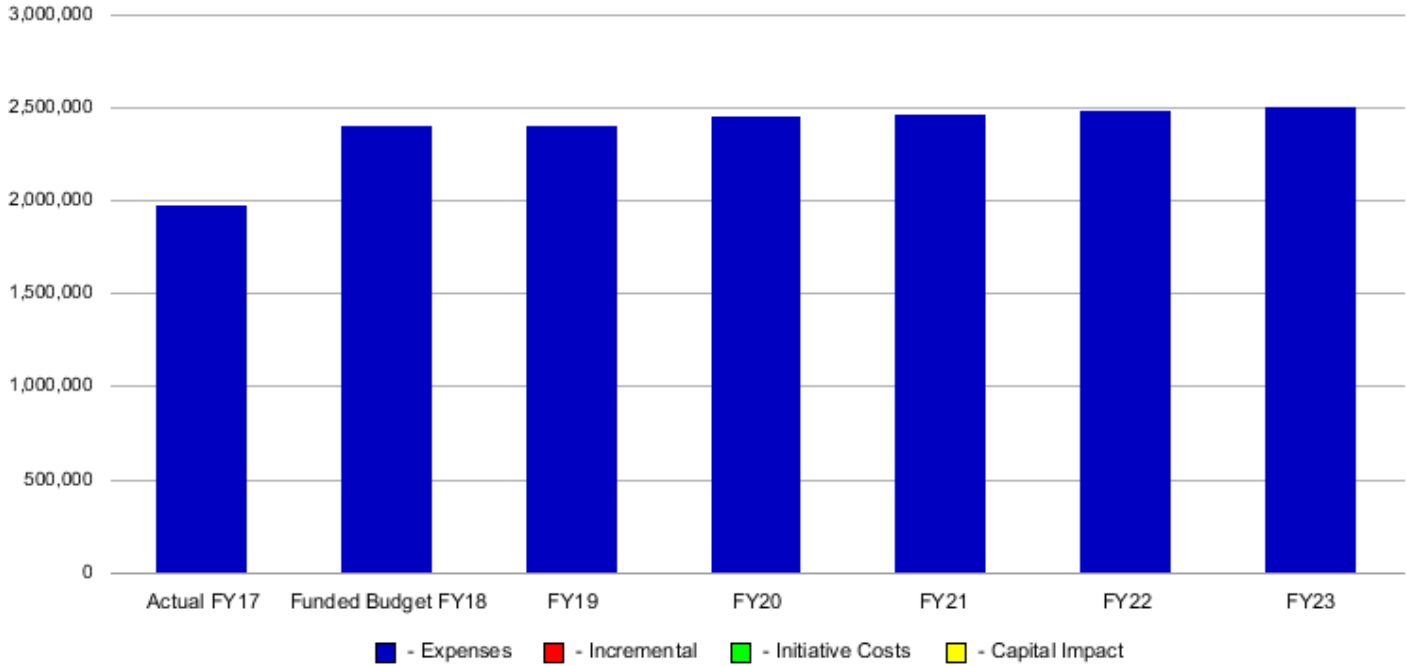


	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20	FY21	FY22	FY23	Total Plan Years
Expenses	\$14,860,561	\$18,423,210	\$16,886,116	\$17,089,797	\$17,193,253	\$17,323,302	\$17,448,146	\$85,940,614
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$14,860,561	\$18,423,210	\$16,886,116	\$17,089,797	\$17,193,253	\$17,323,302	\$17,448,146	\$85,940,614

- Expenses** - Over the next five years, expenses include personnel costs, contractual services for Iron Mountain Information Management, Technology Integration Group copier lease, Drive Cam, Greenberg Traurig, and GMA lease payments.
- Incremental** - N/A
- Initiative Costs** - N/A
- Capital Impact** - N/A

General Fund - Department Of Procurement

The Department of Procurement is responsible for providing guidance in the purchasing of all goods and services according to the City Code of Ordinances. The goal is to model best practices in public purchasing while promoting equity, fairness and economic inclusion.

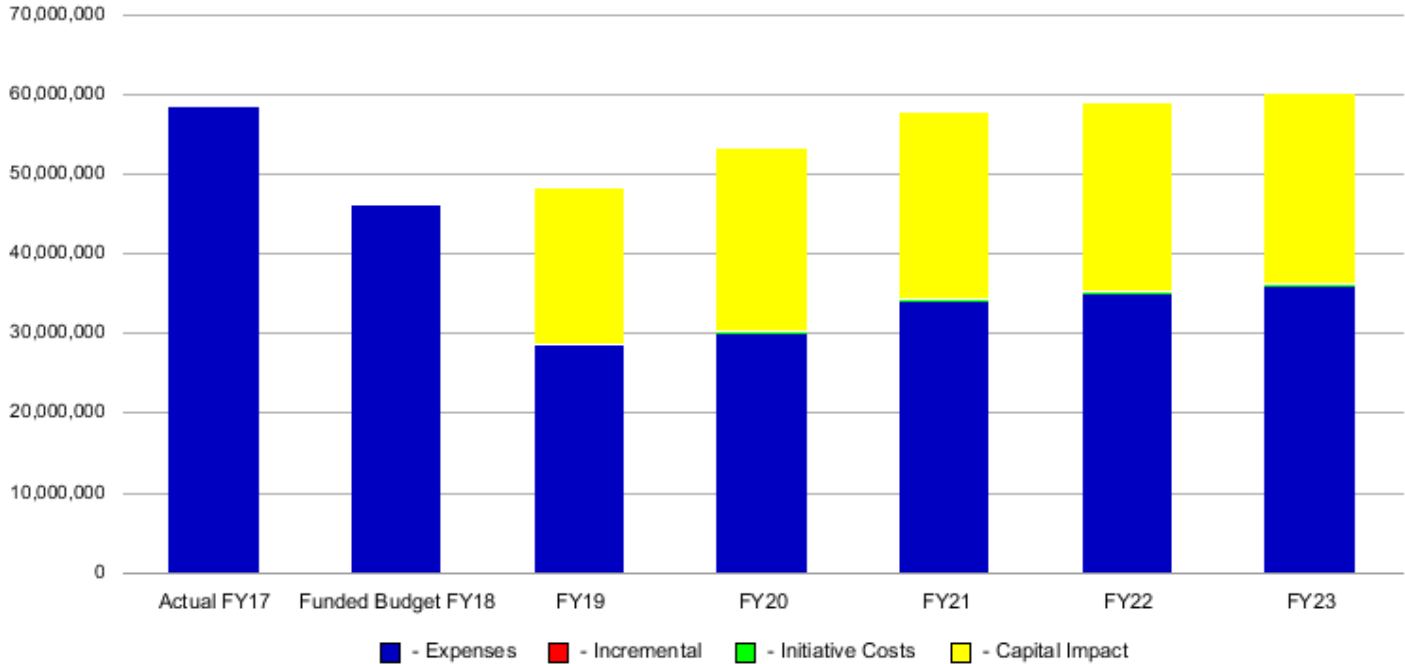


	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20	FY21	FY22	FY23	Total Plan Years
Expenses	\$1,983,053	\$2,405,024	\$2,405,021	\$2,457,277	\$2,469,195	\$2,487,641	\$2,504,866	\$12,324,000
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$1,983,053	\$2,405,024	\$2,405,021	\$2,457,277	\$2,469,195	\$2,487,641	\$2,504,866	\$12,324,000

- Expenses** - Over the next five years, expenses include personnel costs, the Technology Integration Group copier lease, maintenance, office supplies, training/travel, wireless devices and printing.
- Incremental** - N/A
- Initiative Costs** - N/A
- Capital Impact** - N/A

General Fund - Department Of Public Works

The Department of Public Works manages the City's public right of way and handles some of the most commonly reported issues such as traffic signals, street signs, street striping and potholes.

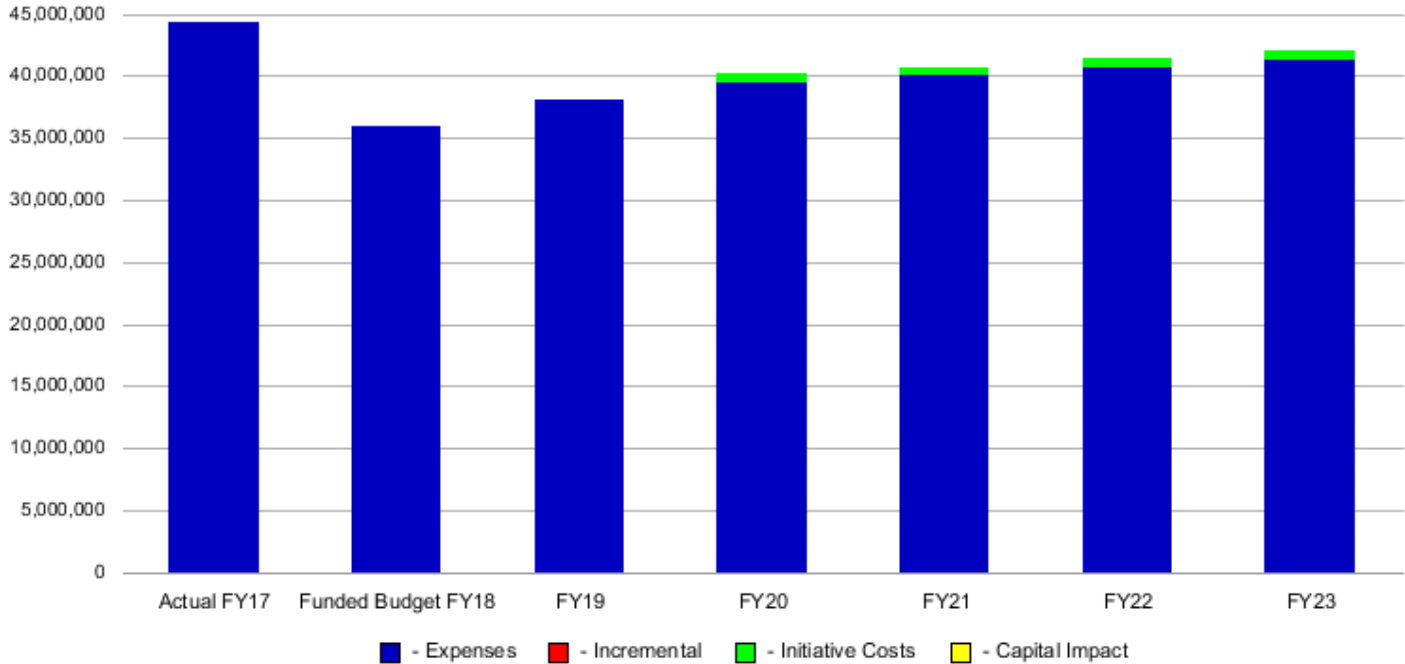


	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20	FY21	FY22	FY23	Total Plan Years
Expenses	\$58,453,752	\$46,083,784	\$28,668,683	\$30,061,042	\$34,161,230	\$35,046,155	\$35,980,914	\$163,918,024
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$245,762	\$247,569	\$249,376	\$251,183	\$993,890
Capital Impact	\$0	\$0	\$19,610,883	\$23,049,571	\$23,265,573	\$23,559,344	\$23,863,393	\$113,348,764
Total Projected Expenses	\$58,453,752	\$46,083,784	\$48,279,566	\$53,356,374	\$57,674,373	\$58,854,875	\$60,095,491	\$278,260,679

- Expenses** - Over the next five years, expenses include personnel and contractual services.
- Incremental** - N/A
- Initiative Costs** - Initiative costs includes General Fund minimum wage increase to \$14 per hour in FY19, \$15 per hour in FY20, and beyond.
- Capital Impact** - Capital Impact includes the infrastructure maintenance backlog to be phased in over the five year period at the rate of 2.5% for FY2018, 3% for FY2019 and 3.5% for FY2020 - FY2023.

General Fund - Dept Of Parks & Recreation

The Department of Parks and Recreation (DPR) is committed to building strong communities and a vibrant economy by providing safe and exceptional parks, facilities and programs through effective leadership, collaboration and innovative thinking.

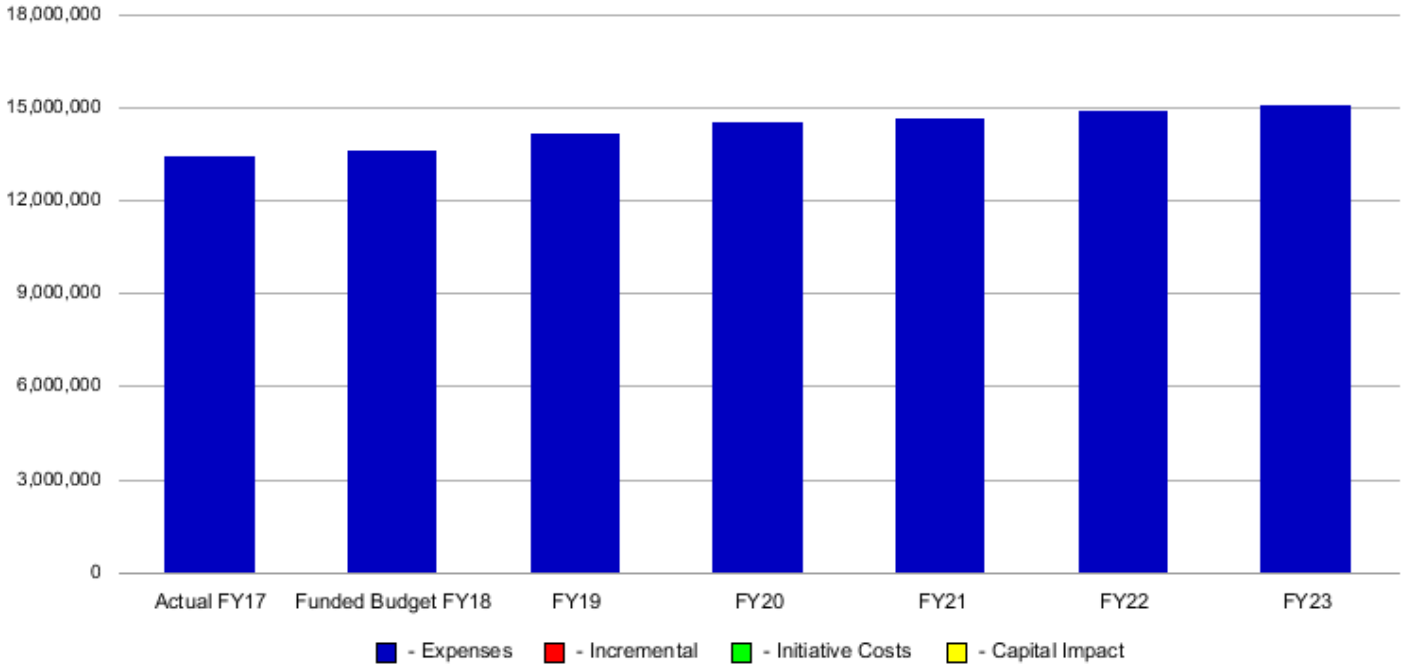


	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20	FY21	FY22	FY23	Total Plan Years
Expenses	\$44,517,860	\$36,038,910	\$38,250,190	\$39,625,726	\$40,161,967	\$40,820,139	\$41,452,095	\$200,310,117
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$698,234	\$703,369	\$708,503	\$713,637	\$2,823,743
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$44,517,860	\$36,038,910	\$38,250,190	\$40,323,960	\$40,865,336	\$41,528,642	\$42,165,732	\$203,133,860

- Expenses** - Over the next five years, expenses include personnel related costs and contractual services for the repair and maintenance of recreation facilities and equipment.
- Incremental** - N/A
- Initiative Costs** - Initiative costs includes General Fund minimum wage increase to \$14 per hour in FY19, \$15 per hour in FY20, and beyond.
- Capital Impact** - N/A

General Fund - Judicial Agencies

The City of Atlanta Municipal Court was created in 2004 through the consolidation of the Municipal Court and the City Court. The goal was to reduce operating costs while dispensing justice, equality, and fairness in an effective manner. Today, the Municipal Court still stands committed to seek improved methods to provide excellent customer service in a safe and secure environment while continuing to dispose of cases in an expeditious manner.

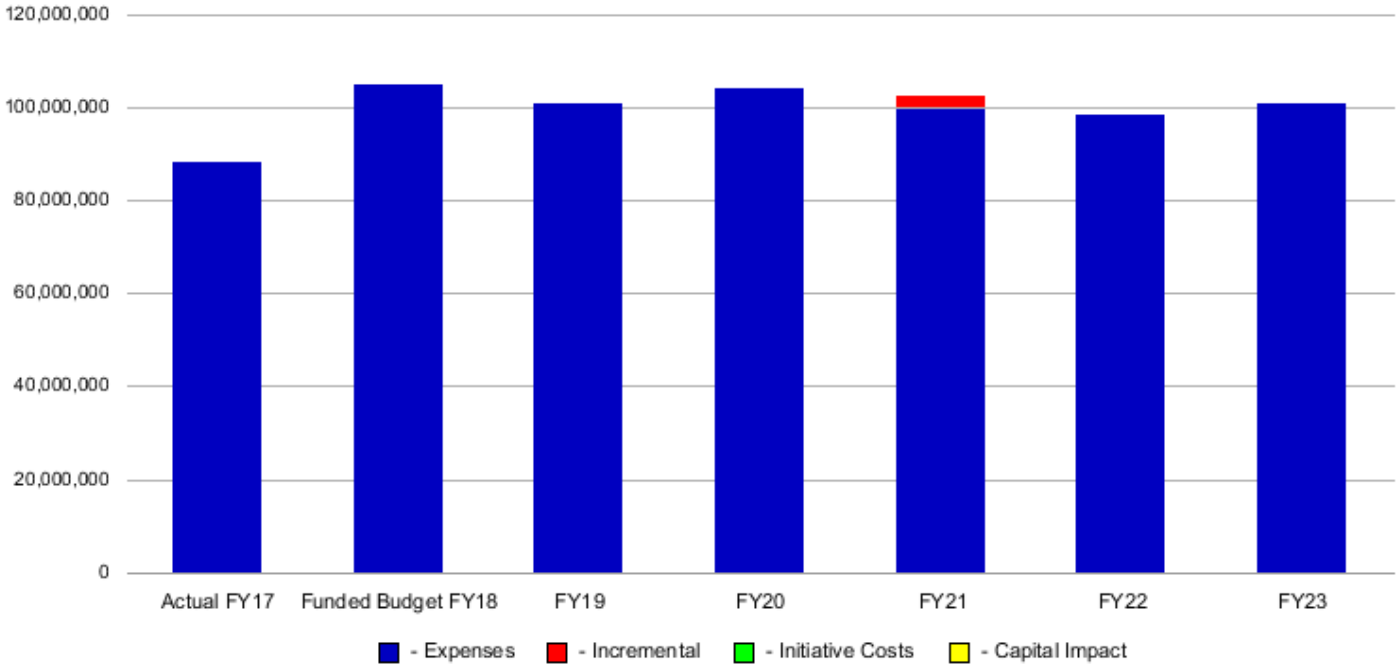


	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20	FY21	FY22	FY23	Total Plan Years
Expenses	\$13,436,562	\$13,619,238	\$14,178,492	\$14,553,268	\$14,692,642	\$14,887,435	\$15,070,380	\$73,382,218
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$13,436,562	\$13,619,238	\$14,178,492	\$14,553,268	\$14,692,642	\$14,887,435	\$15,070,380	\$73,382,218

- Expenses** - Over the next five years, expenses includes personnel related costs, various contracts such as Dynamic Security Guard services and Language Line translation services.
- Incremental** - N/A
- Initiative Costs** - N/A
- Capital Impact** - N/A

General Fund - Non-Departmental

The General Fund Non-Departmental budget is to provide funding for a variety of expenditures that generally are not specific to any particular City Department, including Debt Service, Workers' Compensation, OPEB (Other Post Employee Benefits), Insurance, Unemployment Compensation, and Animal Control.

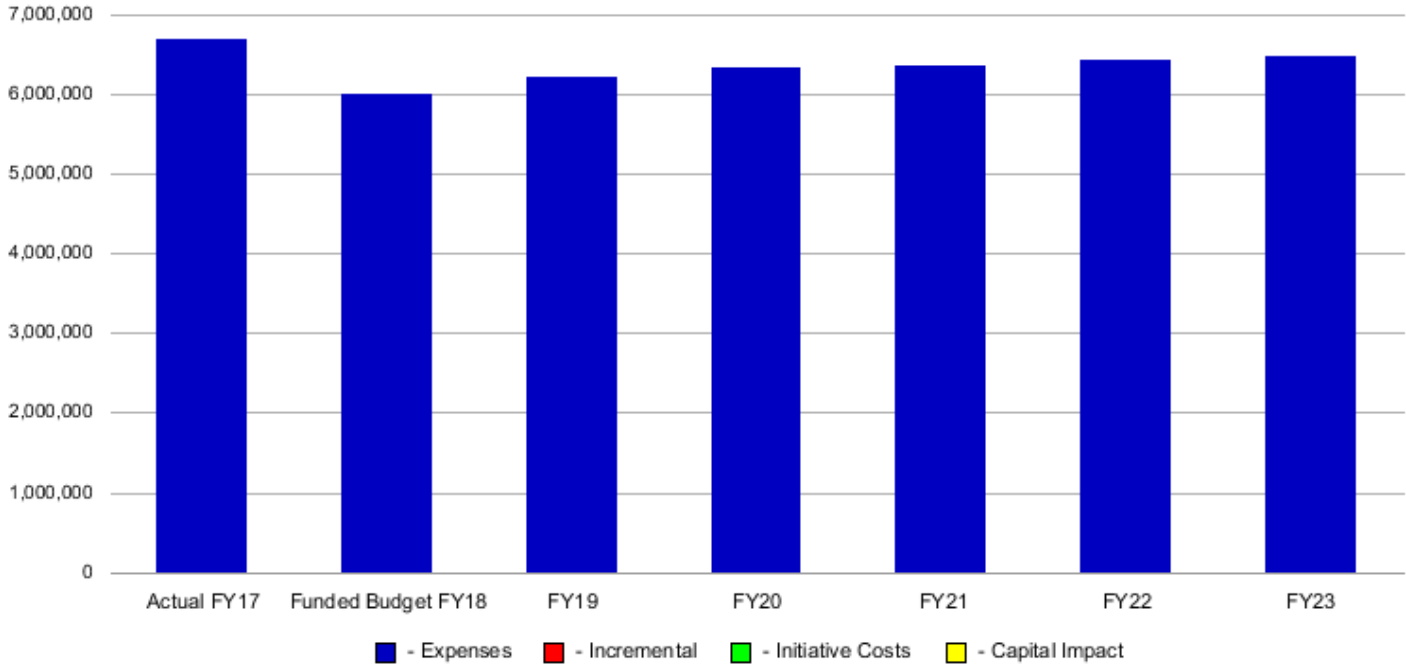


	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20	FY21	FY22	FY23	Total Plan Years
Expenses	\$88,290,391	\$105,243,111	\$101,134,095	\$104,517,444	\$100,005,073	\$98,462,479	\$100,927,160	\$505,046,251
Incremental	\$0	\$0	\$0	\$0	\$2,500,000	\$0	\$0	\$2,500,000
Initiative Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$88,290,391	\$105,243,111	\$101,134,095	\$104,517,444	\$102,505,073	\$98,462,479	\$100,927,160	\$507,546,251

- Expenses** - Over the next five years, expenses include funding for Debt Services, Restricted Reserves, Retiree Benefits and payments to other governments.
- Incremental** - Incremental cost includes \$2.5MM for Election expenses in FY2021 for the Election Year in 2022.
- Initiative Costs** - N/A
- Capital Impact** - N/A

General Fund - Department Of Human Resources

The Department of Human Resources is committed to attracting, retaining and developing a diverse and competent workforce that enables City agencies to achieve their business needs.

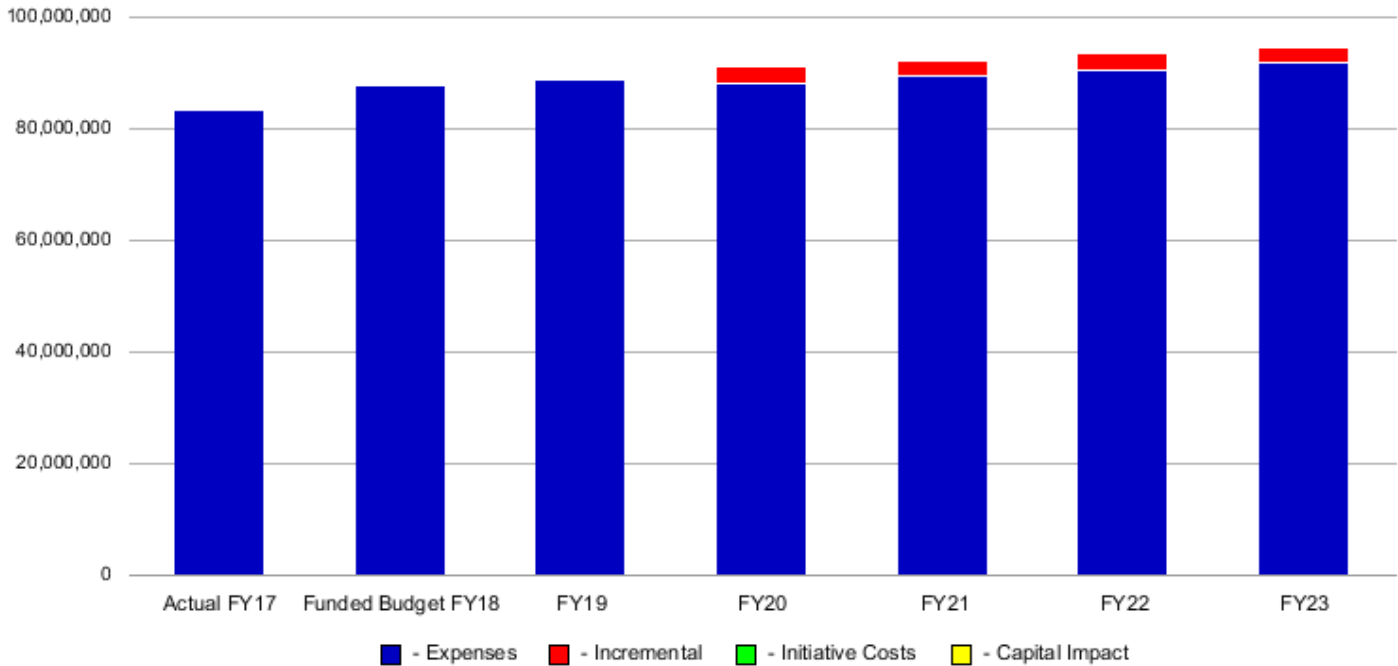


	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20	FY21	FY22	FY23	Total Plan Years
Expenses	\$6,709,771	\$6,015,266	\$6,229,330	\$6,338,009	\$6,381,426	\$6,440,336	\$6,496,165	\$31,885,266
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$6,709,771	\$6,015,266	\$6,229,330	\$6,338,009	\$6,381,426	\$6,440,336	\$6,496,165	\$31,885,266

- Expenses** - Over the next five years, expenses include personnel related costs, education and training, court reporting, background services, civil service board hearings, professional membership fees, lease of copiers, printing & binding and wireless service.
- Incremental** - N/A
- Initiative Costs** - N/A
- Capital Impact** - N/A

General Fund - Department Of Fire Services

Atlanta Fire Rescue is a modern, all-hazards fire department comprised of five divisions of labor: Office of the Fire Chief, Field Operations, Support Services, Technical Services and Airport Operations. Atlanta Fire Rescue provides prompt quality services to our stakeholders that promote safety, security, enhance sustainability and enrich the quality of life through professional development and dedication to service.

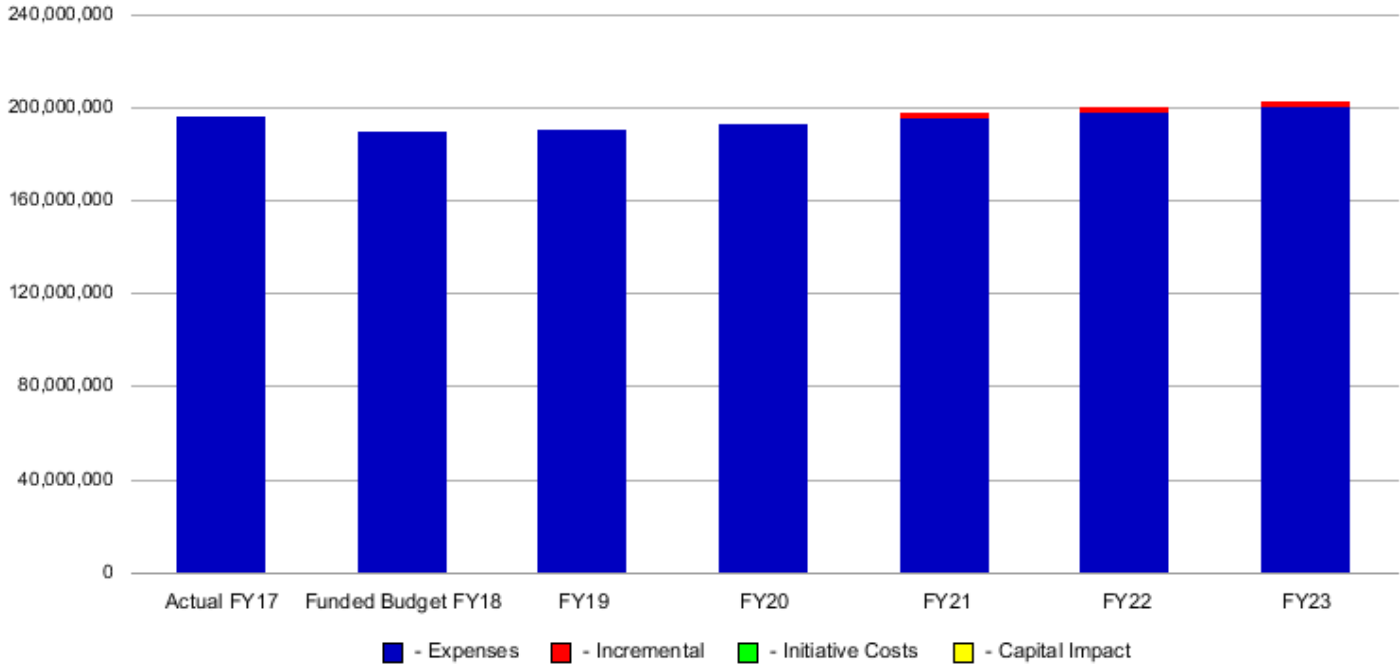


	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20	FY21	FY22	FY23	Total Plan Years
Expenses	\$83,256,388	\$87,484,543	\$88,491,376	\$88,098,260	\$89,215,316	\$90,373,045	\$91,559,301	\$447,737,298
Incremental	\$0	\$0	\$0	\$2,791,330	\$2,847,157	\$2,904,100	\$2,962,182	\$11,504,769
Initiative Costs	\$0	\$0	\$0	\$11,152	\$11,234	\$11,316	\$11,398	\$45,100
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$83,256,388	\$87,484,543	\$88,491,376	\$90,900,742	\$92,073,707	\$93,288,461	\$94,532,881	\$459,287,167

- Expenses** - Over the next five years, expenses include efficiency programs and maintaining the strategy of maximizing all funding sources while enhancing current service levels and performances in emergency preparedness and response.
- Incremental** - Incremental expenses include funding for grant funded positions moving to the General Fund.
- Initiative Costs** - Initiative costs includes General Fund minimum wage increase to \$14 per hour in FY19, \$15 per hour in FY20, and beyond.
- Capital Impact** - N/A

General Fund - Department Of Police Services

The City of Atlanta Police Department mission is to create a safer Atlanta by reducing crime, ensuring the safety of our citizens and building trust in partnership with our communities.

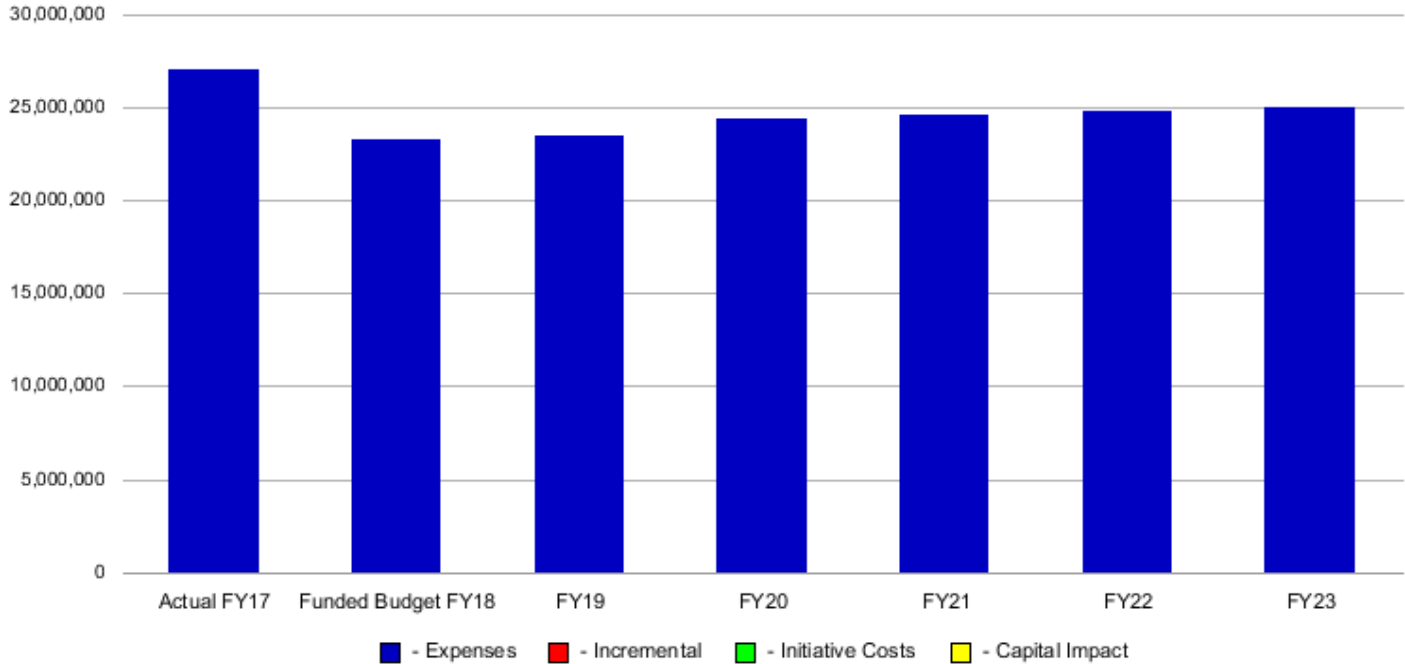


	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20	FY21	FY22	FY23	Total Plan Years
Expenses	\$196,532,370	\$190,049,655	\$190,784,965	\$193,544,762	\$195,801,248	\$198,245,208	\$200,725,072	\$979,101,255
Incremental	\$0	\$0	\$0	\$375,000	\$2,250,000	\$2,299,500	\$2,350,089	\$7,274,589
Initiative Costs	\$0	\$0	\$0	\$161,935	\$163,126	\$164,316	\$165,507	\$654,884
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$196,532,370	\$190,049,655	\$190,784,965	\$194,081,697	\$198,214,374	\$200,709,024	\$203,240,668	\$987,030,728

- Expenses** - Over the next five years, expenses include Video Integration Center (VIC)/ Edge 360 maintenance, Demolition, various contracts (i.e., Watchguard, Formulytics, ARS Mechanical, and Puritan Mills Lease Agreement).
- Incremental** - Incremental expenses include funding for grant funded positions moving to the General Fund.
- Initiative Costs** - Initiative costs includes General Fund minimum wage increase to \$14 per hour in FY19, \$15 per hour in FY20, and beyond.
- Capital Impact** - N/A

General Fund - Department of City Planning

The Department of Plannings objective is to guide the development of the City through effective measures of planning, design, review, construction plan approval, and housing preservation and assistance.

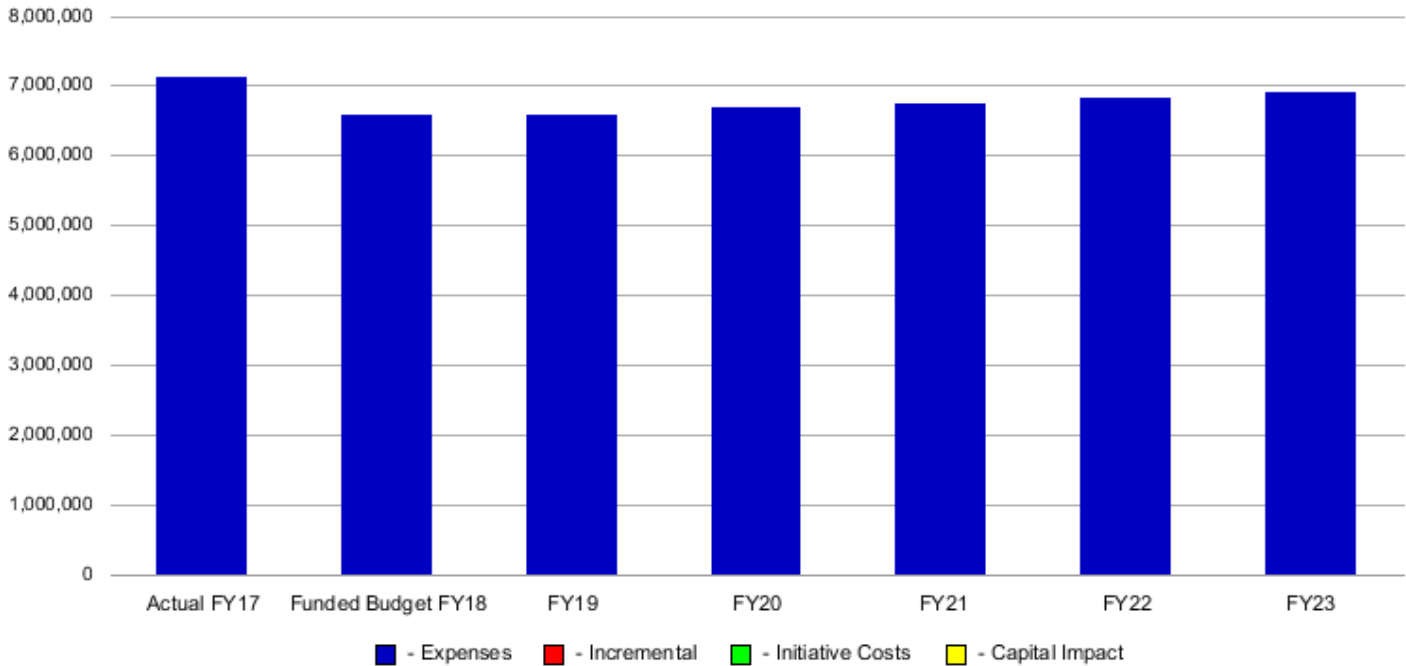


	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20	FY21	FY22	FY23	Total Plan Years
Expenses	\$27,067,397	\$23,364,548	\$23,520,717	\$24,423,809	\$24,617,413	\$24,858,343	\$25,091,637	\$122,511,918
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$27,067,397	\$23,364,548	\$23,520,717	\$24,423,809	\$24,617,413	\$24,858,343	\$25,091,637	\$122,511,918

- Expenses** - Over the next five years, expenses include personnel and operating costs to support the Department of City Planning's priority of operationalizing City Design, continued innovation in Permitting, as well as Public Realm and Development Design.
- Incremental** - N/A
- Initiative Costs** - N/A
- Capital Impact** - N/A

General Fund - Department Of The Solicitor

The Solicitor's Office is mandated to prosecute all cases brought before Atlanta Municipal Court. In carrying out this mandate effectively, efficiently and in a fiscally responsible manner, the Office has implemented alternative prosecution programs and processes to review citations in advance to improve case management and reduce the potential liability to the City.

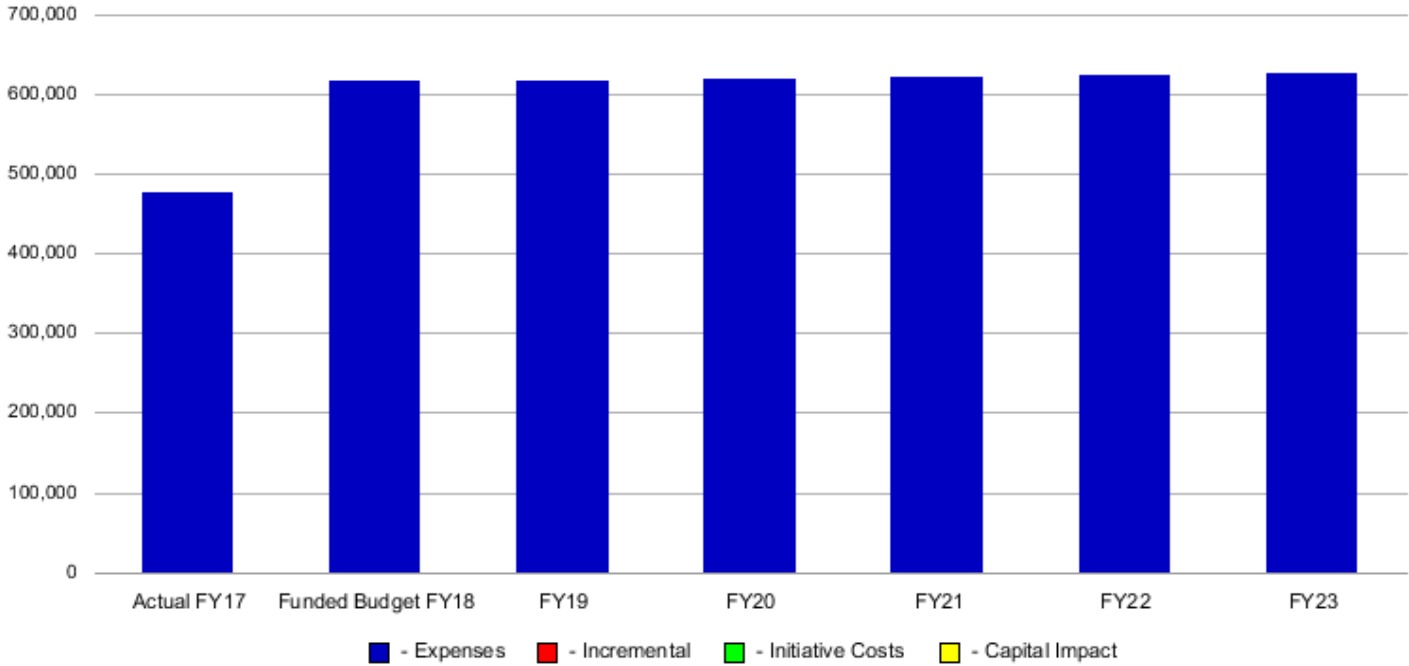


	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20	FY21	FY22	FY23	Total Plan Years
Expenses	\$7,135,476	\$6,597,625	\$6,597,627	\$6,724,371	\$6,778,413	\$6,858,177	\$6,932,432	\$33,891,020
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$7,135,476	\$6,597,625	\$6,597,627	\$6,724,371	\$6,778,413	\$6,858,177	\$6,932,432	\$33,891,020

- Expenses** - Over the next five years, expenses include the Solicitor's Office plan to improve the delivery of services by continuing case screening efforts, enhancing the use of alternative/pretrial diversion programs and community prosecution.
- Incremental** - N/A
- Initiative Costs** - N/A
- Capital Impact** - N/A

General Fund - Department Of Ethics

The Board of Ethics seeks to protect the integrity of government and promote the public trust by bringing the City into compliance with the Atlanta Code of Ethics and instilling a culture of ethics in city government.

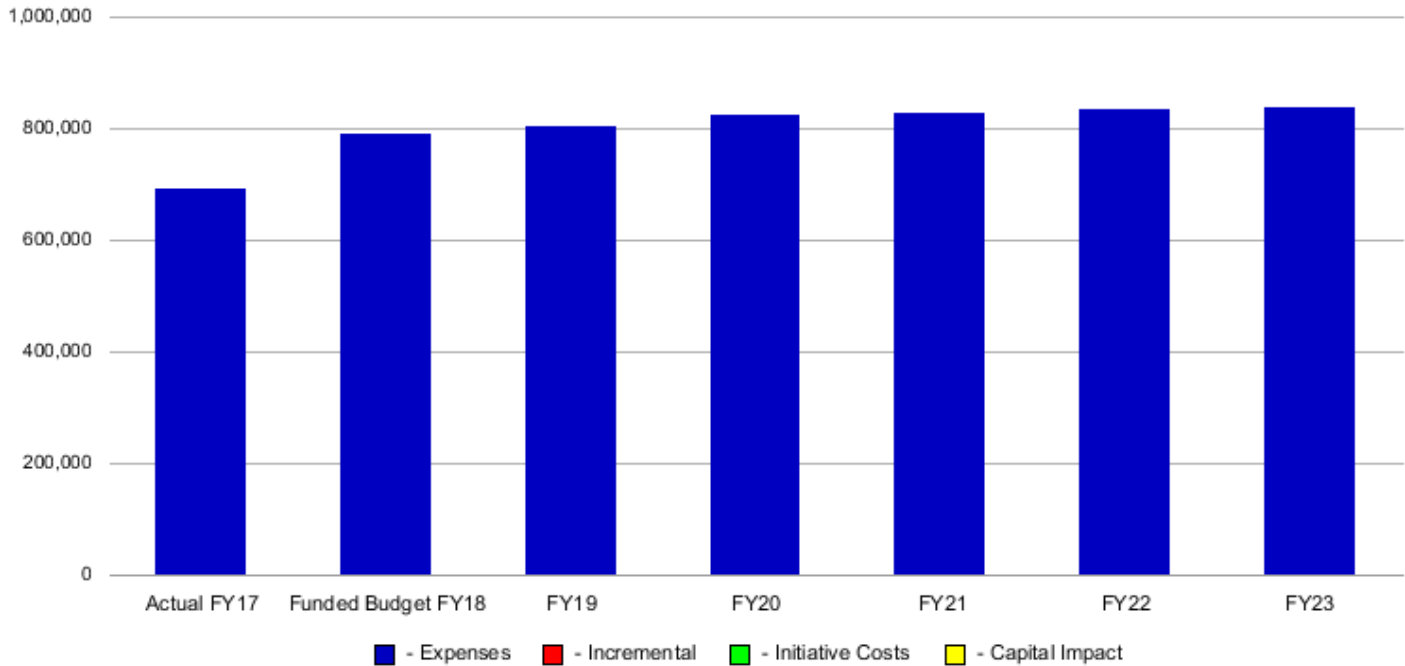


	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20	FY21	FY22	FY23	Total Plan Years
Expenses	\$477,644	\$617,778	\$617,778	\$620,792	\$623,253	\$625,745	\$628,274	\$3,115,842
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$477,644	\$617,778	\$617,778	\$620,792	\$623,253	\$625,745	\$628,274	\$3,115,842

- Expenses** - Over the next five years, expenses include professional training for staff members, additional training materials and media for broader outreach to City officials and employees.
- Incremental** - N/A
- Initiative Costs** - N/A
- Capital Impact** - N/A

General Fund - Atlanta Citizens Review Board

The Atlanta Citizen review Board (ACRB) is an independent investigative agency authorized to receive, investigate, mediate, and determine citizen complaints against law enforcement officers. and to reduce the amount of money needed to satisfy judgments and settlements based on allegations of police misconduct.

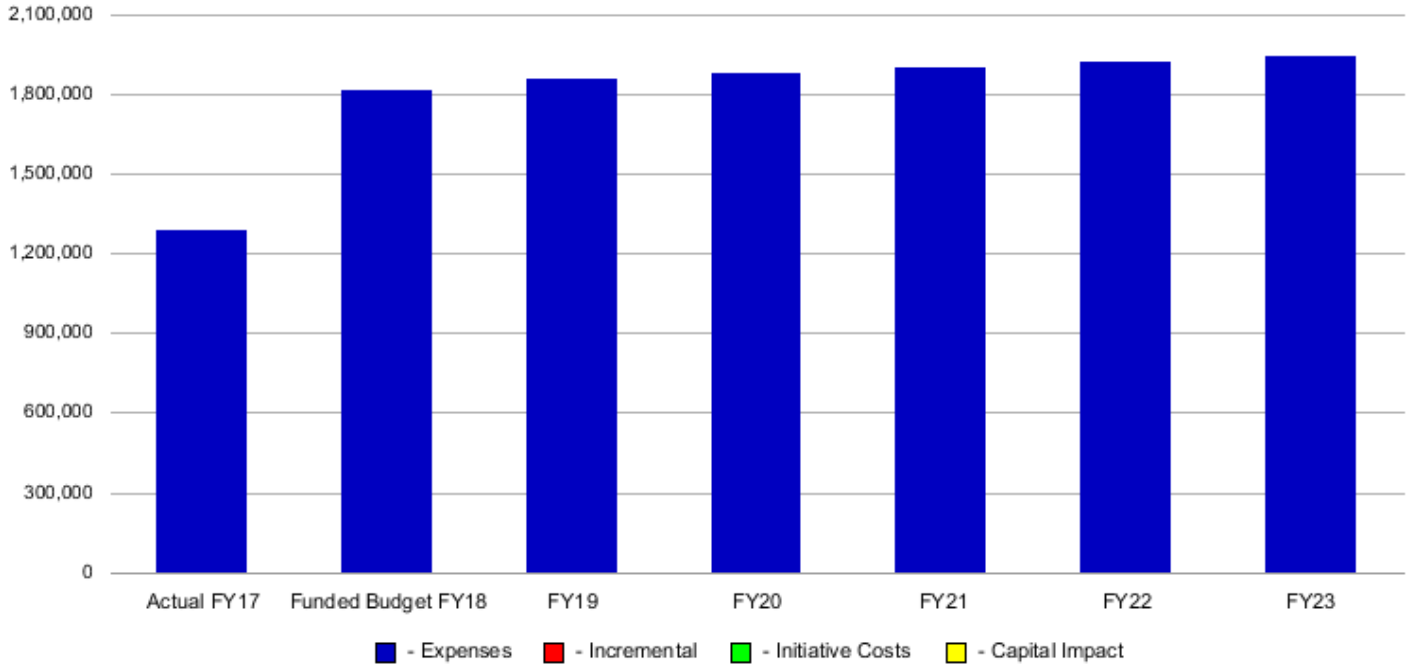


	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20	FY21	FY22	FY23	Total Plan Years
Expenses	\$692,193	\$790,242	\$803,829	\$825,119	\$828,855	\$834,112	\$839,124	\$4,131,040
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$692,193	\$790,242	\$803,829	\$825,119	\$828,855	\$834,112	\$839,124	\$4,131,040

- Expenses** - Over the next five years, expenses include salaries, consulting services, printing, supplies, board membership and training fees.
- Incremental** - N/A
- Initiative Costs** - N/A
- Capital Impact** - N/A

General Fund - Department Of Audit

The City Auditor's Office promotes honesty, efficiency, effectiveness, and accountability in city government by conducting audits to support legislative oversight and public accountability. The general fund supports audits and investigations in the general government, including programs supported by other government funds.

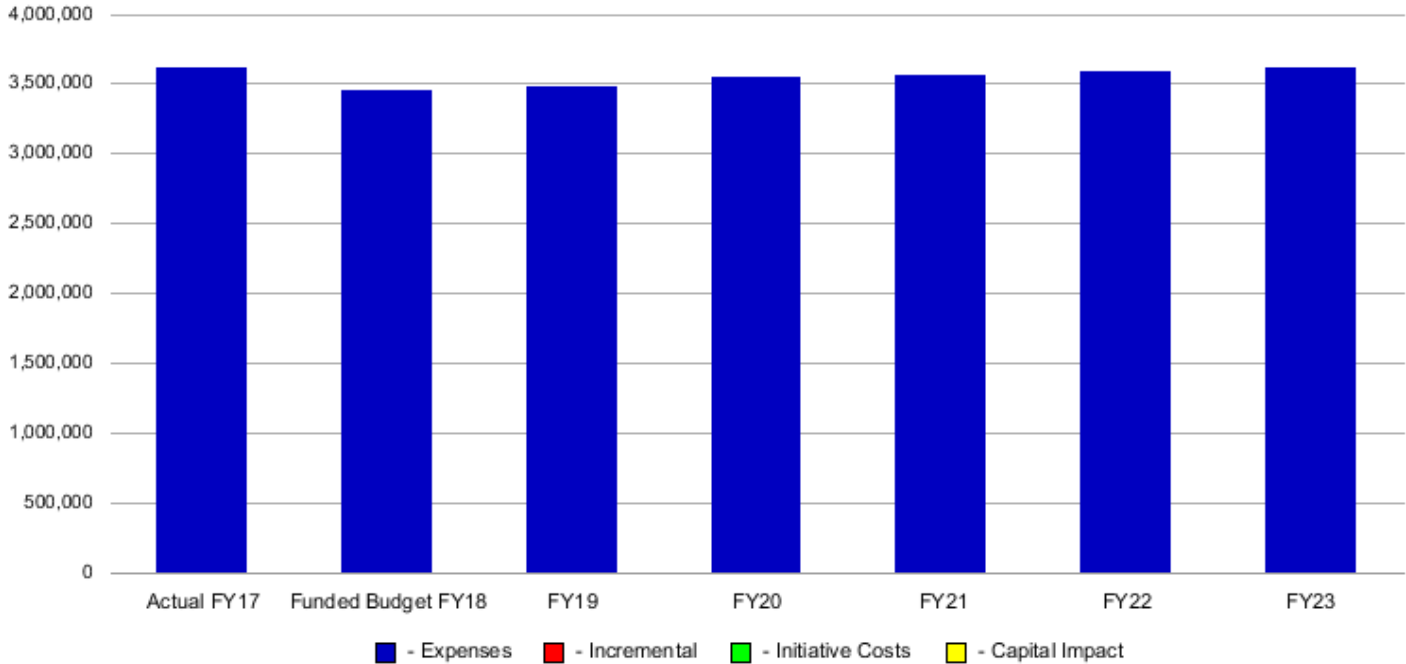


	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20	FY21	FY22	FY23	Total Plan Years
Expenses	\$1,290,534	\$1,817,233	\$1,862,592	\$1,884,318	\$1,904,187	\$1,924,468	\$1,944,769	\$9,520,333
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$1,290,534	\$1,817,233	\$1,862,592	\$1,884,318	\$1,904,187	\$1,924,468	\$1,944,769	\$9,520,333

- Expenses** - Over the next five years, expenses include personnel costs, support for audits and investigations that focus on or include general government operations and activities.
- Incremental** - N/A
- Initiative Costs** - N/A
- Capital Impact** - N/A

General Fund - Department Of Public Defender

The Public Defender's Office is constitutionally mandated to provide criminal defense for indigent clients facing charges in the Atlanta Municipal Court. Atlanta's Public Defender Office thinks and advocates holistically; seeking sustainable solutions to end the cycle of criminal conduct in a community that truly cares about its people and is known worldwide.

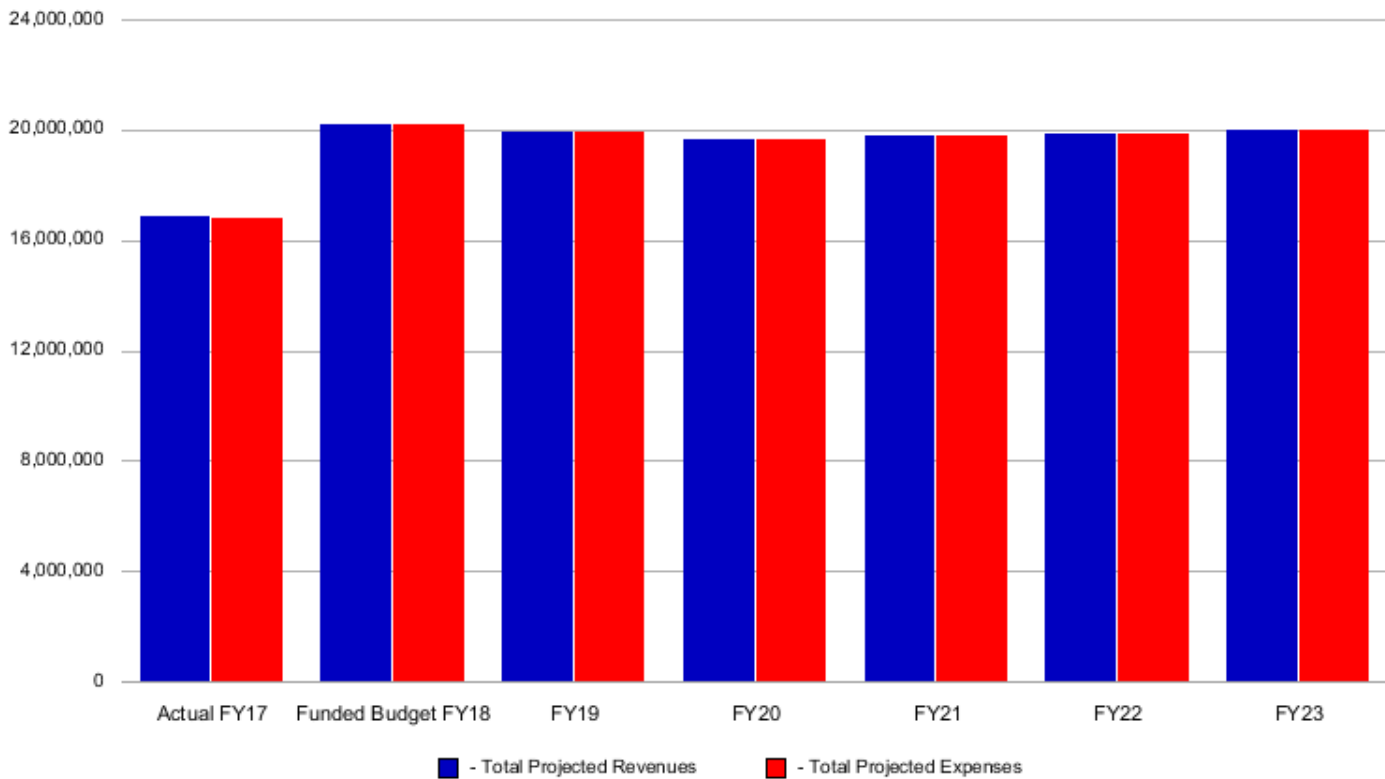


	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20	FY21	FY22	FY23	Total Plan Years
Expenses	\$3,622,621	\$3,462,556	\$3,494,947	\$3,556,275	\$3,577,600	\$3,605,824	\$3,632,794	\$17,867,441
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$537	\$541	\$545	\$549	\$2,172
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$3,622,621	\$3,462,556	\$3,494,947	\$3,556,812	\$3,578,141	\$3,606,369	\$3,633,343	\$17,869,613

- Expenses** - Over the next five years, expenses include various contracts such as Rental Lease and Technology Integration Group.
- Incremental** - N/A
- Initiative Costs** - Initiative costs includes General Fund minimum wage increase to \$14 per hour in FY19, \$15 per hour in FY20, and beyond.
- Capital Impact** - N/A

Emergency Telephone System - Five Year Plan

The 911 Communication Center receives, classifies and prioritize calls from the public and dispatches the calls that require police response and transfers and/or direct calls that do not require police response to the proper agency/unit.



	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total Plan Years
	Actual	Funded Budget	Preliminary					
Total Projected Revenues	\$16,904,174	\$20,233,845	\$19,986,175	\$19,710,874	\$19,808,874	\$19,899,314	\$20,002,257	\$99,407,494
Expenses	\$16,828,217	\$20,233,845	\$19,986,175	\$19,710,874	\$19,808,874	\$19,899,314	\$20,002,257	\$99,407,494
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$16,828,217	\$20,233,845	\$19,986,175	\$19,710,874	\$19,808,874	\$19,899,314	\$20,002,257	\$99,407,494
Revenues Over(Under) Expenses	\$75,956	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Variance %	0%	0%	0%	0%	0%	0%	0%	0%

Revenue Overview:

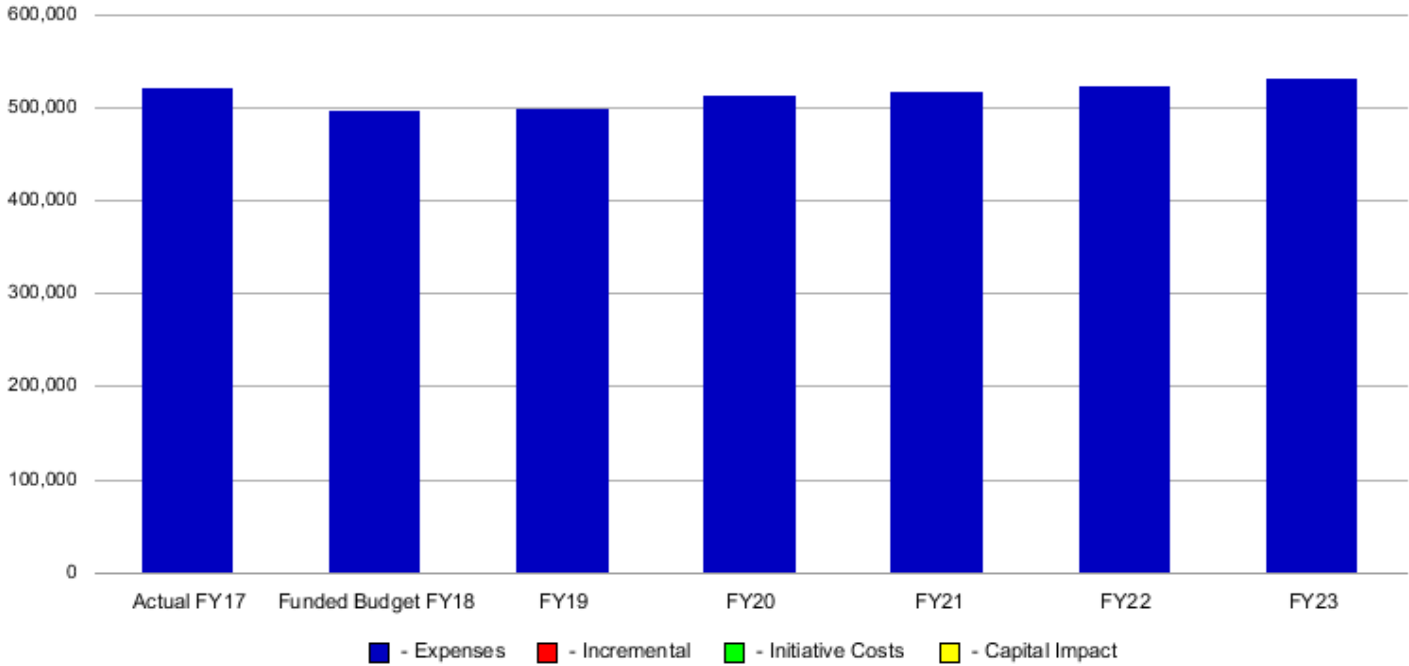
Projected revenues for FY19 are \$19.9MM.

Expense Overview:

Over the next five years, expenses are attributed to contracts and professional services that support the E911 system (i.e., Everbridge, Northrop Grumman, PSSI CAD, and Sewall).

Emergency Telephone System - Department Of Atlanta Information Management

The Emergency Telephone System Fund under the Department of Atlanta Information Management (AIM) is currently being used to support the E-911 Center/APD.

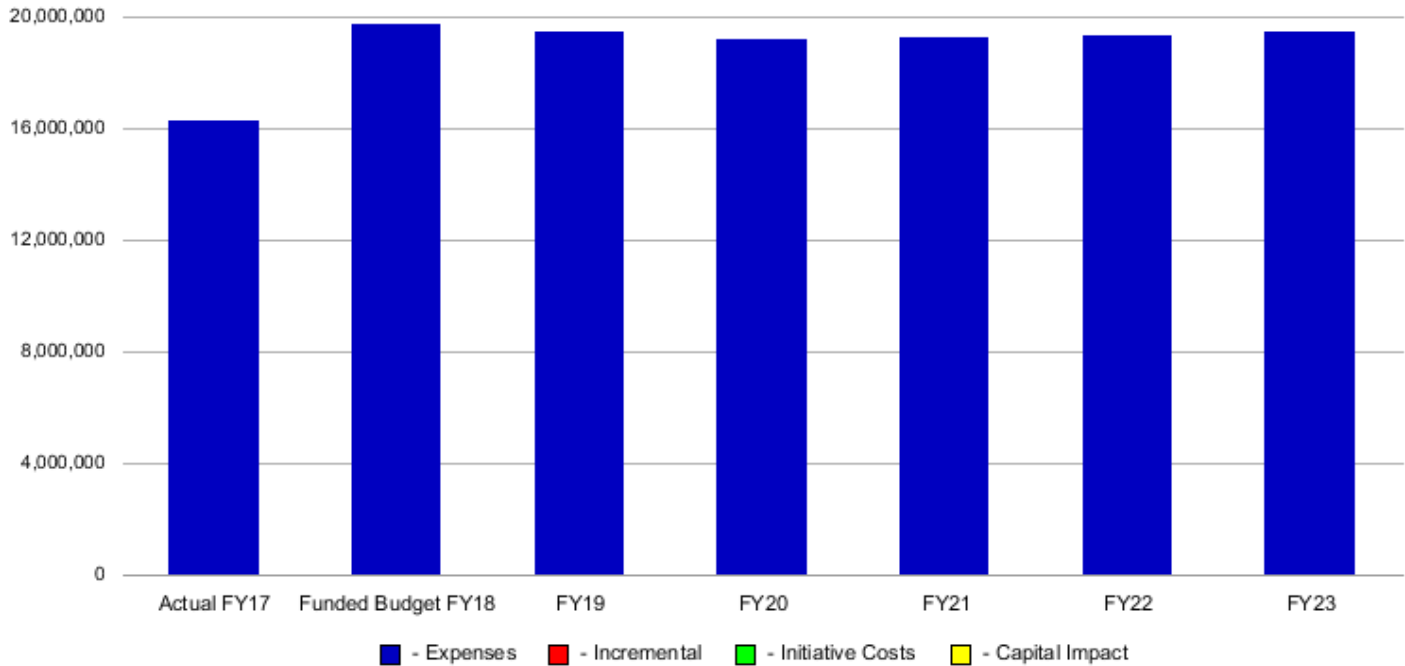


	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20	FY21	FY22	FY23	Total Plan Years
Expenses	\$522,273	\$497,768	\$499,901	\$512,563	\$517,025	\$524,382	\$531,085	\$2,584,957
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$522,273	\$497,768	\$499,901	\$512,563	\$517,025	\$524,382	\$531,085	\$2,584,957

- Expenses** - Over the next five years, expenses include personnel to support APD/E-911.
- Incremental** - N/A
- Initiative Costs** - N/A
- Capital Impact** - N/A

Emergency Telephone System - Department Of Police Services

The 911 Communication Center receives, classifies and prioritize calls from the public and dispatches the calls that require police response and transfers and/or direct calls that do not require police response to the proper agency/unit.

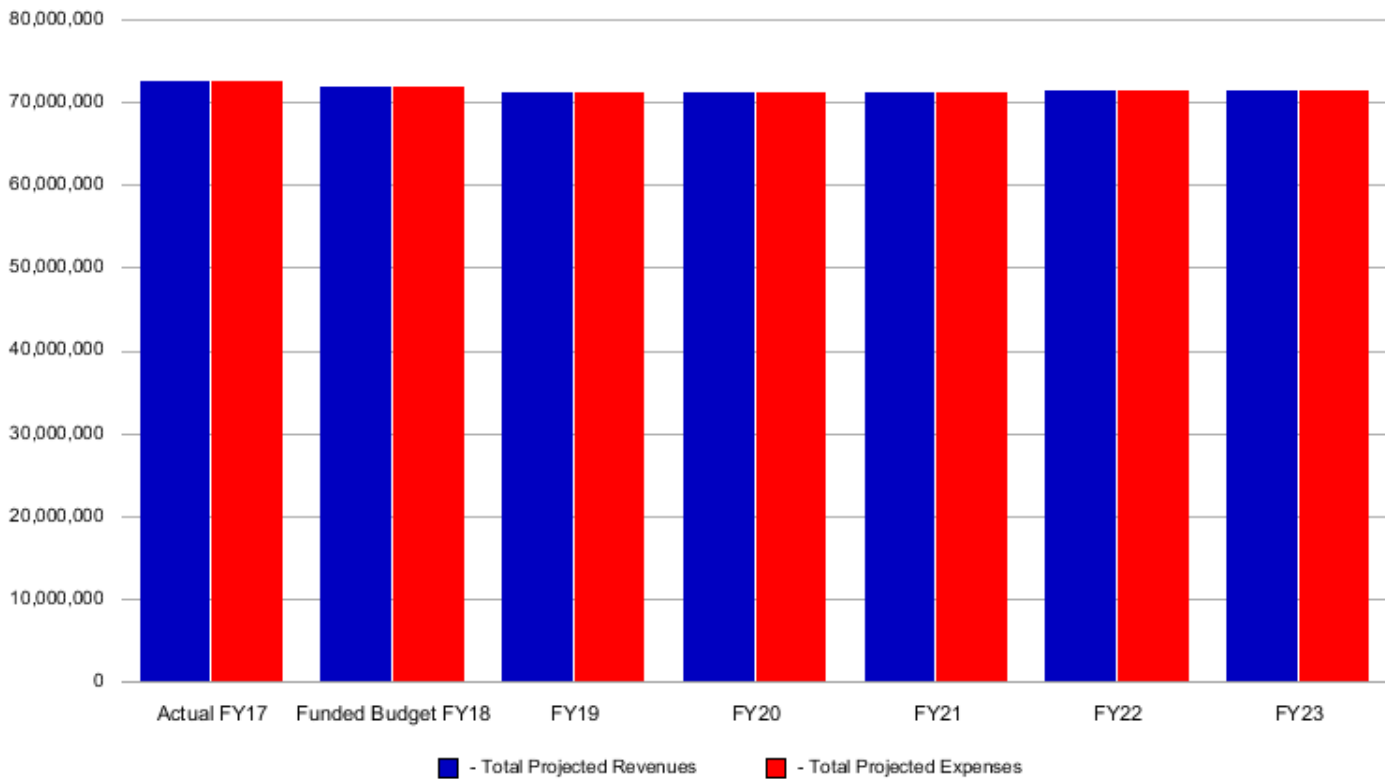


	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20	FY21	FY22	FY23	Total Plan Years
Expenses	\$16,299,945	\$19,736,077	\$19,486,274	\$19,198,311	\$19,291,848	\$19,374,932	\$19,471,171	\$96,822,537
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$16,299,945	\$19,736,077	\$19,486,274	\$19,198,311	\$19,291,848	\$19,374,932	\$19,471,171	\$96,822,537

- Expenses** - Over the next five years, expenses includes various contracts such as Northrop Grumman, E911 Lease, Public Safety Systems Inc. CAD system, and AT&T.
- Incremental** - N/A
- Initiative Costs** - N/A
- Capital Impact** - N/A

Hotel/Motel Tax Fund - Five Year Plan

The Hotel/Motel Tax is shared between the City, Atlanta Convention & Visitors Bureau, Georgia World Congress Center, and the Mercedes Benz Stadium.



	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total Plan Years
	Actual	Funded Budget	Preliminary					
Total Projected Revenues	\$72,583,062	\$71,867,980	\$71,219,067	\$71,290,286	\$71,361,576	\$71,432,938	\$71,504,371	\$356,808,238
Expenses	\$72,583,062	\$71,867,980	\$71,219,067	\$71,290,286	\$71,361,576	\$71,432,938	\$71,504,371	\$356,808,238
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$72,583,062	\$71,867,980	\$71,219,067	\$71,290,286	\$71,361,576	\$71,432,938	\$71,504,371	\$356,808,238
Revenues Over(Under) Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Variance %	0%	0%	0%	0%	0%	0%	0%	0%

Revenue Overview:

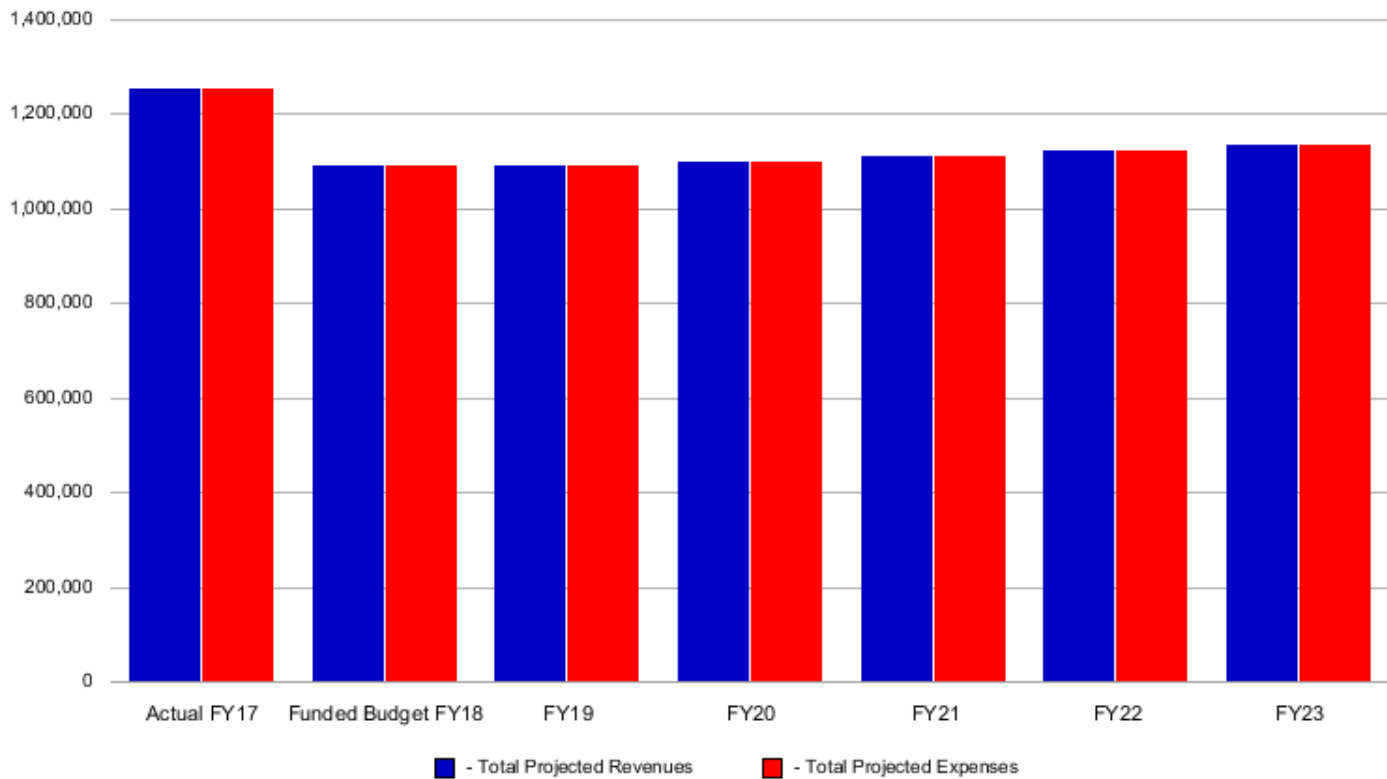
The Hotel/Motel Tax Fund revenue is derived from an 8% rate on rent for occupancy of a guestroom in a hotel in the City. The tax is shared between the City, Atlanta Convention & Visitors Bureau, GA World Congress Center, and the Mercedes Benz Stadium.

Expense Overview:

The City's allocated share of the hotel/motel tax is 24.99%, with the remaining 75.01% distributed by the City to the aforementioned parties.

Rental/Motor Vehicle Tax Fund - Five Year Plan

The Rental/Motor Vehicle Fund contains revenue from transactions associated with a 3% excise tax levied on Car Rental Facilities within the City corporate limits.



	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total Plan Years
	Actual	Funded Budget	Preliminary					
Total Projected Revenues	\$1,253,762	\$1,092,076	\$1,092,076	\$1,102,997	\$1,114,027	\$1,125,167	\$1,136,419	\$5,570,686
Expenses	\$1,253,762	\$1,092,076	\$1,092,076	\$1,102,997	\$1,114,027	\$1,125,167	\$1,136,419	\$5,570,686
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$1,253,762	\$1,092,076	\$1,092,076	\$1,102,997	\$1,114,027	\$1,125,167	\$1,136,419	\$5,570,686
Revenues Over(Under) Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Variance %	0%	0%	0%	0%	0%	0%	0%	0%

Revenue Overview:

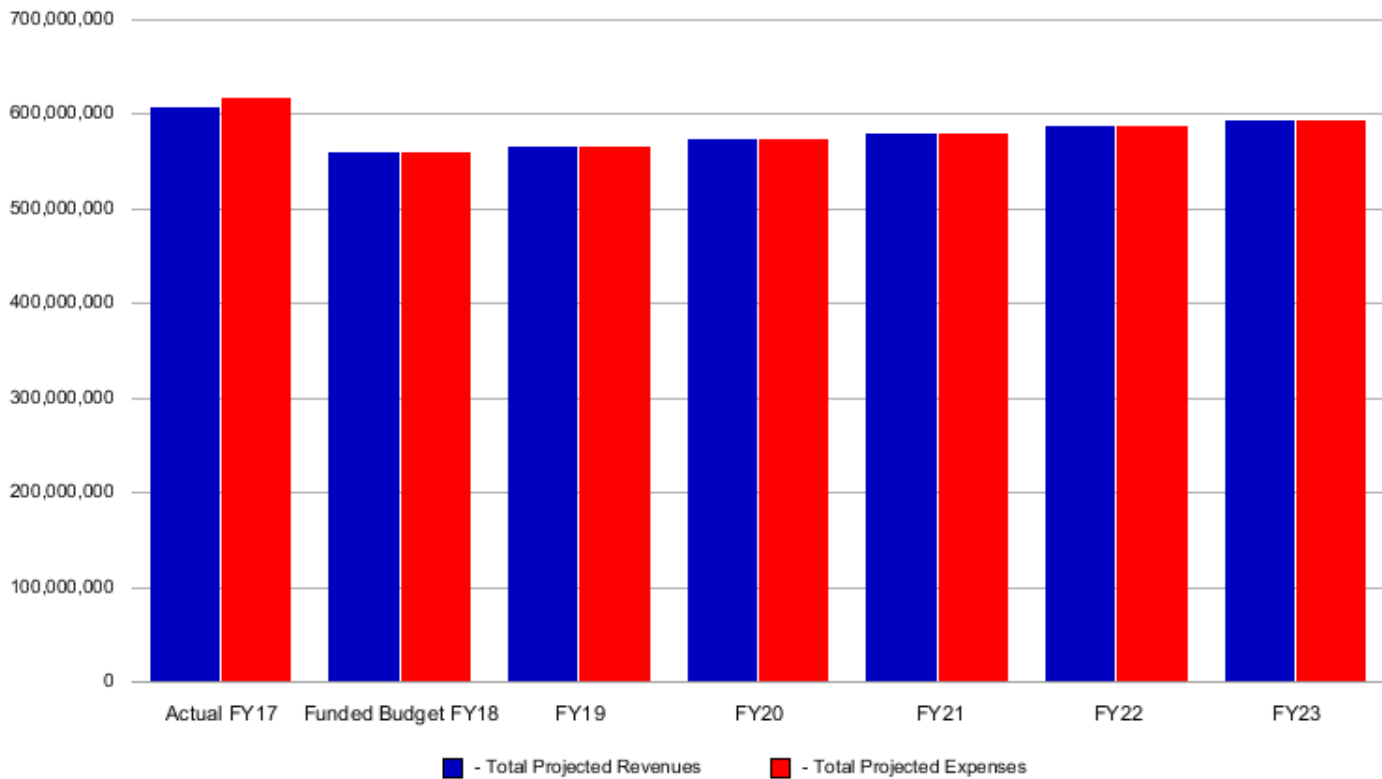
The Car Rental Tax Fund revenues correlate with travel and tourism activity.

Expense Overview:

This Fund operates as a pass through fund with all of the revenues remitted to a Bank Trustee for debt service payments pursuant to the trust indenture.

Water & Wastewater Revenue Fund - Five Year Plan

The Water & Wastewater Revenue Fund was established to account for transactions associated with the operation, development, and maintenance of the City's expansive water and wastewater infrastructure system.



	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total Plan Years
	Actual	Funded Budget	Preliminary					
Total Projected Revenues	\$608,353,848	\$560,154,817	\$566,886,324	\$573,718,211	\$580,651,983	\$587,689,165	\$594,823,799	\$2,903,769,482
Expenses	\$616,863,950	\$560,154,817	\$566,886,324	\$573,641,587	\$580,574,795	\$587,611,415	\$594,745,485	\$2,903,459,605
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$76,624	\$77,188	\$77,750	\$78,314	\$309,876
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$616,863,950	\$560,154,817	\$566,886,324	\$573,718,211	\$580,651,983	\$587,689,165	\$594,823,799	\$2,903,769,481
Revenues Over(Under) Expenses	(\$8,510,102)	\$0	\$0	\$0	\$0	\$0	\$0	\$1
Variance %	(1%)	0%	0%	0%	0%	0%	0%	0%

Revenue Overview:

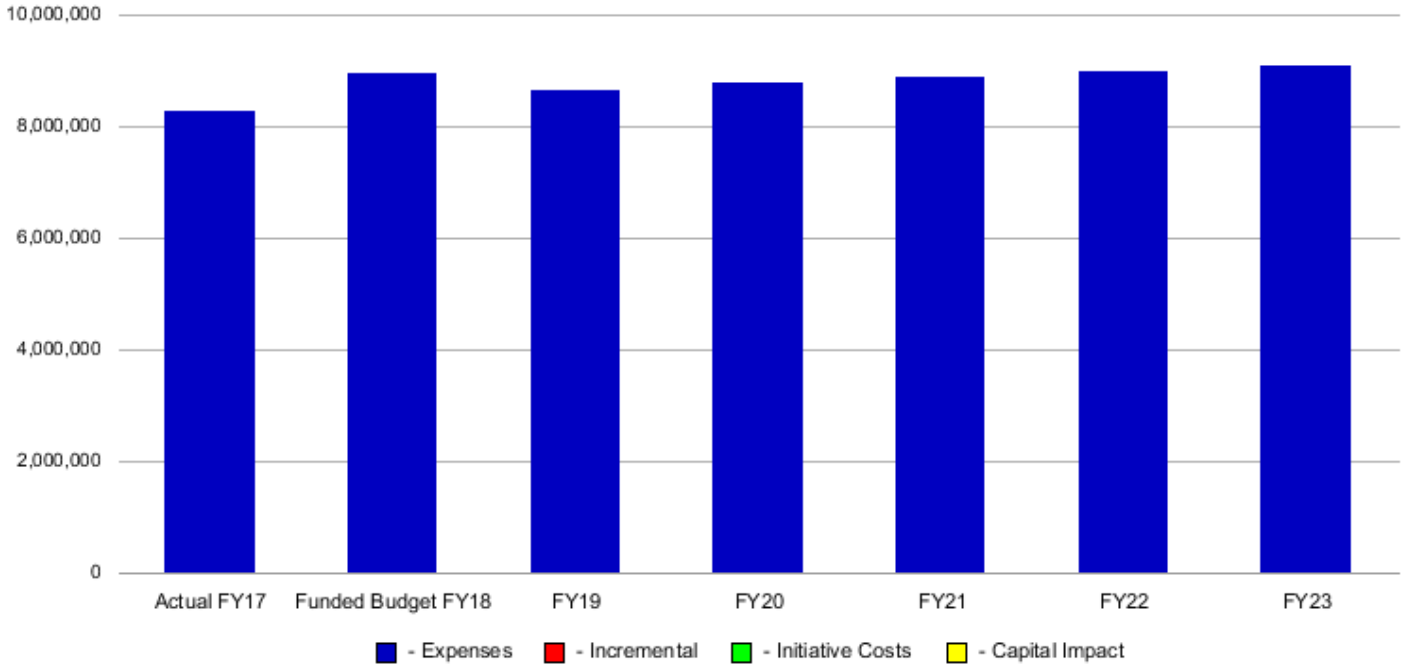
Water & Wastewater Fund revenues include Water/Sewer Service revenue, Inter-jurisdictional revenue from other local cities, Municipal Option Sales Tax (MOST), Administrative Fees, and other revenue sources.

Expense Overview:

Water & Wastewater Fund expenditures relate to Departmental O&M, Debt Service, Fund-wide reserves and funding of City departments. Initiative costs includes minimum wage increase to \$15 per hour.

Water & Wastewater Revenue Fund - Executive Offices

The Water & Wastewater Revenue Fund provides funding to divisions within the Executive Offices that service departments within the Department of Watershed. Also, the Watershed Department pays the City a yearly lease payment for the use of 72 Marietta Street. Currently, the divisions within the Executive Offices that provide service support to the Department of Watershed are the 311 Call Center and FORATLANTA.

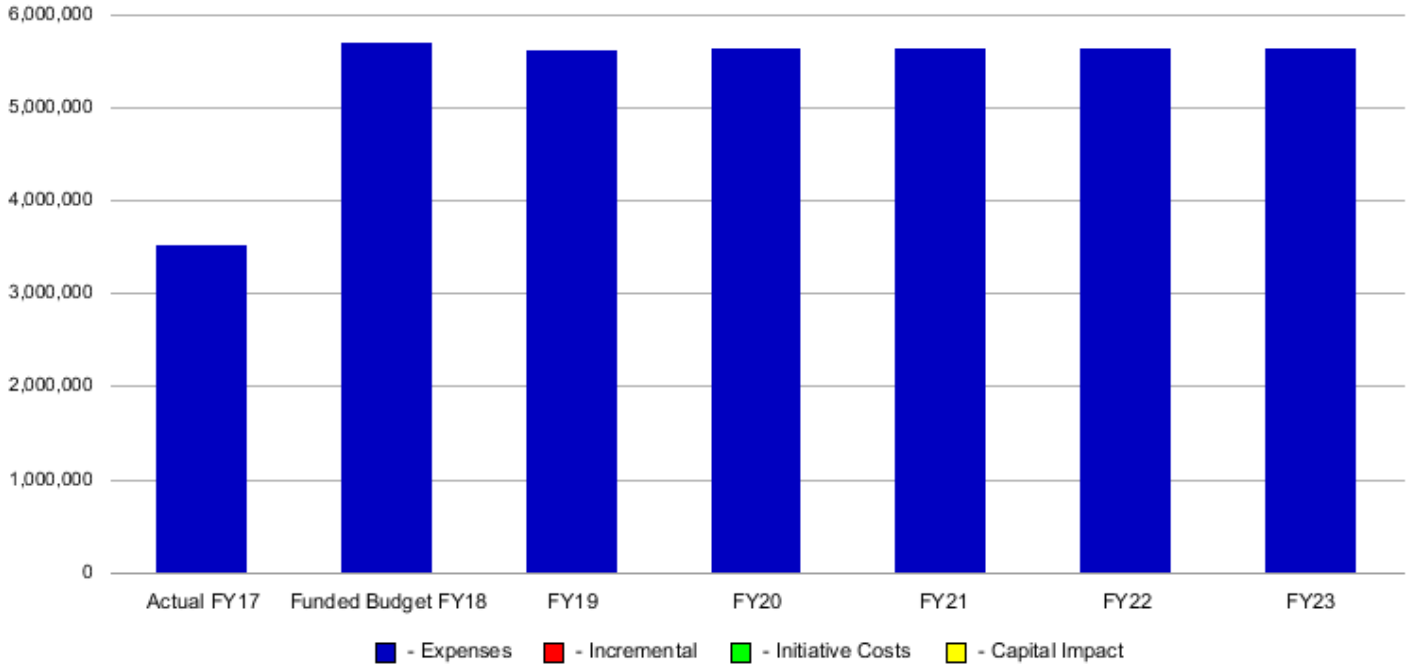


	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20	FY21	FY22	FY23	Total Plan Years
Expenses	\$8,302,457	\$8,977,615	\$8,667,637	\$8,811,024	\$8,890,680	\$8,996,247	\$9,096,103	\$44,461,691
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$8,302,457	\$8,977,615	\$8,667,637	\$8,811,024	\$8,890,680	\$8,996,247	\$9,096,103	\$44,461,691

- Expenses** - Over the next five years, expenses include costs related to 311 Call Center, the Innovative Delivery Team, and repair and maintenance at 72 Marietta.
- Incremental** - N/A
- Initiative Costs** - N/A
- Capital Impact** - N/A

Water & Wastewater Revenue Fund - Department Of Atlanta Information Management

The Water and Wastewater Revenue Fund under the Department of Atlanta Information Management (AIM) is used for the department and support of 311 Center, Hyperion and E-Business Suite (EBS).

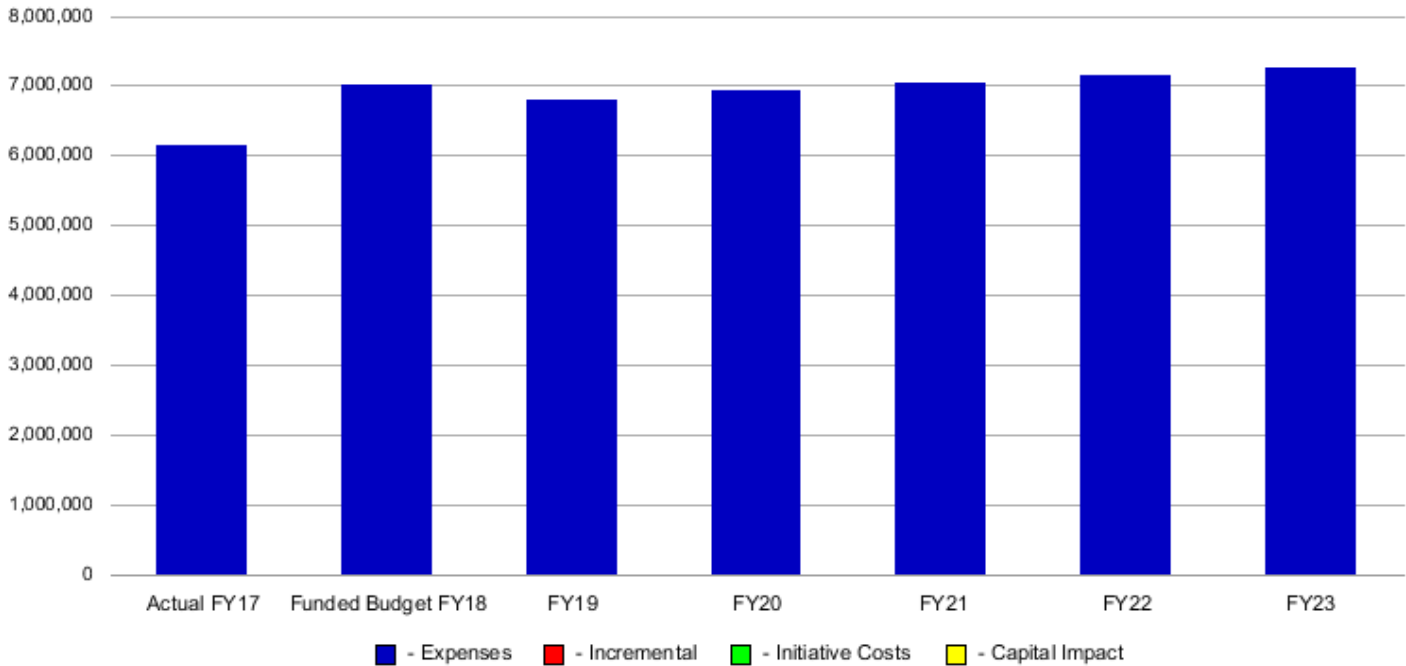


	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20	FY21	FY22	FY23	Total Plan Years
Expenses	\$3,535,812	\$5,703,356	\$5,632,363	\$5,638,347	\$5,641,008	\$5,644,784	\$5,648,355	\$28,204,856
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$3,535,812	\$5,703,356	\$5,632,363	\$5,638,347	\$5,641,008	\$5,644,784	\$5,648,355	\$28,204,856

- Expenses** - Over the next five years, expenses include the endeavors to consolidate services, contracts and strengthen the City's technology framework.
- Incremental** - N/A
- Initiative Costs** - N/A
- Capital Impact** - N/A

Water & Wastewater Revenue Fund - Department Of Law

The Law Department is a team of professionals committed to providing best in-class legal representation to the City of Atlanta. In addition to defending the City in all types of civil litigation, the Department works proactively to prevent legal challenges by delivering sound advice, legislation and training.

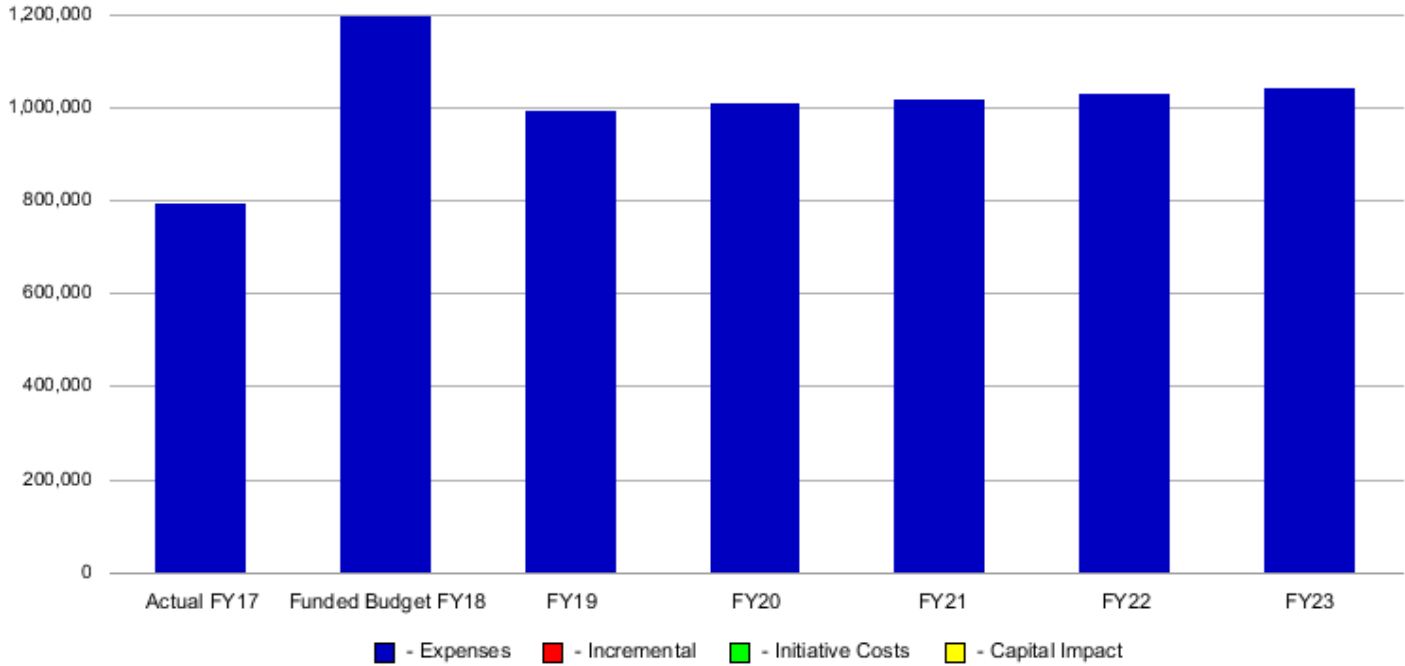


	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20	FY21	FY22	FY23	Total Plan Years
Expenses	\$6,160,041	\$7,037,788	\$6,821,797	\$6,948,448	\$7,059,410	\$7,176,316	\$7,292,008	\$35,297,978
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$6,160,041	\$7,037,788	\$6,821,797	\$6,948,448	\$7,059,410	\$7,176,316	\$7,292,008	\$35,297,978

- Expenses** - Over the next five years, expenses include continued funding for personnel, outside counsel and Continued Legal Education.
- Incremental** - N/A
- Initiative Costs** - N/A
- Capital Impact** - N/A

Water & Wastewater Revenue Fund - Department Of Finance

The Department of Finance mission is to provide leading practice financial management services and leadership to achieve City of Atlanta goals and objectives.

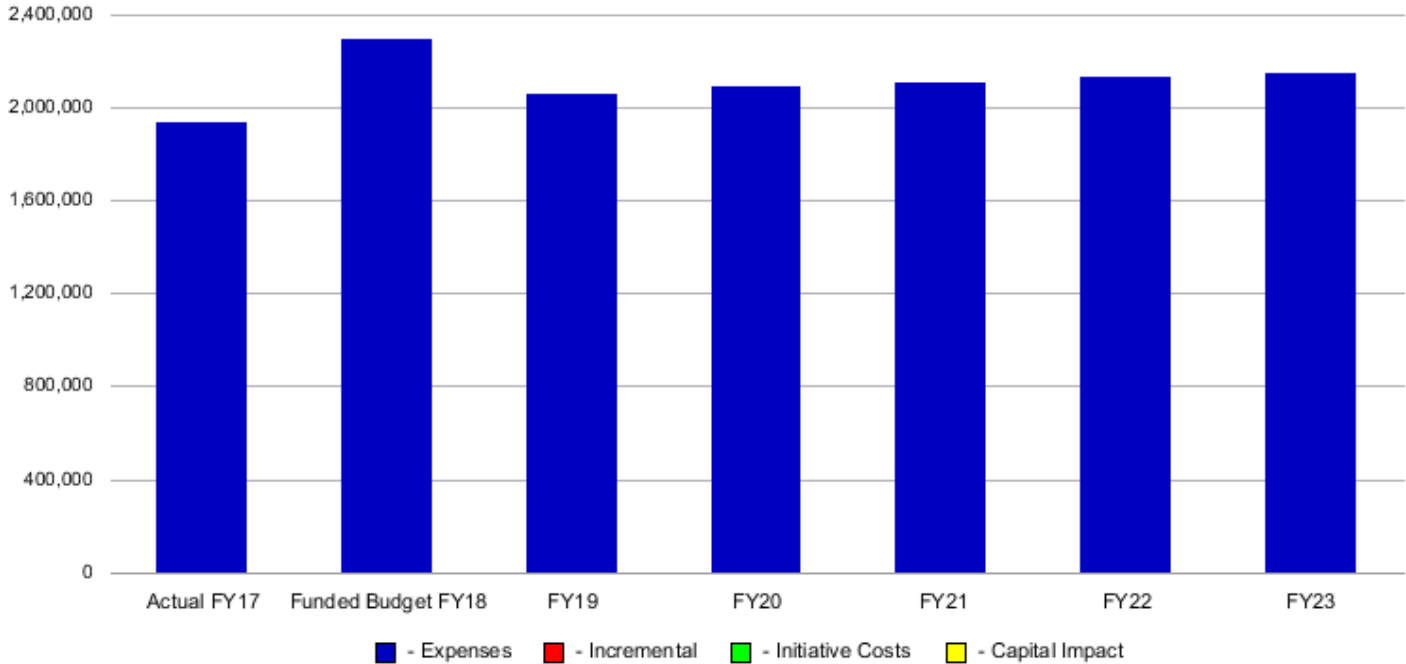


	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20	FY21	FY22	FY23	Total Plan Years
Expenses	\$796,832	\$1,196,708	\$993,343	\$1,010,863	\$1,019,148	\$1,030,617	\$1,041,387	\$5,095,359
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$796,832	\$1,196,708	\$993,343	\$1,010,863	\$1,019,148	\$1,030,617	\$1,041,387	\$5,095,359

- Expenses** - Over the next five years, expenses include personnel costs, standard contracts, license agreements, and bank fees.
- Incremental** - N/A
- Initiative Costs** - N/A
- Capital Impact** - N/A

Water & Wastewater Revenue Fund - Department Of Procurement

The Department of Procurement is responsible for providing guidance in the purchasing of all goods and services according to the City Code of Ordinances. The goal is to model best practices in public purchasing while promoting equity, fairness and economic inclusion.

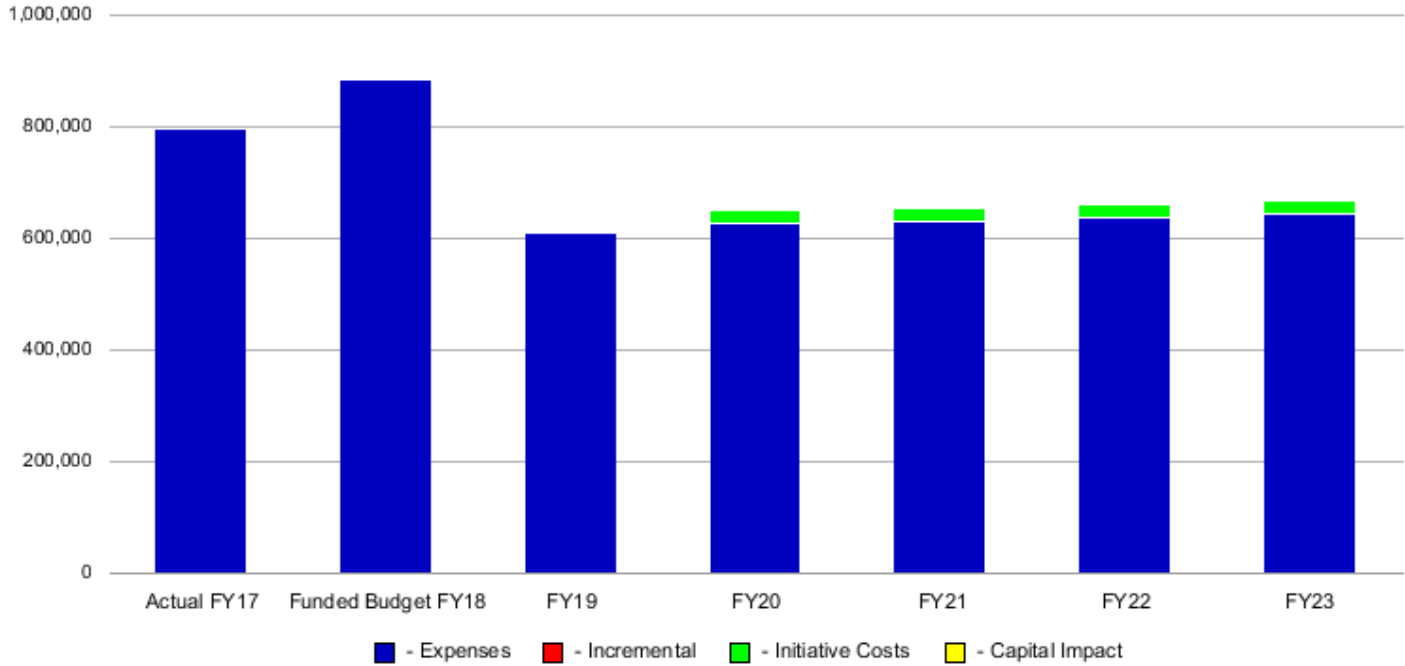


	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20	FY21	FY22	FY23	Total Plan Years
Expenses	\$1,940,154	\$2,296,866	\$2,060,908	\$2,096,645	\$2,111,284	\$2,134,366	\$2,155,581	\$10,558,783
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$1,940,154	\$2,296,866	\$2,060,908	\$2,096,645	\$2,111,284	\$2,134,366	\$2,155,581	\$10,558,783

- Expenses** - Over the next five years, expenses include personnel costs, the Technology Integration Group copier lease, maintenance, office supplies, training/travel, wireless devices and printing.
- Incremental** - N/A
- Initiative Costs** - N/A
- Capital Impact** - N/A

Water & Wastewater Revenue Fund - Department Of Public Works

The Department of Public Works manages the City's public right of way and handles some of the most commonly reported issues such as traffic signals, street signs, street striping and potholes.

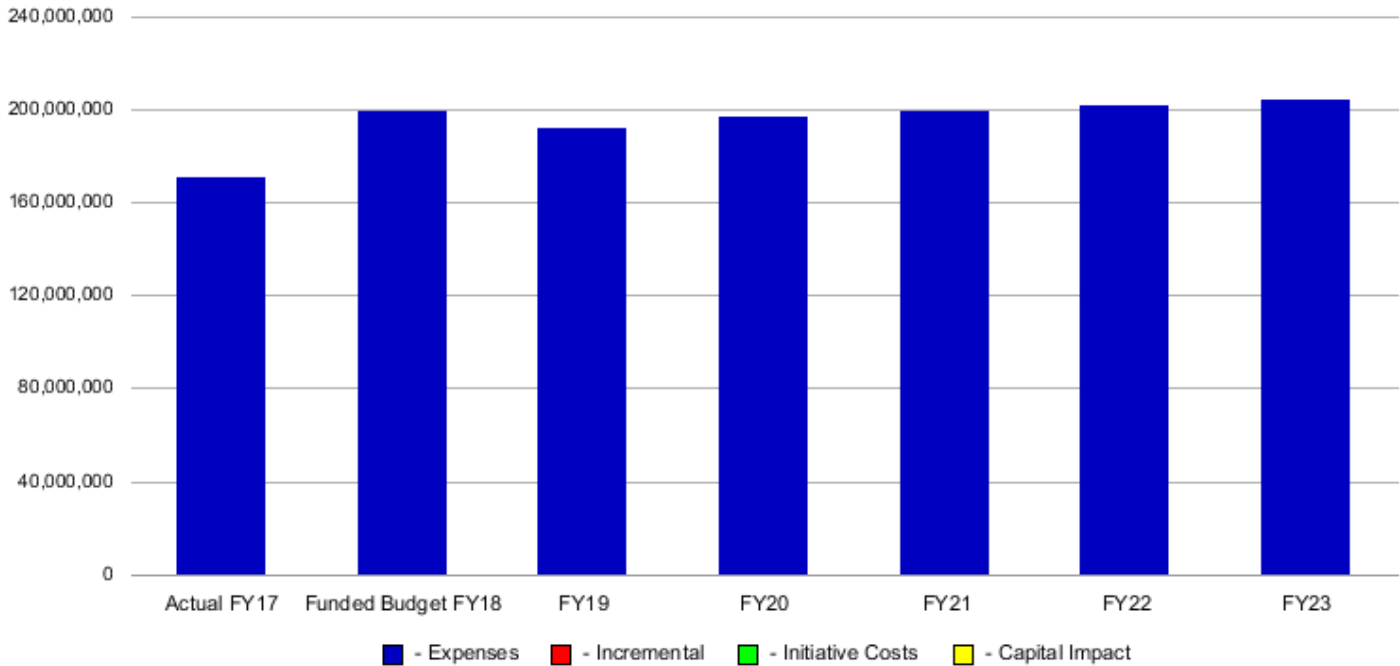


	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20	FY21	FY22	FY23	Total Plan Years
Expenses	\$795,537	\$882,097	\$607,264	\$625,180	\$628,758	\$635,723	\$642,011	\$3,138,937
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$22,942	\$23,111	\$23,279	\$23,448	\$92,780
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$795,537	\$882,097	\$607,264	\$648,122	\$651,869	\$659,002	\$665,459	\$3,231,717

- Expenses** - Over the next five years, expenses include salaries and benefits.
- Incremental** - N/A
- Initiative Costs** - Initiative costs includes minimum wage increase to \$14 per hour in FY19, \$15 per hour in FY20, and beyond.
- Capital Impact** - N/A

Water & Wastewater Revenue Fund - Department Of Watershed Management

The Water & Wastewater Revenue Fund was established to account for transactions associated with the operation, development, and maintenance of the City's expansive water and wastewater infrastructure system. The system's operations are financed primarily by user charges for water and wastewater services and Municipal Option Sales Tax.

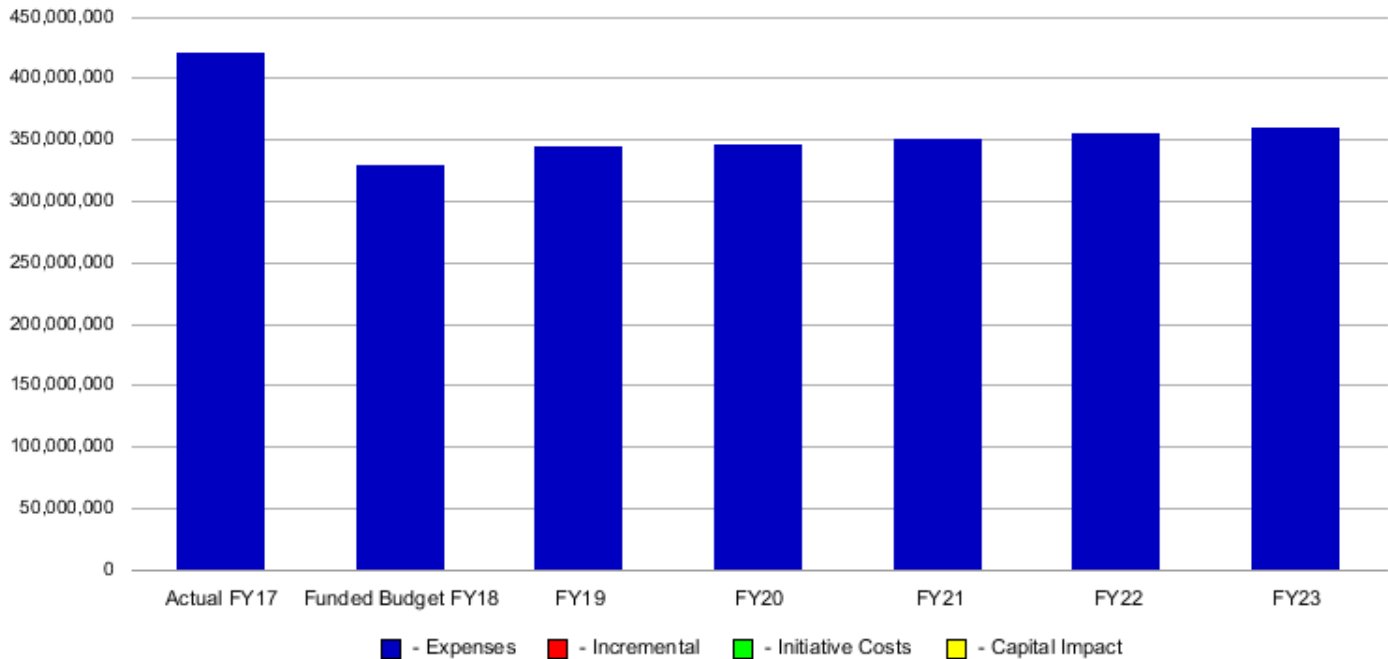


	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20	FY21	FY22	FY23	Total Plan Years
Expenses	\$171,019,087	\$199,401,006	\$192,794,806	\$197,219,636	\$199,386,173	\$201,953,878	\$204,438,052	\$995,792,545
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$53,682	\$54,077	\$54,471	\$54,866	\$217,096
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$171,019,087	\$199,401,006	\$192,794,806	\$197,273,318	\$199,440,250	\$202,008,349	\$204,492,918	\$996,009,641

- Expenses** - Over the next five years, expenses include costs associated with operations and maintenance for the Department of Watershed Management. Decrease due mainly to transfer of settlement costs to Non-Departmental.
- Incremental** - N/A
- Initiative Costs** - Initiative costs includes minimum wage increase to \$14 per hour in FY19, \$15 per hour in FY20, and beyond.
- Capital Impact** - NA

Water & Wastewater Revenue Fund - Non-Departmental

The Water & Wastewater Revenue Fund Non-Departmental budget includes funding for expenditures directly associated with debt service on bonds and loans, fund-wide reserve, retiree benefits and payments to other governments.

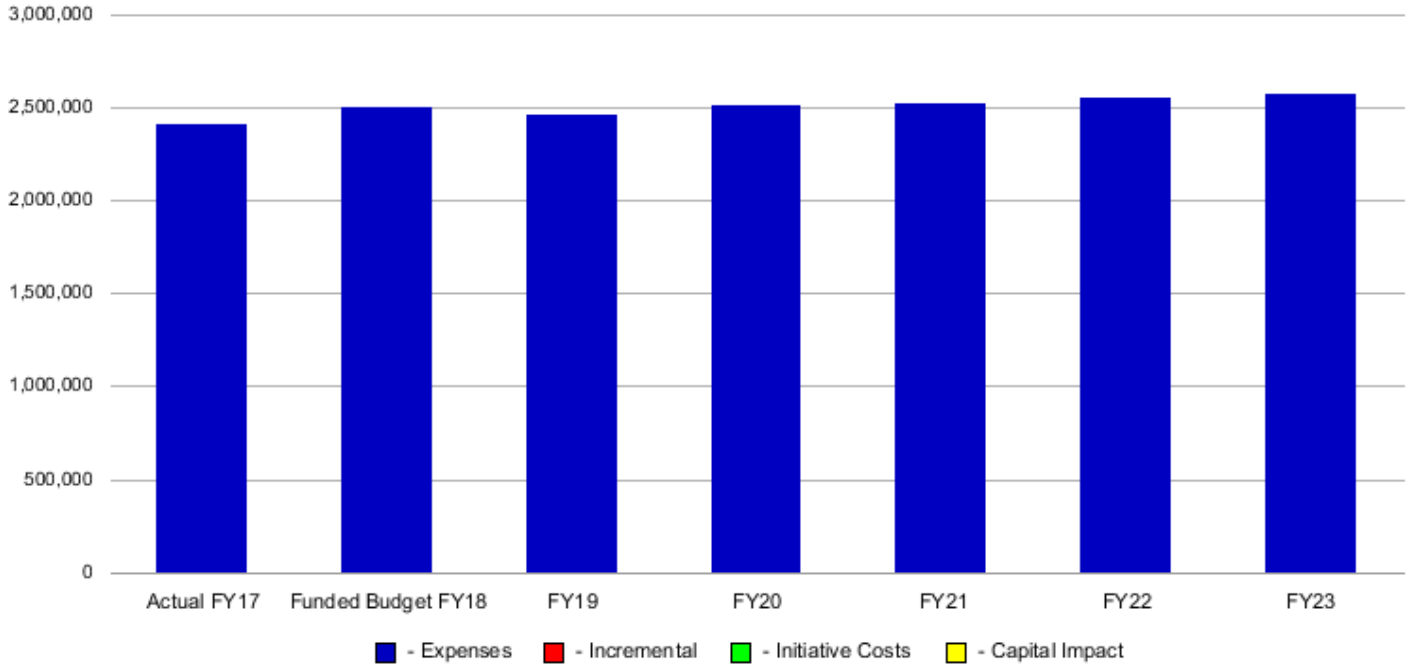


	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20	FY21	FY22	FY23	Total Plan Years
Expenses	\$420,979,025	\$330,771,931	\$345,493,368	\$347,413,597	\$351,925,573	\$356,081,932	\$360,431,698	\$1,761,346,168
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$420,979,025	\$330,771,931	\$345,493,368	\$347,413,597	\$351,925,573	\$356,081,932	\$360,431,698	\$1,761,346,168

- Expenses** - Over the next five years, expenses include funding for debt service on bonds and loans, fund-wide reserve, retiree benefits and payments to other governments.
- Incremental** - N/A
- Initiative Costs** - N/A
- Capital Impact** - N/A

Water & Wastewater Revenue Fund - Department Of Human Resources

The Department of Human Resources is committed to attracting, retaining and developing a diverse and competent workforce that enables City agencies to achieve their business needs.

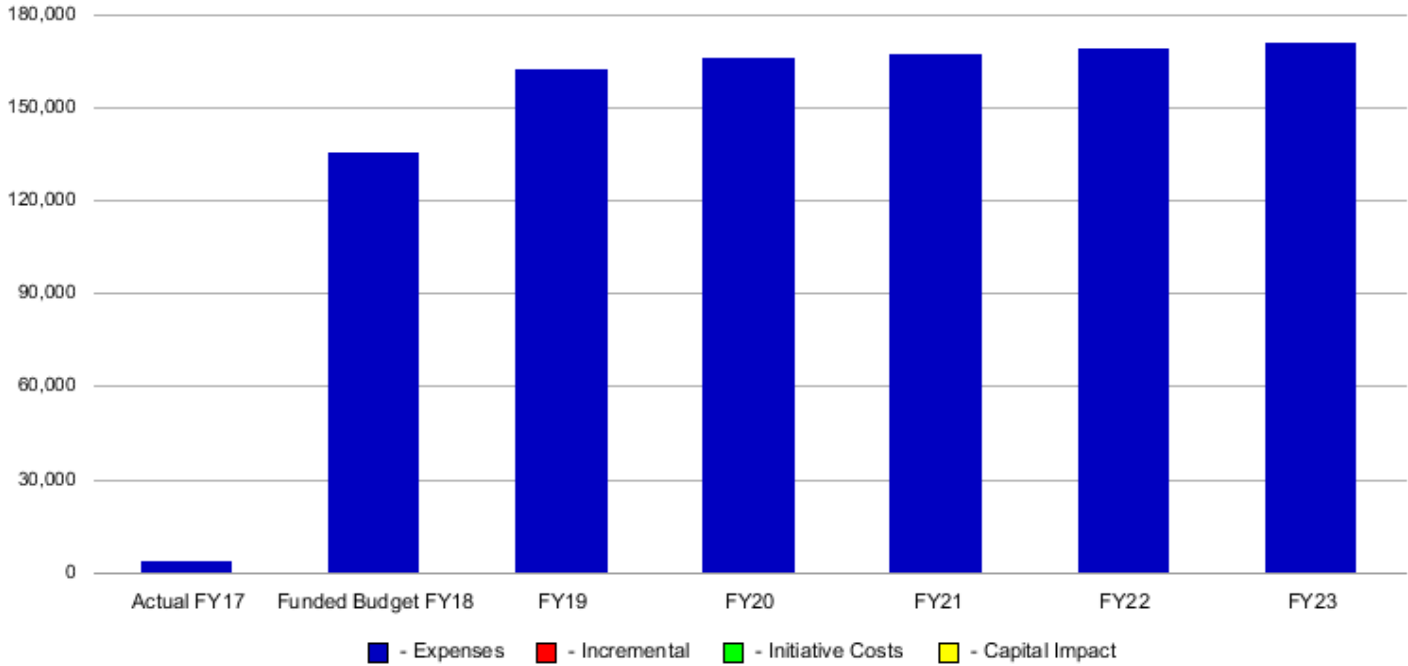


	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20	FY21	FY22	FY23	Total Plan Years
Expenses	\$2,410,816	\$2,510,285	\$2,470,309	\$2,512,841	\$2,529,941	\$2,556,699	\$2,581,322	\$12,651,112
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$2,410,816	\$2,510,285	\$2,470,309	\$2,512,841	\$2,529,941	\$2,556,699	\$2,581,322	\$12,651,112

- Expenses** - Over the next five years, expenses include salaries and benefits, Civil Service Board Hearings, and other daily operational expenses.
- Incremental** - N/A
- Initiative Costs** - N/A
- Capital Impact** - N/A

Water & Wastewater Revenue Fund - Department Of Police Services

The City of Atlanta Police Department (APD) provides enhanced security and protection to the employees, citizens, visitors and businesses of the City of Atlanta. APD provides full time law enforcement officers to assist in the correction of loss prevention and security within DWM.

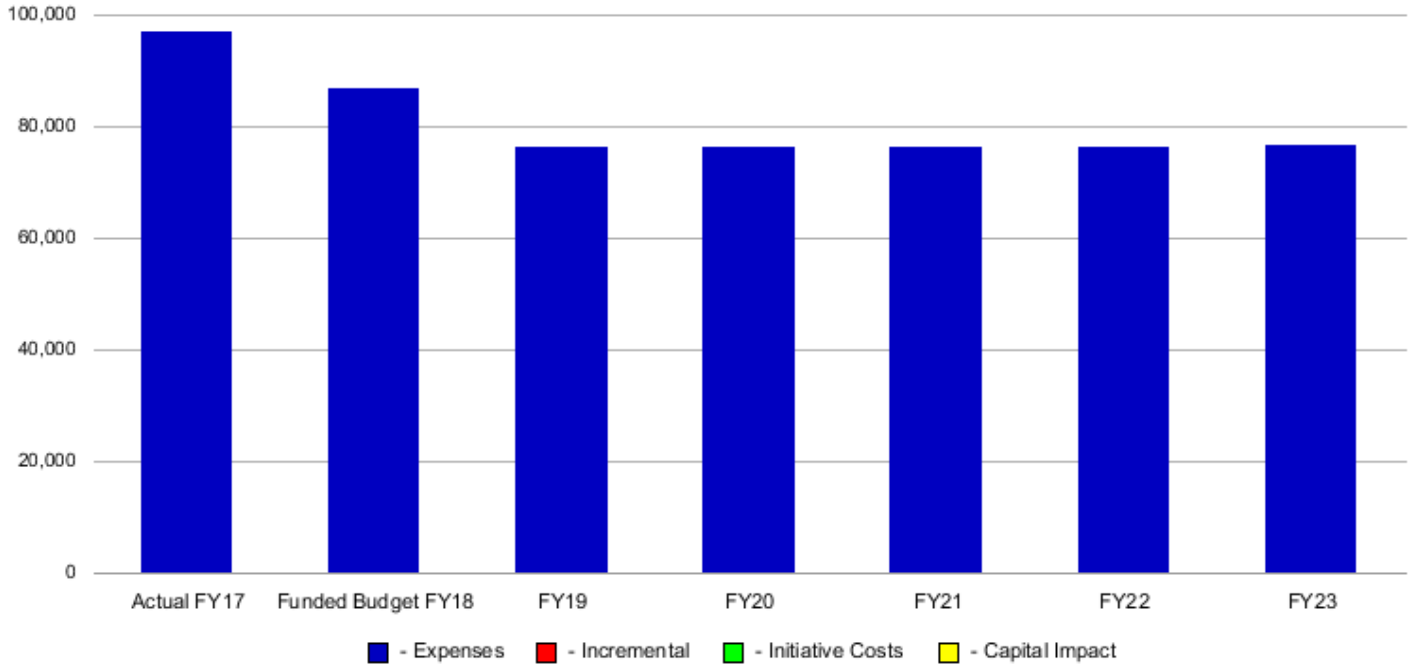


	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20	FY21	FY22	FY23	Total Plan Years
Expenses	\$3,891	\$135,799	\$162,463	\$165,980	\$167,593	\$169,276	\$171,026	\$836,338
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$3,891	\$135,799	\$162,463	\$165,980	\$167,593	\$169,276	\$171,026	\$836,338

- Expenses** - Over the next five years, expenses are related to two Police Investigator positions.
- Incremental** - N/A
- Initiative Costs** - N/A
- Capital Impact** - N/A

Water & Wastewater Revenue Fund - Department Of The Solicitor

The Solicitor's Office is mandated to prosecute all water theft cases brought before the Atlanta Municipal Court.

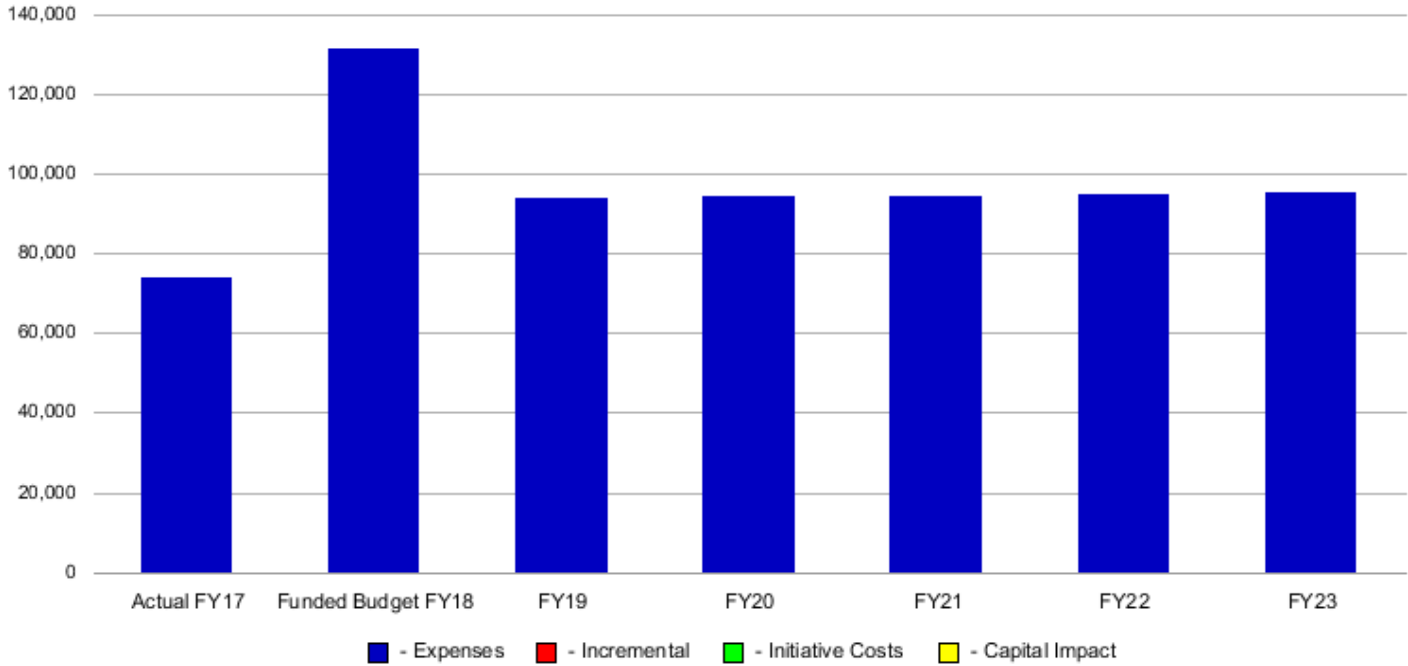


	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20	FY21	FY22	FY23	Total Plan Years
Expenses	\$96,994	\$86,776	\$76,362	\$76,441	\$76,519	\$76,598	\$76,676	\$382,596
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$96,994	\$86,776	\$76,362	\$76,441	\$76,519	\$76,598	\$76,676	\$382,596

- Expenses** - Over the next five years, expenses include operational cost to process and prosecute water theft cases.
- Incremental** - N/A
- Initiative Costs** - N/A
- Capital Impact** - N/A

Water & Wastewater Revenue Fund - Department Of Ethics

The Board of Ethics seeks to protect the integrity of government and promote the public trust by bringing the City into compliance with the Atlanta Code of Ethics and instilling a culture of ethics in city government.

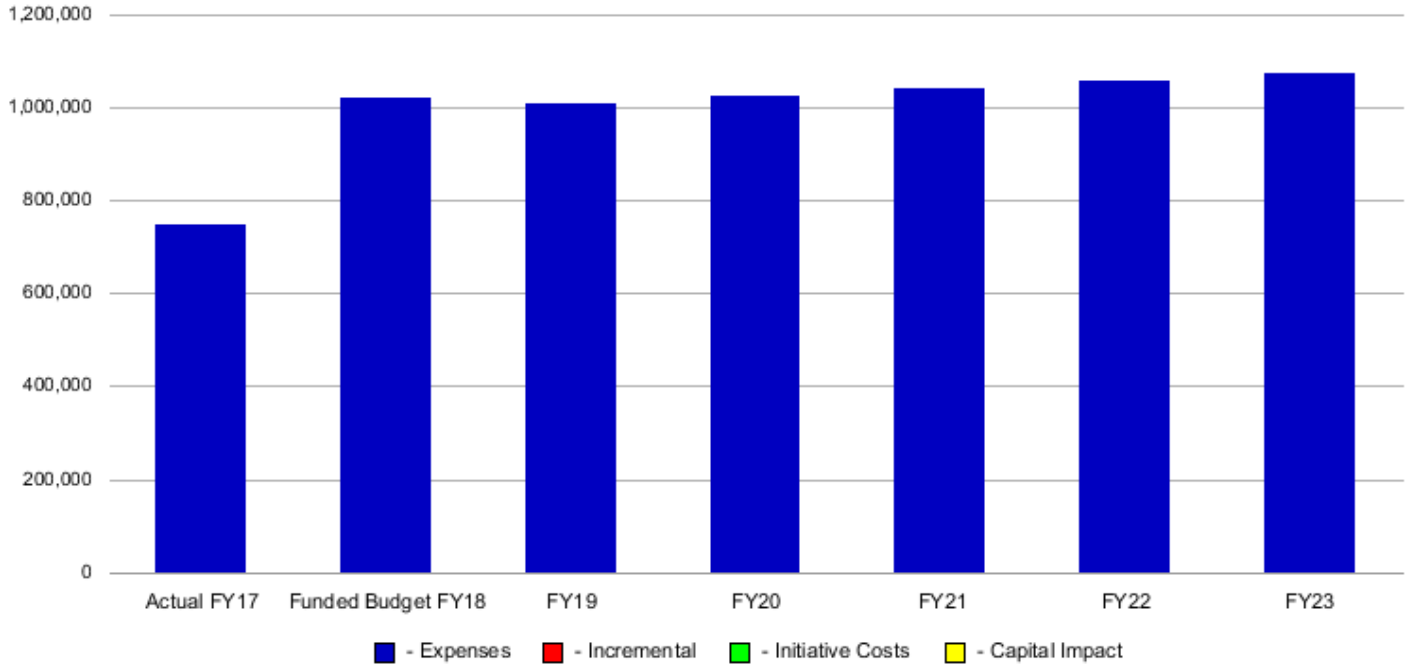


	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20	FY21	FY22	FY23	Total Plan Years
Expenses	\$74,173	\$131,810	\$94,004	\$94,493	\$94,864	\$95,241	\$95,627	\$474,229
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$74,173	\$131,810	\$94,004	\$94,493	\$94,864	\$95,241	\$95,627	\$474,229

- Expenses** - Over the next five years, expenses include professional training for staff members, additional training materials and media for broader outreach to City officials and employees.
- Incremental** - N/A
- Initiative Costs** - N/A
- Capital Impact** - N/A

Water & Wastewater Revenue Fund - Department Of Audit

The City Auditor's Office promotes honesty, efficiency, effectiveness, and accountability in city government by conducting audits to support legislative oversight and public accountability. The Water & Wastewater Revenue Fund supports audits and investigations in the Department of Watershed Management and related activities.

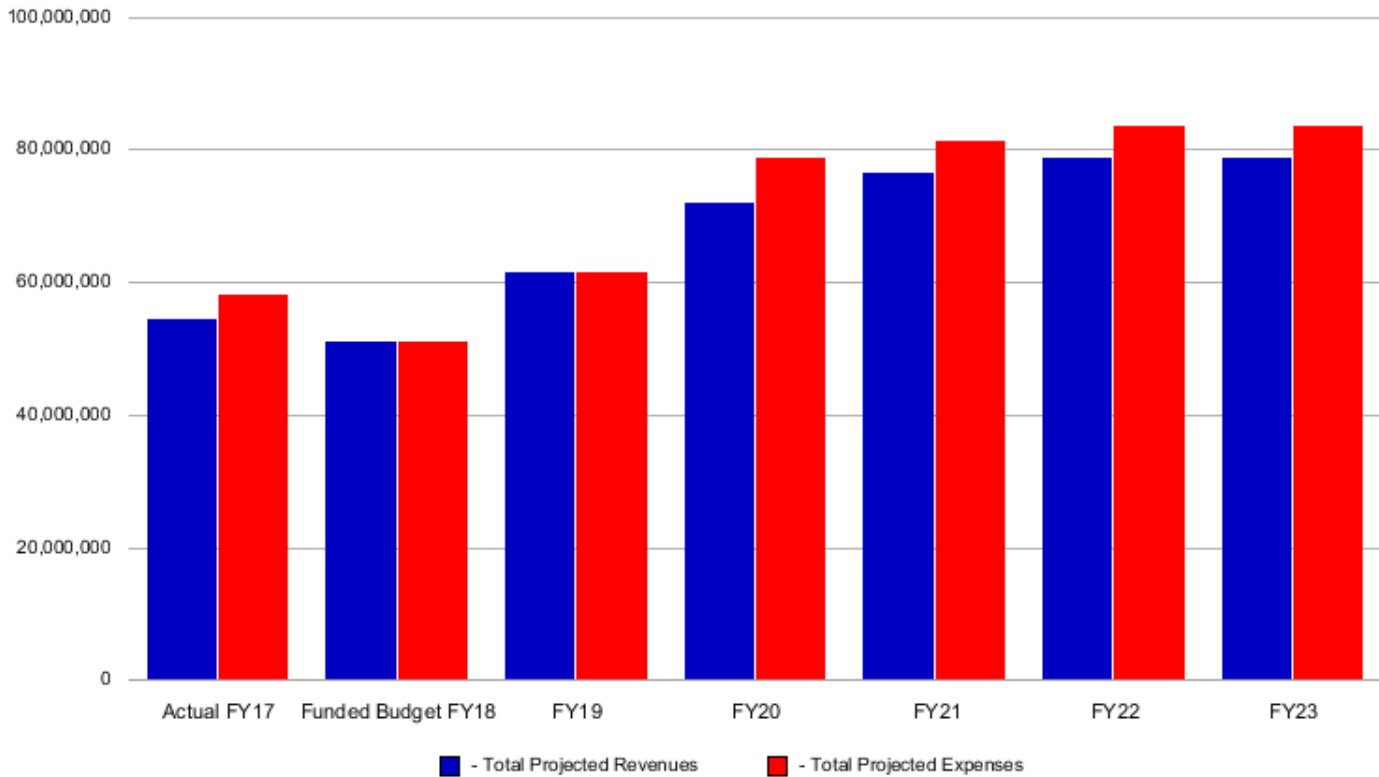


	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20	FY21	FY22	FY23	Total Plan Years
Expenses	\$749,130	\$1,022,780	\$1,011,700	\$1,028,093	\$1,043,844	\$1,059,738	\$1,075,639	\$5,219,013
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$749,130	\$1,022,780	\$1,011,700	\$1,028,093	\$1,043,844	\$1,059,738	\$1,075,639	\$5,219,013

- Expenses** - Over the next five years, expenses include personnel costs, support for audits and investigations that focus on or include the Department of Watershed Management and related activities.
- Incremental** - N/A
- Initiative Costs** - N/A
- Capital Impact** - N/A

Solid Waste Services Revenue Fund - Five Year Plan

The primary services provided by Solid Waste Services are refuse collection and disposal, residential recycling, yard trimmings, bulk rubbish collection, and street sweeping.



	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total Plan Years
	Actual	Funded Budget	Preliminary					
Total Projected Revenues	\$54,553,392	\$51,130,117	\$61,717,571	\$72,174,221	\$76,649,581	\$78,887,262	\$78,887,263	\$368,315,898
Expenses	\$58,330,247	\$51,130,117	\$61,717,571	\$70,821,365	\$75,299,711	\$77,536,379	\$77,523,366	\$362,898,392
Incremental	\$0	\$0	\$0	\$7,000,000	\$5,000,000	\$5,000,000	\$5,000,000	\$22,000,000
Initiative Costs	\$0	\$0	\$0	\$1,061,819	\$1,069,627	\$1,077,434	\$1,085,242	\$4,294,122
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$58,330,247	\$51,130,117	\$61,717,571	\$78,883,184	\$81,369,338	\$83,613,813	\$83,608,608	\$389,192,514
Revenues Over(Under) Expenses	(\$3,776,854)	\$0	\$0	(\$6,708,963)	(\$4,719,757)	(\$4,726,551)	(\$4,721,345)	(\$20,876,616)
Variance %	(7%)	0%	0%	(9%)	(6%)	(6%)	(6%)	(6%)

Revenue Overview:

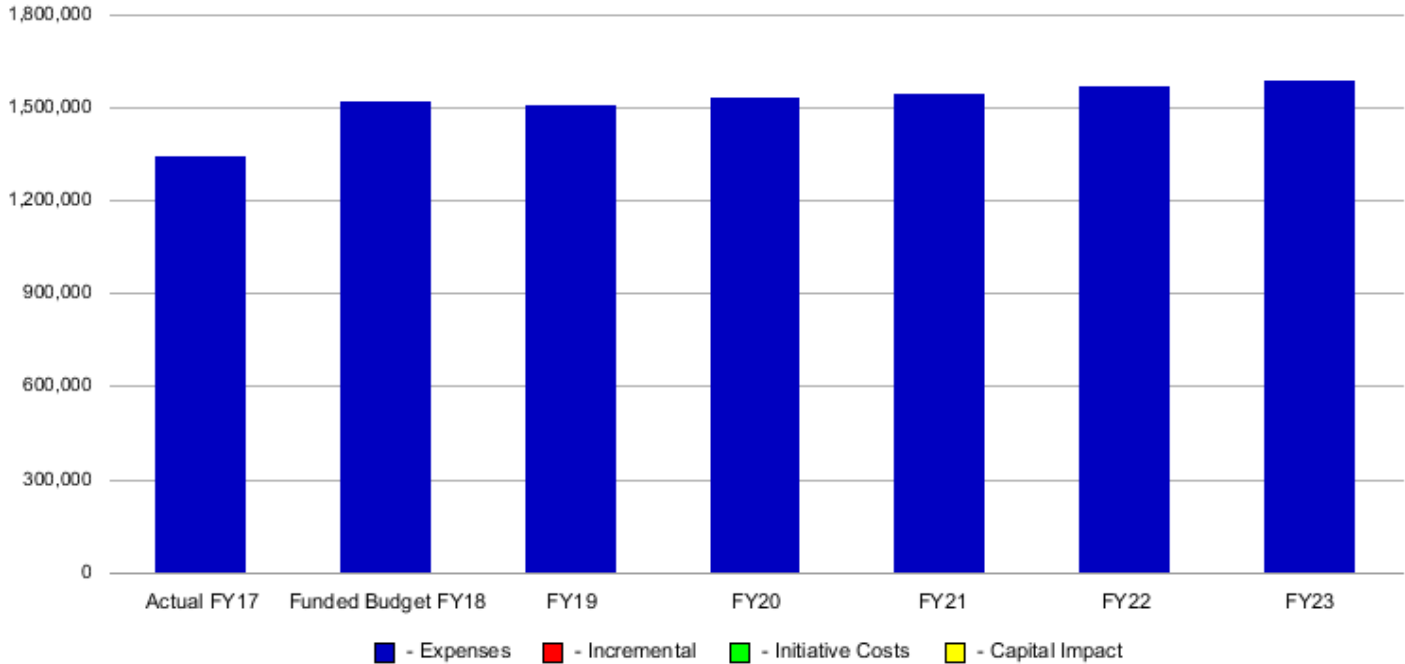
Solid Waste Fund revenues are comprised of user fees to cover the cost of operations. A 12.5% fee increase is projected for each year FY19-21 to fund equipment purchases.

Expense Overview:

Expenses are projected to slightly increase over the next five years primarily due to indirect cost allocations. Initiative cost include minimum wage increase to \$14 per hour in FY19, \$15 per hour in FY20, and beyond.

Solid Waste Services Revenue Fund - Executive Offices

The Solid Waste Service Revenue Fund provides funding to divisions within the Executive Offices that service departments within Solid Waste. The 311 Call Center currently has full-time positions that are funded at a certain percentage within the Solid Waste Service Revenue Fund.

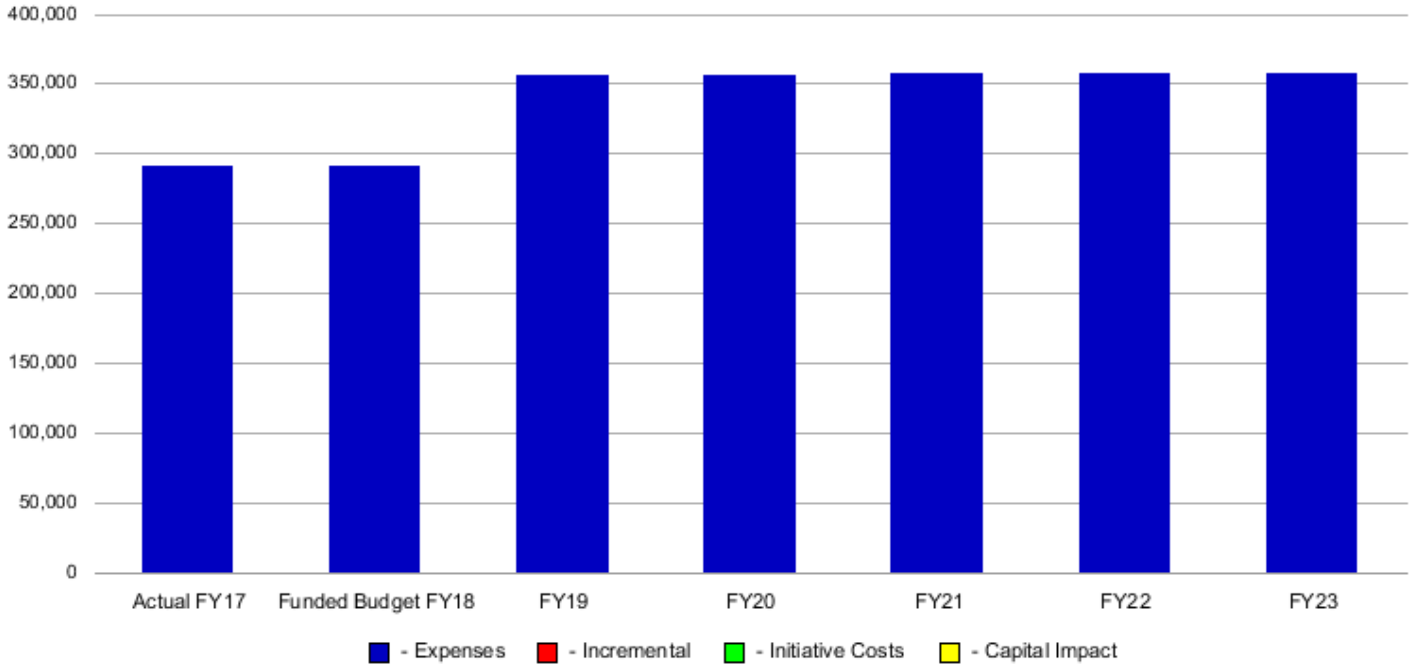


	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20	FY21	FY22	FY23	Total Plan Years
Expenses	\$1,343,211	\$1,524,373	\$1,509,515	\$1,531,724	\$1,548,889	\$1,570,080	\$1,590,417	\$7,750,626
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$1,343,211	\$1,524,373	\$1,509,515	\$1,531,724	\$1,548,889	\$1,570,080	\$1,590,417	\$7,750,626

- Expenses** - Over the next five years, expenses include salaries and benefits and contracts related to the Office of Resilience and 311 Call Center.
- Incremental** - N/A
- Initiative Costs** - N/A
- Capital Impact** - N/A

Solid Waste Services Revenue Fund - Department Of Atlanta Information Management

The Solid Waste Services Revenue Fund under the Department of Atlanta Information Management (AIM) is used for ongoing support of 311 Center and Hyperion.

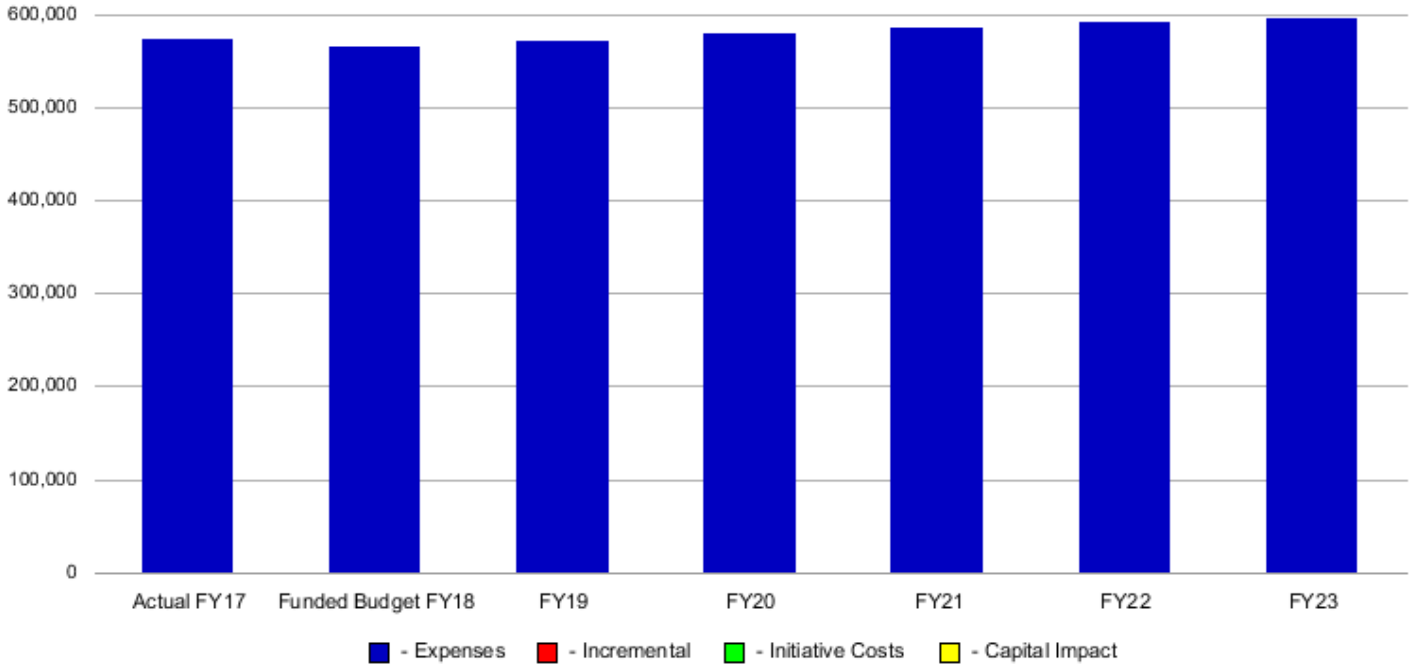


	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20	FY21	FY22	FY23	Total Plan Years
Expenses	\$292,865	\$291,666	\$357,309	\$357,897	\$358,174	\$358,558	\$358,923	\$1,790,861
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$292,865	\$291,666	\$357,309	\$357,897	\$358,174	\$358,558	\$358,923	\$1,790,861

- Expenses** - Over the next five years, expenses include split-funded positions for 311 and GIS as well as contract costs for Hyperion and the 311 Call Center.
- Incremental** - N/A
- Initiative Costs** - N/A
- Capital Impact** - N/A

Solid Waste Services Revenue Fund - Department Of Finance

The Department of Finance mission is to provide leading practice financial management services and leadership to achieve City of Atlanta goals and objectives.

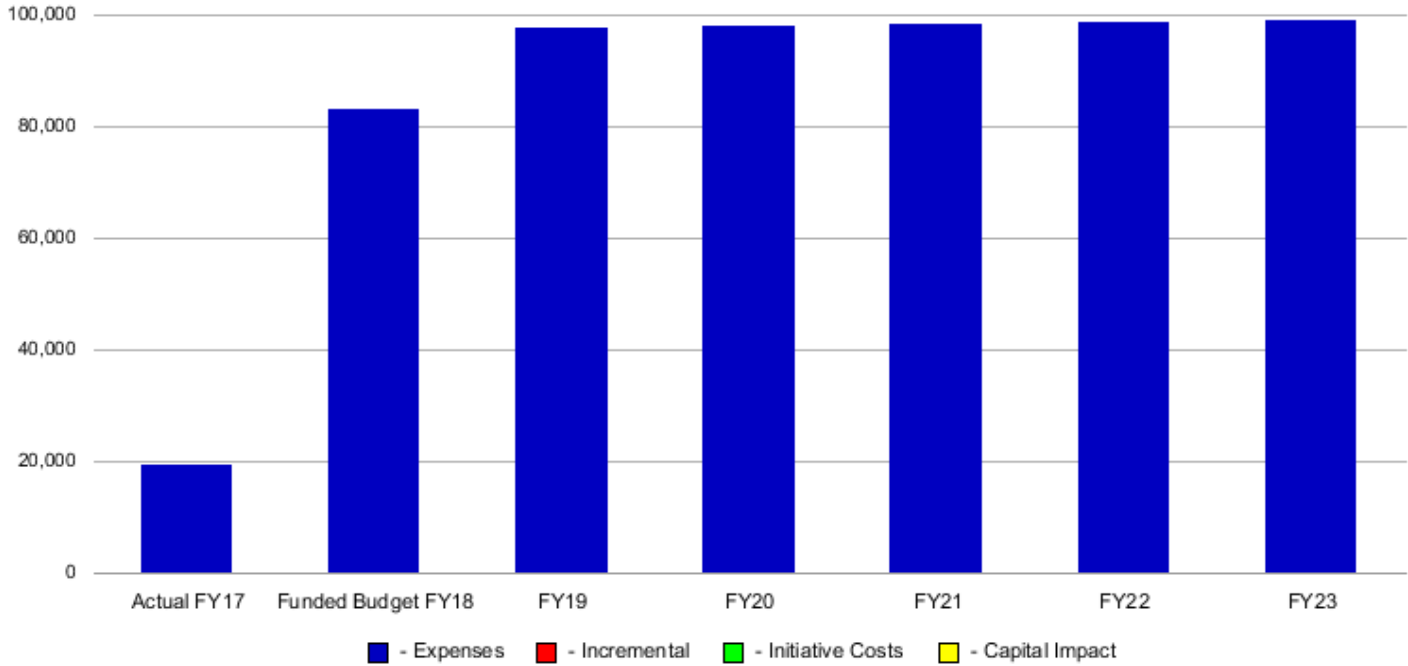


	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20	FY21	FY22	FY23	Total Plan Years
Expenses	\$574,518	\$566,307	\$572,110	\$581,059	\$585,682	\$591,939	\$597,832	\$2,928,621
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$574,518	\$566,307	\$572,110	\$581,059	\$585,682	\$591,939	\$597,832	\$2,928,621

- Expenses** - Over the next five years, expenses include personnel, supplies, and Solid Waste Billing system.
- Incremental** - N/A
- Initiative Costs** - N/A
- Capital Impact** - N/A

Solid Waste Services Revenue Fund - Department Of Procurement

The Department of Procurement is responsible for providing guidance in the purchasing of all goods and services according to the City Code of Ordinances. The goal is to model best practices in public purchasing while promoting equity, fairness and economic inclusion.

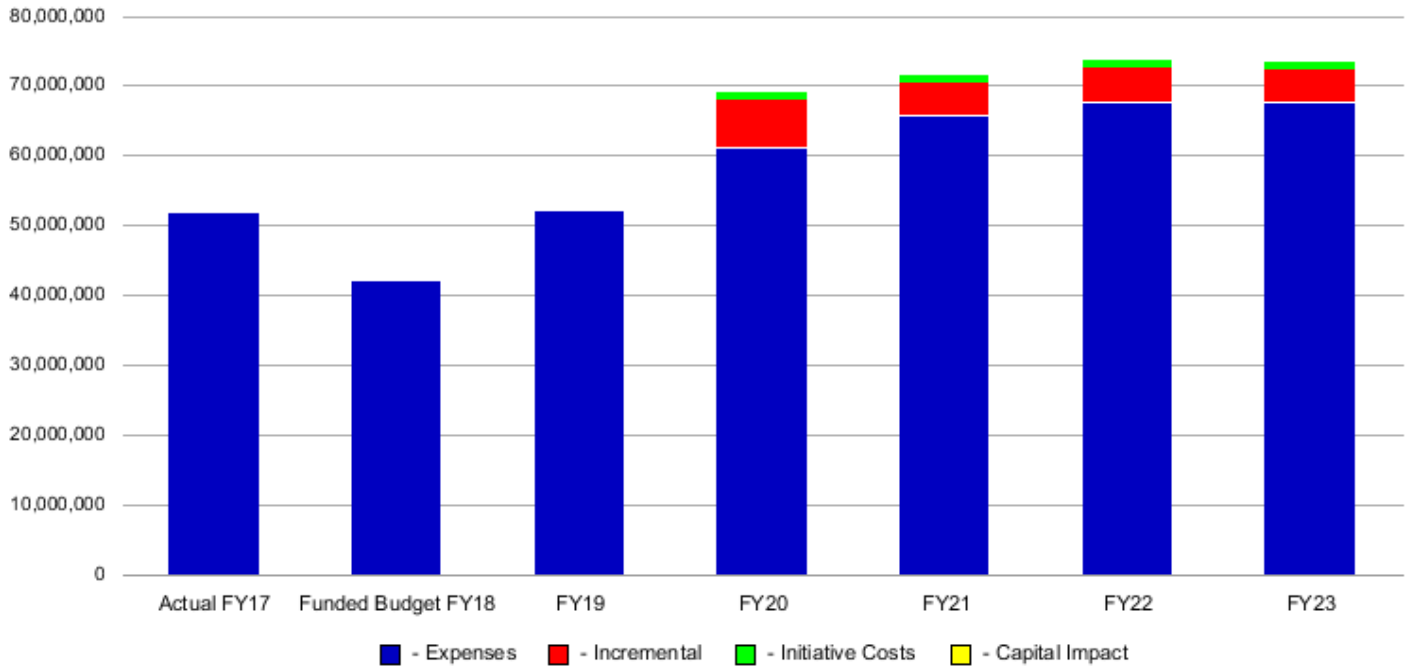


	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20	FY21	FY22	FY23	Total Plan Years
Expenses	\$19,595	\$83,248	\$97,894	\$98,239	\$98,540	\$98,850	\$99,170	\$492,692
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$19,595	\$83,248	\$97,894	\$98,239	\$98,540	\$98,850	\$99,170	\$492,692

- Expenses** - Over the next five years, expenses include funding for two full-time positions.
- Incremental** - N/A
- Initiative Costs** - N/A
- Capital Impact** - N/A

Solid Waste Services Revenue Fund - Department Of Public Works

The Department of Public Works is responsible for the collection and disposal management of solid waste within the City of Atlanta. This office is also responsible for waste reduction and recycling; landfill post-closure management; solid waste management and analysis; street sweeping and cleaning; dead animal removal; facilitating the Keep Atlanta Beautiful program, and assisting with city-wide emergency operations.

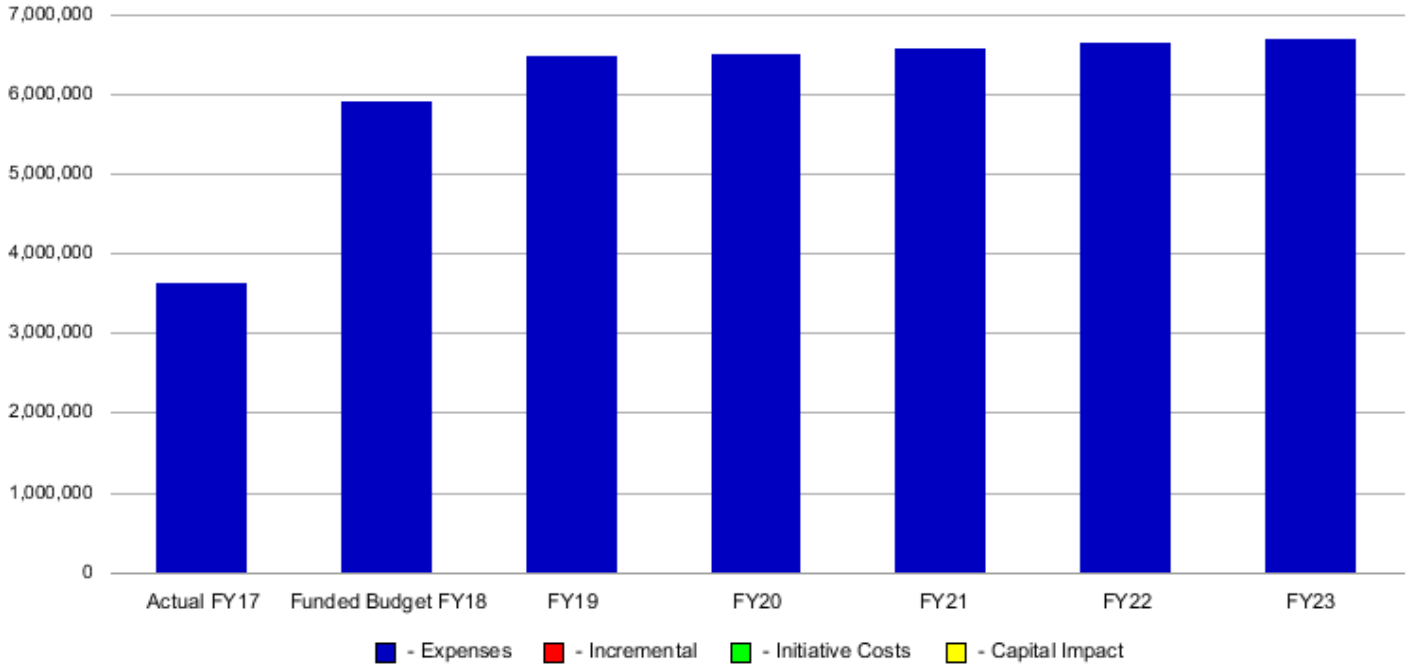


	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20	FY21	FY22	FY23	Total Plan Years
Expenses	\$51,978,685	\$42,261,723	\$52,198,605	\$61,233,078	\$65,627,677	\$67,759,804	\$67,653,676	\$314,472,839
Incremental	\$0	\$0	\$0	\$7,000,000	\$5,000,000	\$5,000,000	\$5,000,000	\$22,000,000
Initiative Costs	\$0	\$0	\$0	\$1,061,819	\$1,069,627	\$1,077,434	\$1,085,242	\$4,294,122
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$51,978,685	\$42,261,723	\$52,198,605	\$69,294,897	\$71,697,304	\$73,837,238	\$73,738,918	\$340,766,961

- Expenses** - Over the next five years, expenses include repairing and replacing aged equipment.
- Incremental** - Over the next five years, expenses include purchases of trucks for operations.
- Initiative Costs** - Initiative costs includes minimum wage increase to \$14 per hour in FY19, \$15 per hour in FY20, and beyond.
- Capital Impact** - N/A

Solid Waste Services Revenue Fund - Non-Departmental

Non-Departmental is used to account for expenditures not directly associated with the operations and maintenance of the department such as debt service on bonds and loans, fund-wide reserve, retiree benefits and payments to other governments.

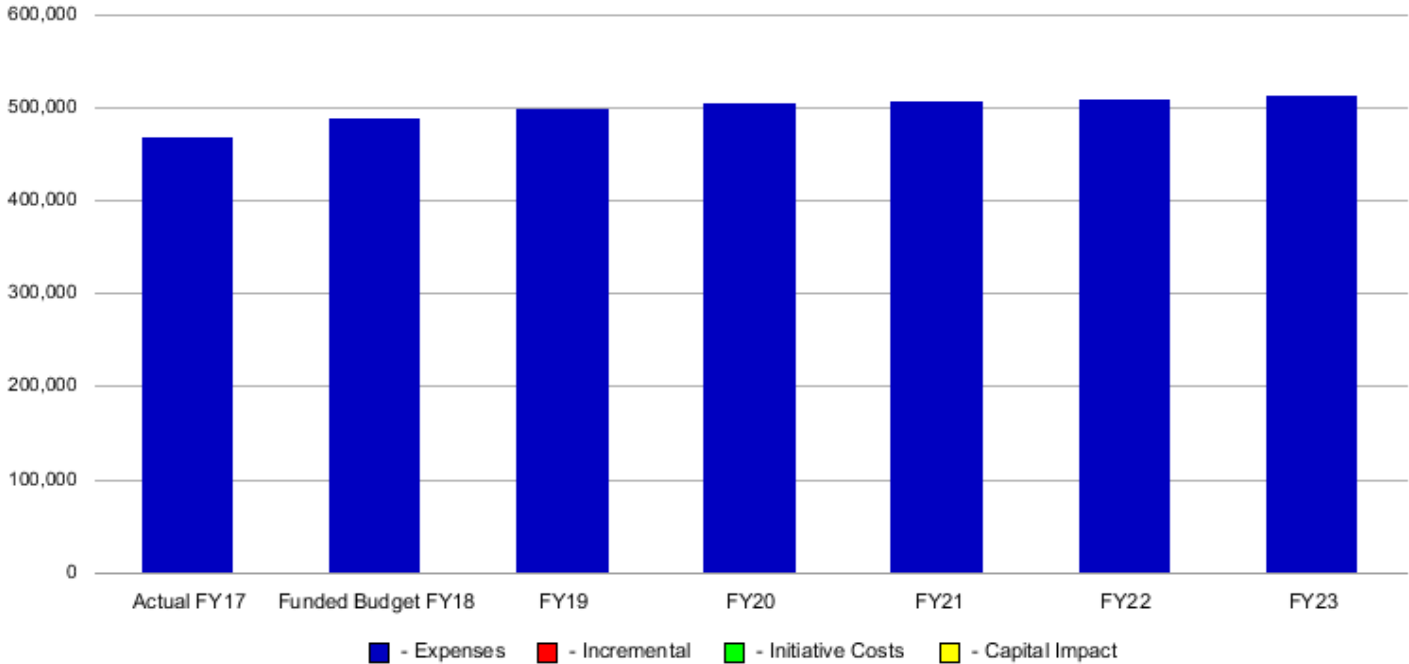


	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20	FY21	FY22	FY23	Total Plan Years
Expenses	\$3,644,428	\$5,910,719	\$6,482,718	\$6,514,718	\$6,573,718	\$6,646,718	\$6,709,718	\$32,927,592
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$3,644,428	\$5,910,719	\$6,482,718	\$6,514,718	\$6,573,718	\$6,646,718	\$6,709,718	\$32,927,592

- Expenses** - Over the next five years, expenses include indirect cost allocations.
- Incremental** - N/A
- Initiative Costs** - N/A
- Capital Impact** - N/A

Solid Waste Services Revenue Fund - Department Of Human Resources

The Department of Human Resources is committed to attracting, retaining and developing a diverse and competent workforce that enables City agencies to achieve their business needs.

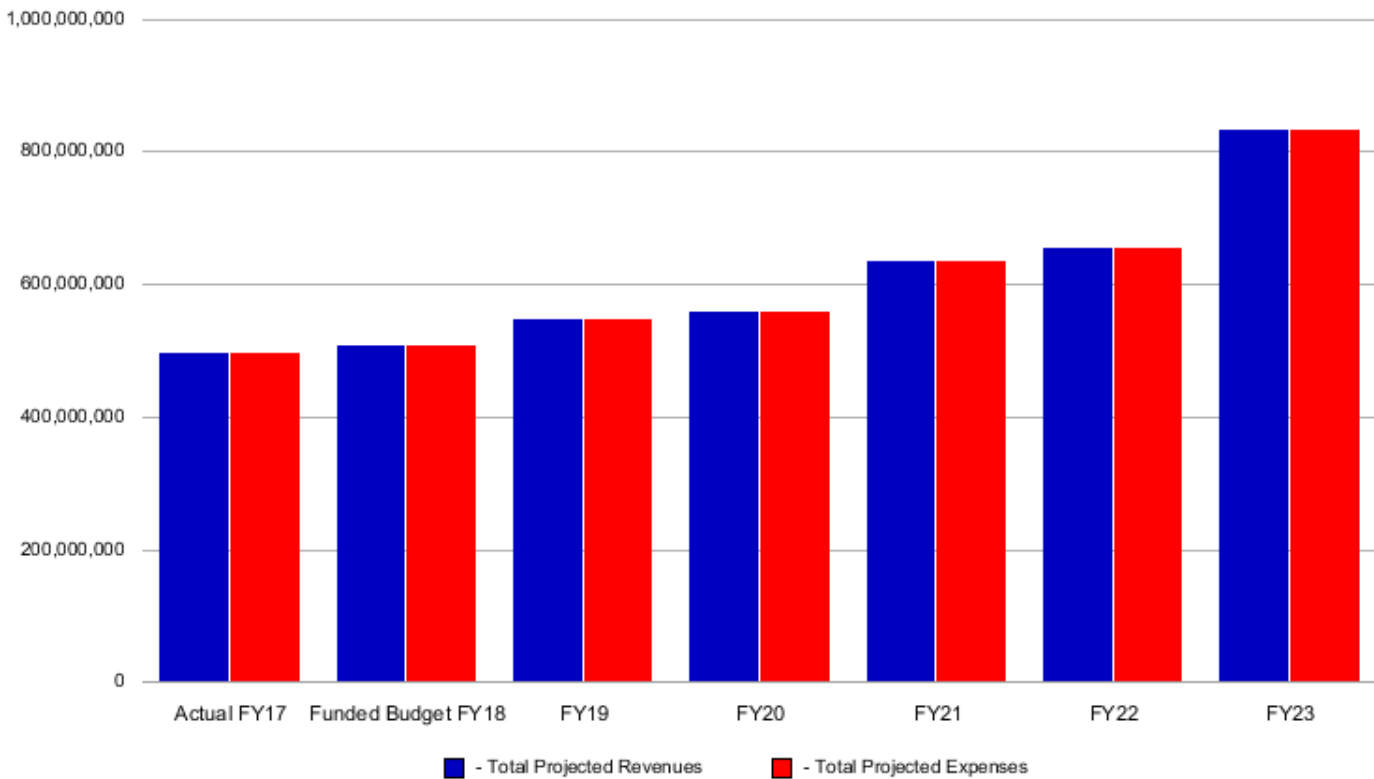


	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20	FY21	FY22	FY23	Total Plan Years
Expenses	\$468,946	\$488,861	\$499,420	\$504,651	\$507,031	\$510,430	\$513,630	\$2,535,162
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$468,946	\$488,861	\$499,420	\$504,651	\$507,031	\$510,430	\$513,630	\$2,535,162

- Expenses** - Over the next five years, expenses include salaries and benefits for DHR personnel.
- Incremental** - N/A
- Initiative Costs** - N/A
- Capital Impact** - N/A

Airport Revenue Fund - Five Year Plan

Hartsfield-Jackson Atlanta International Airport's mission is to provide a safe, secure and cost-competitive gateway to the world that drives economic development, the highest level of efficiency, and exercises fiscal and environmental responsibility.



	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total Plan Years
	Actual	Funded Budget	Preliminary					
Total Projected Revenues	\$497,414,607	\$508,452,475	\$549,804,182	\$561,458,930	\$636,514,701	\$655,260,538	\$834,307,697	\$3,237,346,048
Expenses	\$497,213,820	\$508,452,475	\$549,804,182	\$561,363,178	\$636,418,244	\$655,163,378	\$834,209,832	\$3,236,958,815
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$95,752	\$96,457	\$97,160	\$97,865	\$387,234
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$497,213,820	\$508,452,475	\$549,804,182	\$561,458,930	\$636,514,701	\$655,260,538	\$834,307,697	\$3,237,346,049
Revenues Over(Under) Expenses	\$200,787	\$0	\$0	\$0	\$0	\$0	\$0	(\$1)
Variance %	0%	0%	0%	0%	0%	0%	0%	0%

Revenue Overview:

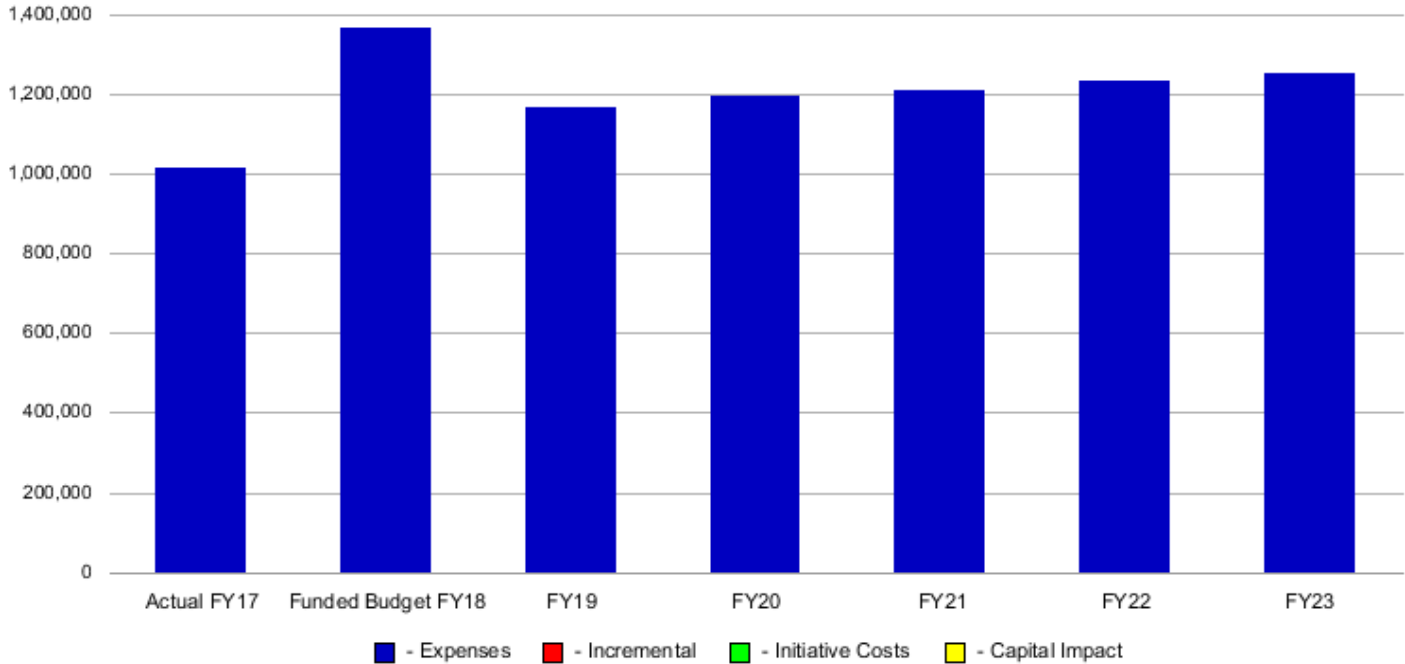
Revenues are projected to increase in FY19 due to the new Airline Use and Lease Agreement with the airlines, the increase in originating/destination passenger traffic and inside concessions revenues.

Expense Overview:

Expenses are projected to increase due to personnel, contractual services and property taxes. Initiative cost includes minimum wage increase to \$14 per hour in FY19, \$15 per hour in FY20, and beyond.

Airport Revenue Fund - Executive Offices

The Airport Revenue Fund provides funding to divisions within the Executive Offices that service departments within the Department of Aviation. Currently the divisions within the Executives Offices that provide service support to the Department of Aviation are the 311 Call Center and Contract Compliance.

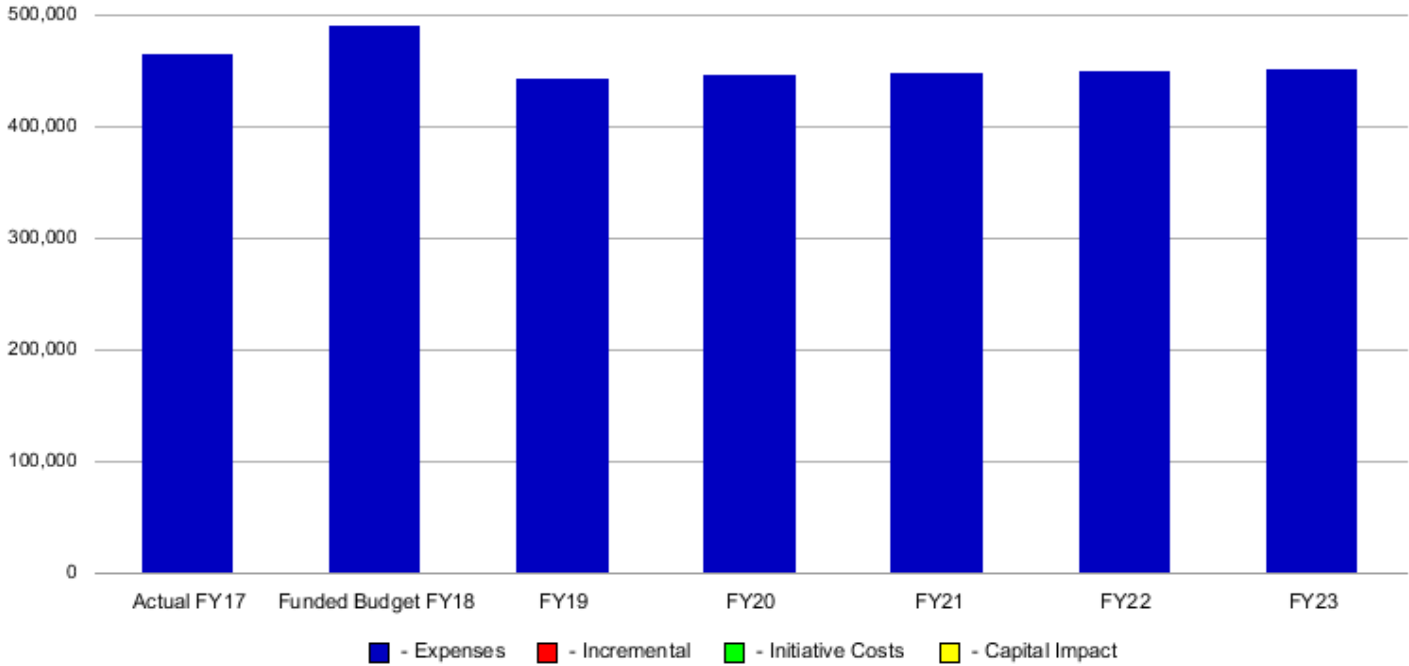


	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20	FY21	FY22	FY23	Total Plan Years
Expenses	\$1,020,147	\$1,370,054	\$1,169,568	\$1,196,332	\$1,213,655	\$1,234,336	\$1,254,300	\$6,068,191
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$1,020,147	\$1,370,054	\$1,169,568	\$1,196,332	\$1,213,655	\$1,234,336	\$1,254,300	\$6,068,191

- Expenses** - Over the next five years, expenses include costs related to 311 Call Center and the Office of Contract Compliance.
- Incremental** - N/A
- Initiative Costs** - N/A
- Capital Impact** - N/A

Airport Revenue Fund - Department Of Atlanta Information Management

The Airport Revenue Fund under the Department of Atlanta Information Management (AIM) is used to support activities within the department and 311, Hyperion and, E-Business Suite (EBS).

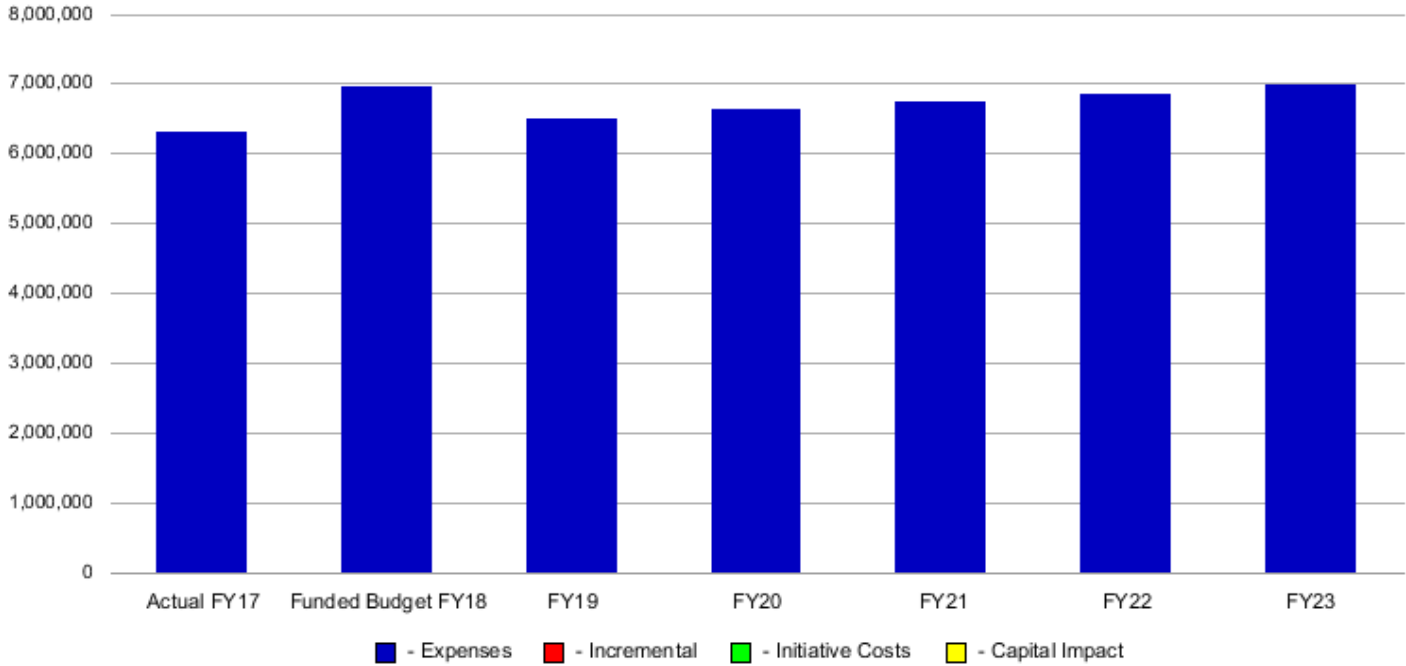


	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20	FY21	FY22	FY23	Total Plan Years
Expenses	\$464,428	\$490,915	\$442,430	\$446,184	\$447,663	\$449,955	\$452,075	\$2,238,307
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$464,428	\$490,915	\$442,430	\$446,184	\$447,663	\$449,955	\$452,075	\$2,238,307

- Expenses** - Over the next five years, expenses include endeavors to consolidate services, contracts and strengthen the City's technology framework.
- Incremental** - N/A
- Initiative Costs** - N/A
- Capital Impact** - N/A

Airport Revenue Fund - Department Of Law

The Law Department is a team of professionals committed to providing best in-class legal representation to the City of Atlanta. In addition to defending the City in all types of civil litigation, the Department works proactively to prevent legal challenges by delivering sound advice, legislation and training.

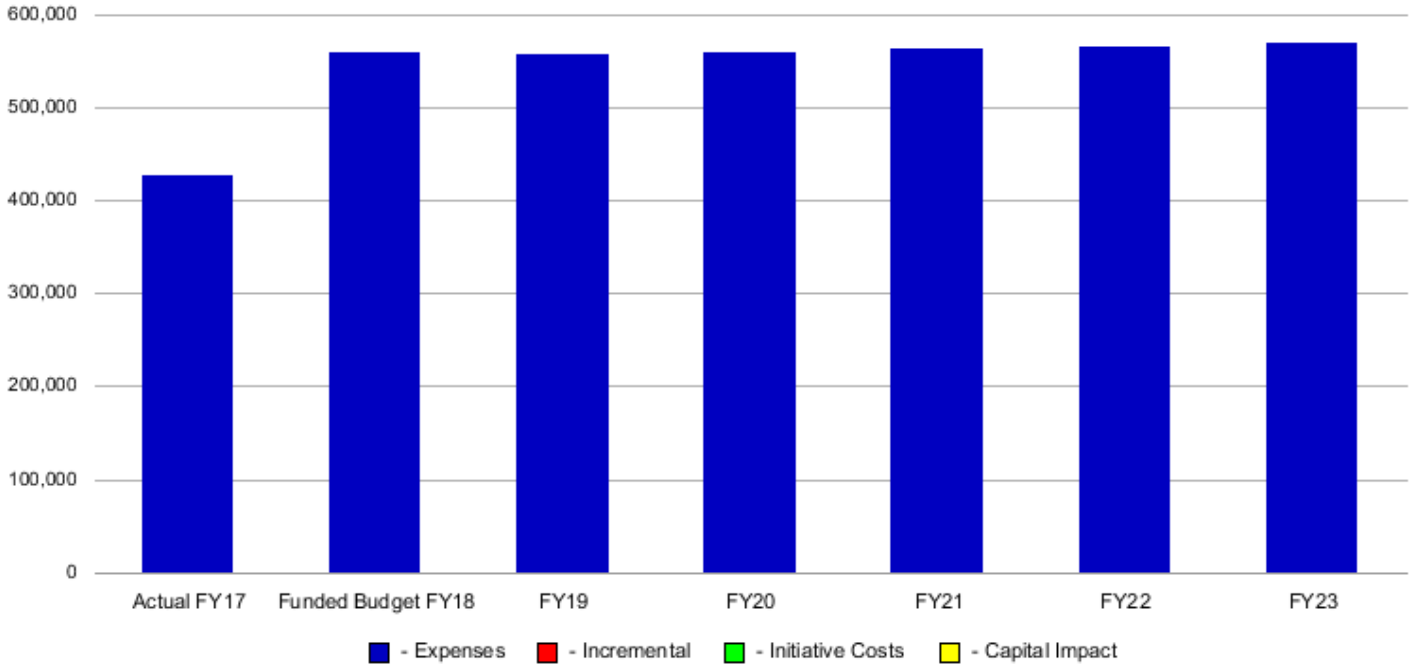


	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20	FY21	FY22	FY23	Total Plan Years
Expenses	\$6,320,417	\$6,993,033	\$6,533,737	\$6,657,596	\$6,769,832	\$6,886,155	\$7,001,675	\$33,848,994
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$6,320,417	\$6,993,033	\$6,533,737	\$6,657,596	\$6,769,832	\$6,886,155	\$7,001,675	\$33,848,994

- Expenses** - Over the next five years, expenses include continued funding for personnel and outside counsel for potential protest and lawsuits related to Airport Procurements and Continued Legal Education.
- Incremental** - N/A
- Initiative Costs** - N/A
- Capital Impact** - N/A

Airport Revenue Fund - Department Of Finance

The Department of Finance's mission is to provide leading practice financial management services and leadership to achieve City of Atlanta goals and objectives.

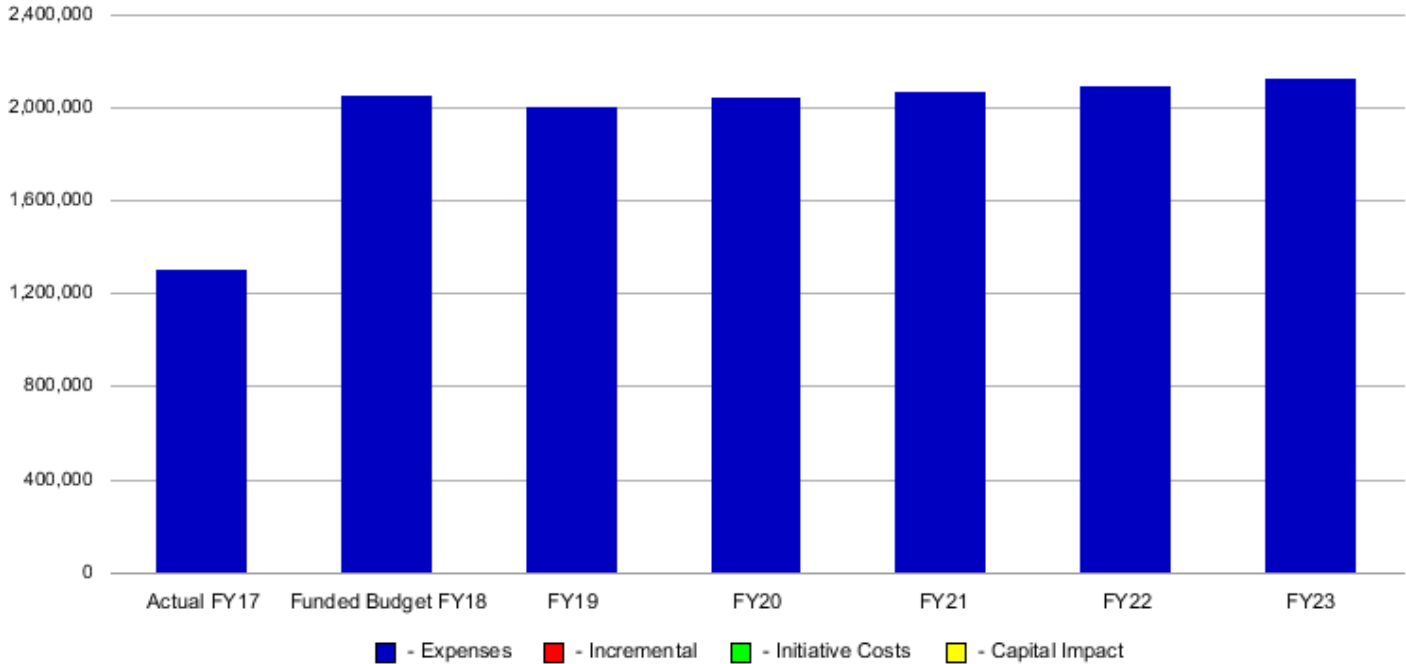


	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20	FY21	FY22	FY23	Total Plan Years
Expenses	\$428,971	\$559,384	\$557,490	\$560,741	\$563,685	\$566,660	\$569,669	\$2,818,246
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$428,971	\$559,384	\$557,490	\$560,741	\$563,685	\$566,660	\$569,669	\$2,818,246

- Expenses** - Over the next five years, expenses include personnel costs, standard contracts, license agreements (i.e. Sympro, DBC Debt Management and Bloomberg) and bank fees.
- Incremental** - N/A
- Initiative Costs** - N/A
- Capital Impact** - N/A

Airport Revenue Fund - Department Of Procurement

The Department of Procurement is responsible for providing guidance in the purchasing of all goods and services according to the City Code of Ordinances. The goal is to model best practices in public purchasing while promoting equity, fairness and economic inclusion.

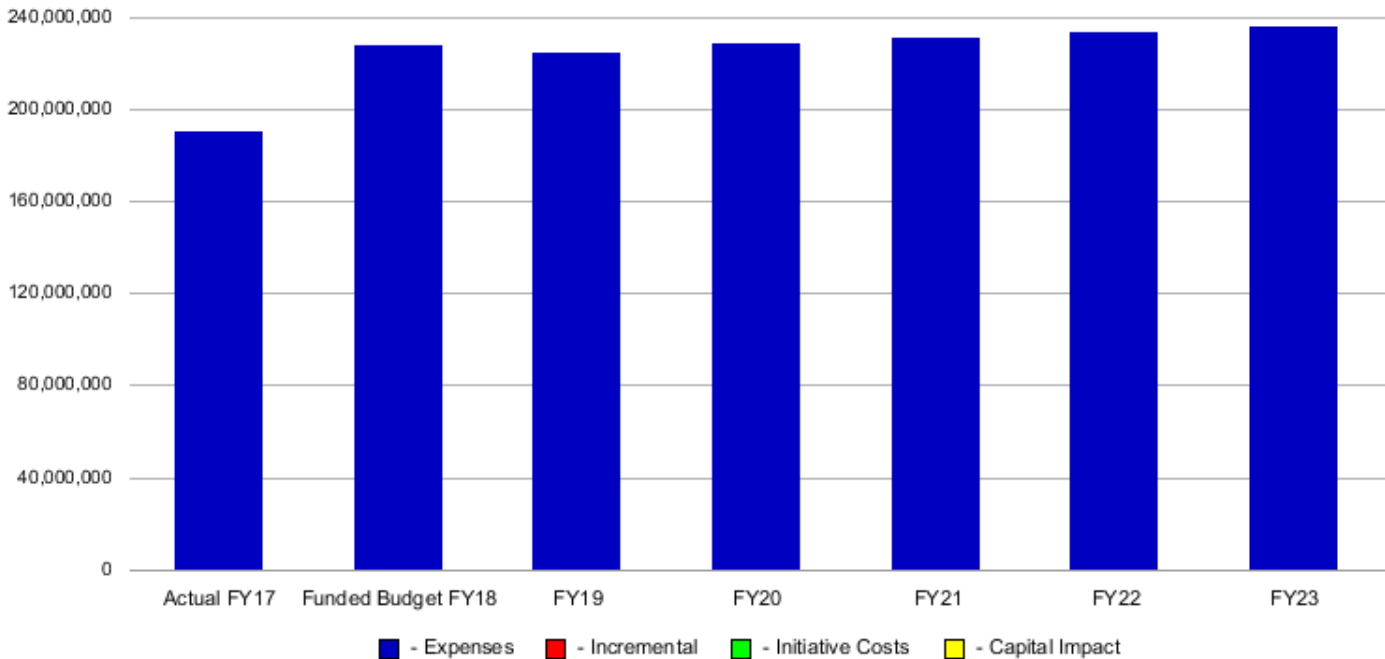


	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20	FY21	FY22	FY23	Total Plan Years
Expenses	\$1,306,549	\$2,053,721	\$2,008,273	\$2,046,960	\$2,069,142	\$2,097,121	\$2,123,839	\$10,345,335
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$1,306,549	\$2,053,721	\$2,008,273	\$2,046,960	\$2,069,142	\$2,097,121	\$2,123,839	\$10,345,335

- Expenses** - Over the next five years, expenses include personnel costs, the Technology Integration Group copier lease, maintenance, office supplies, training/travel, wireless devices and printing.
- Incremental** - N/A
- Initiative Costs** - N/A
- Capital Impact** - N/A

Airport Revenue Fund - Department Of Aviation

The Department of Aviation manages the operating revenue and expenses that result from the ongoing operations at Hartsfield-Jackson Atlanta International Airport. Operating revenue is principally derived from agreements relating to the use of Airport Facilities, landing fees, concessions such as parking lots, car rental agencies, etc.

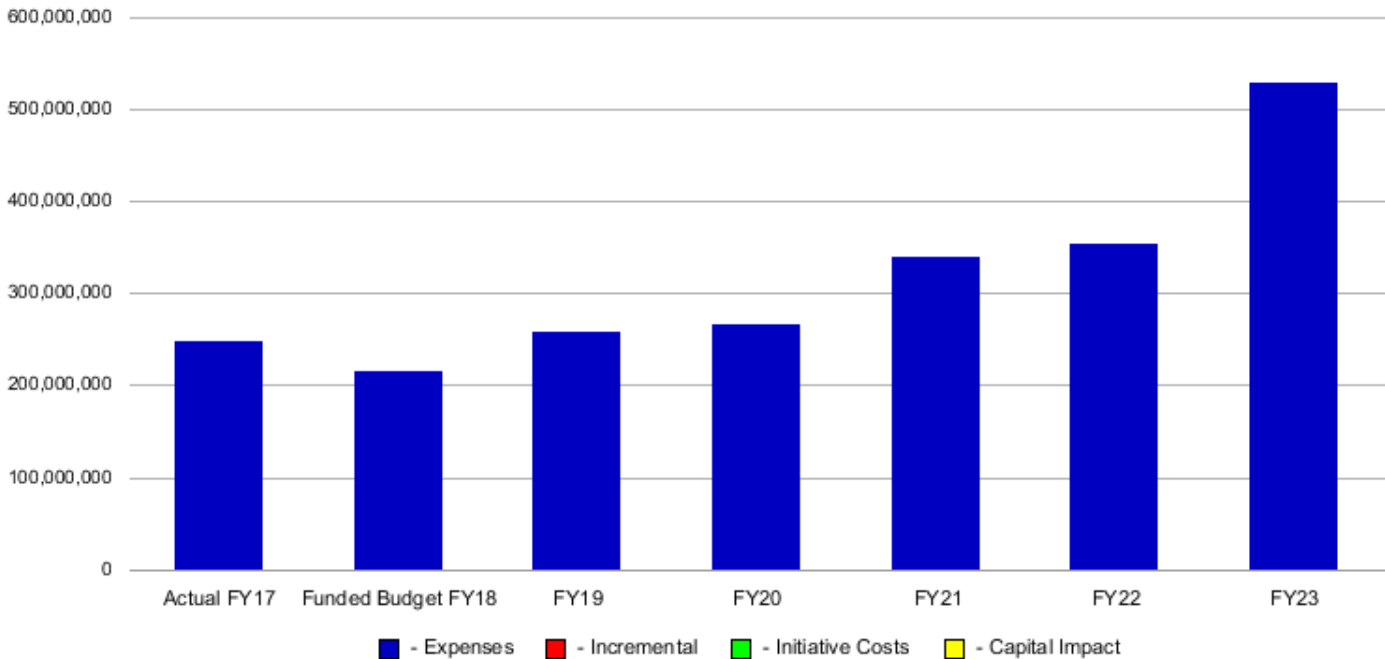


	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20	FY21	FY22	FY23	Total Plan Years
Expenses	\$190,902,635	\$228,467,799	\$225,309,421	\$228,687,525	\$231,226,055	\$233,927,772	\$236,595,563	\$1,155,746,335
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$59,657	\$60,096	\$60,534	\$60,973	\$241,260
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$190,902,635	\$228,467,799	\$225,309,421	\$228,747,182	\$231,286,151	\$233,988,306	\$236,656,536	\$1,155,987,595

- Expenses** - Over the next five years, expenses include personnel, contractual services and property taxes.
- Incremental** - N/A
- Initiative Costs** - Initiative costs includes minimum wage increase to \$14 per hour in FY19, \$15 per hour in FY20, and beyond.
- Capital Impact** - N/A

Airport Revenue Fund - Non-Departmental

Non-Departmental is used to account for expenditures not directly associated with the operations and maintenance of the department such as debt service on bonds and loans, fund-wide reserve, retiree benefits and payments to other governments.

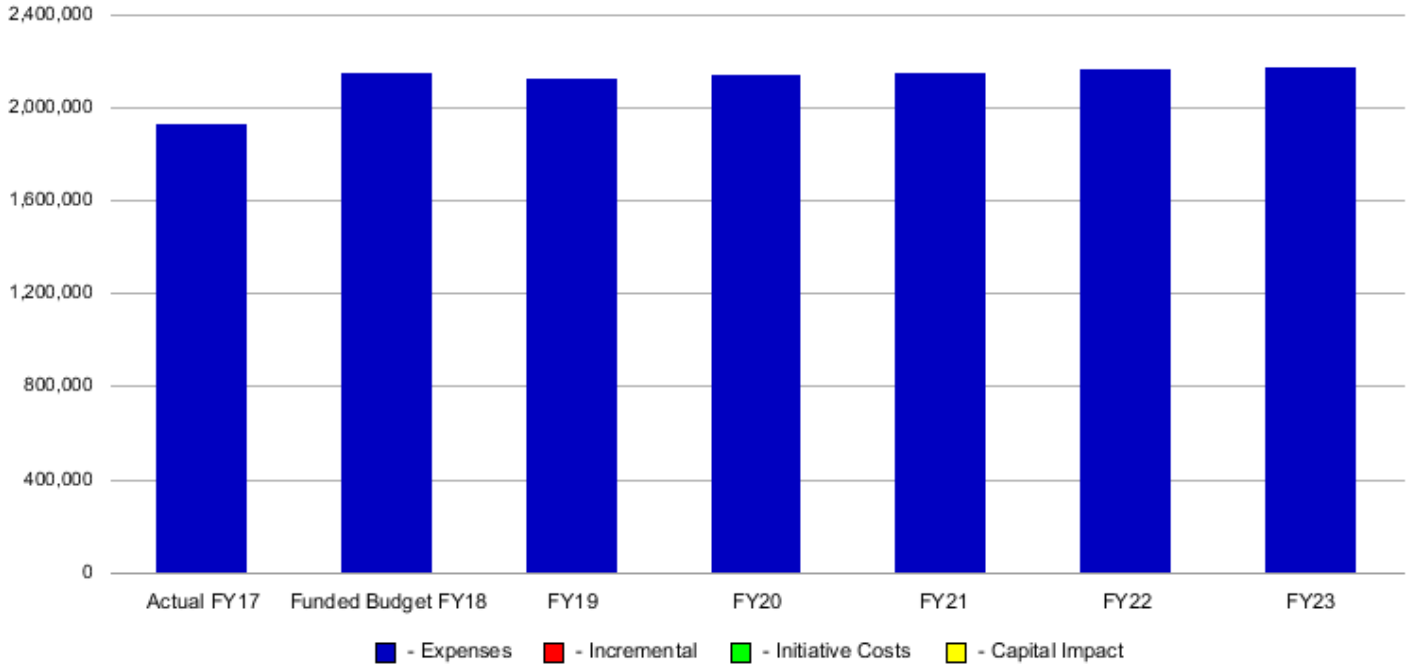


	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20	FY21	FY22	FY23	Total Plan Years
Expenses	\$250,298,156	\$216,644,477	\$260,264,810	\$268,065,806	\$339,825,413	\$355,061,460	\$530,627,122	\$1,753,844,610
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$250,298,156	\$216,644,477	\$260,264,810	\$268,065,806	\$339,825,413	\$355,061,460	\$530,627,122	\$1,753,844,610

- Expenses** - Over the next five years, expenses include funding for debt service on bonds and loans, fund-wide reserve, retiree benefits and payments to other governments.
- Incremental** - N/A
- Initiative Costs** - N/A
- Capital Impact** - N/A

Airport Revenue Fund - Department Of Human Resources

The Department of Human Resources is committed to attracting, retaining and developing a diverse and competent workforce that enables City agencies to achieve their business needs.

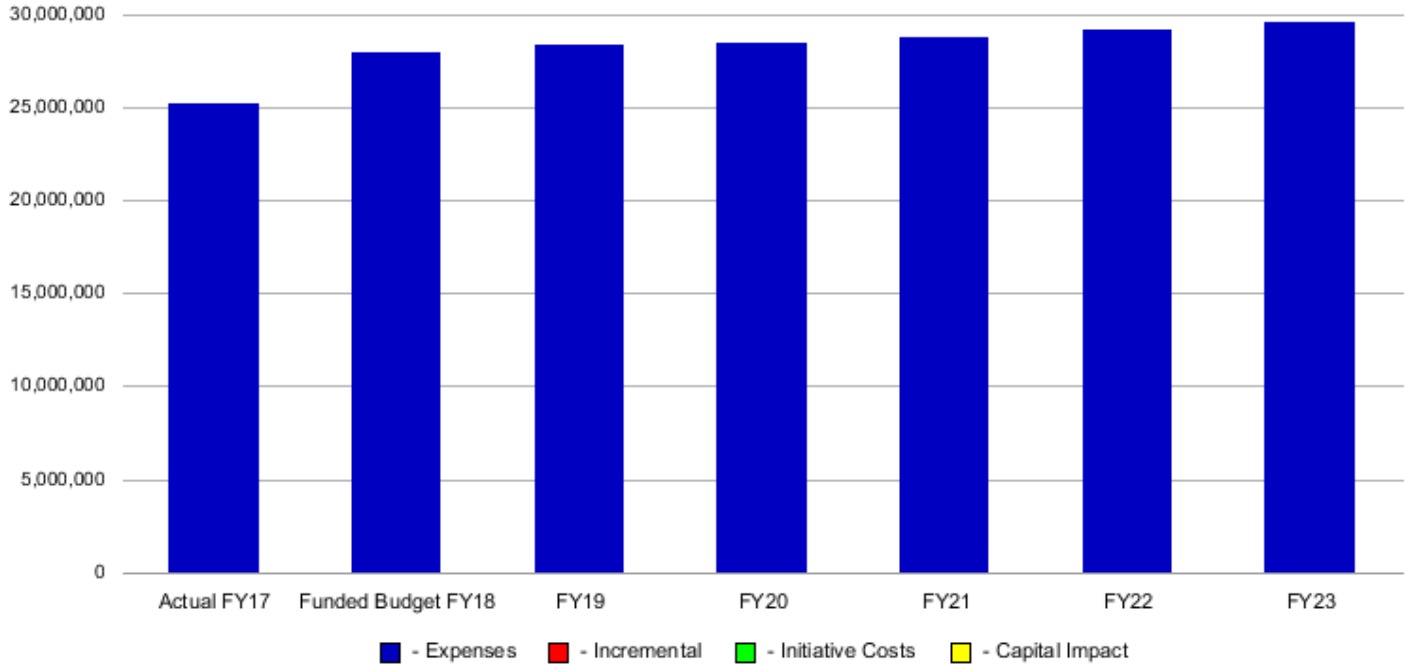


	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20	FY21	FY22	FY23	Total Plan Years
Expenses	\$1,935,949	\$2,150,891	\$2,124,180	\$2,143,019	\$2,152,737	\$2,166,027	\$2,178,692	\$10,764,654
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$1,935,949	\$2,150,891	\$2,124,180	\$2,143,019	\$2,152,737	\$2,166,027	\$2,178,692	\$10,764,654

- Expenses** - Over the next five years, expenses include salaries, benefits and contractual services.
- Incremental** - N/A
- Initiative Costs** - N/A
- Capital Impact** - N/A

Airport Revenue Fund - Department Of Fire Services

The Atlanta Fire Rescue Department serves an area of 132.6 square miles with a population of over 500,000 residents, responding to over sixty miles of interstate highways, twenty-three miles of rapid rail and protects Hartsfield-Jackson International Airport. In Addition, AFRD provides services to over one million workers, visitors, and tourists and the businesses to which they work and play.

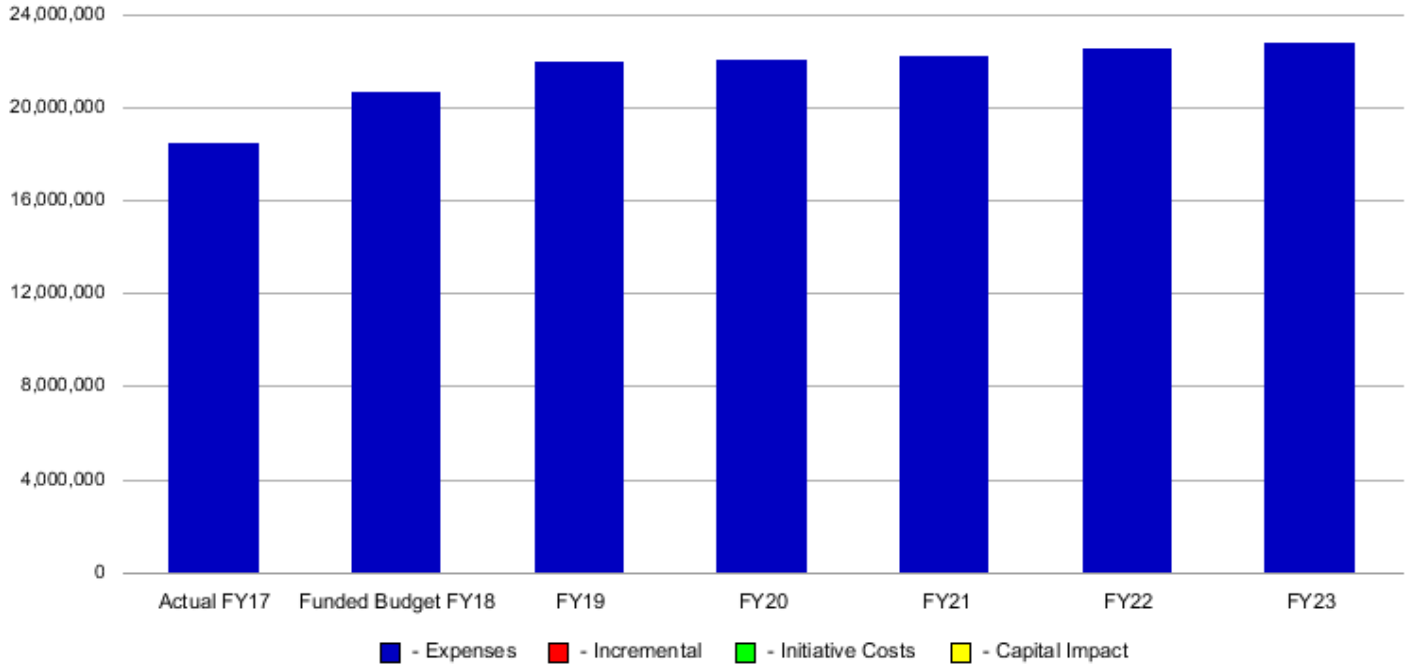


	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20	FY21	FY22	FY23	Total Plan Years
Expenses	\$25,315,252	\$28,000,856	\$28,380,618	\$28,519,314	\$28,864,323	\$29,223,463	\$29,589,470	\$144,577,188
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$25,315,252	\$28,000,856	\$28,380,618	\$28,519,314	\$28,864,323	\$29,223,463	\$29,589,470	\$144,577,188

- Expenses** - Over the next five years, expenses include efficiency programs and maintaining the strategy of maximizing all funding sources while enhancing current service levels and performances in emergency preparedness and response.
- Incremental** - N/A
- Initiative Costs** - N/A
- Capital Impact** - N/A

Airport Revenue Fund - Department Of Police Services

The City of Atlanta Police Department mission is to create a safer Atlanta by reducing crime, ensuring the safety of our citizens and building trust in partnership with our communities.

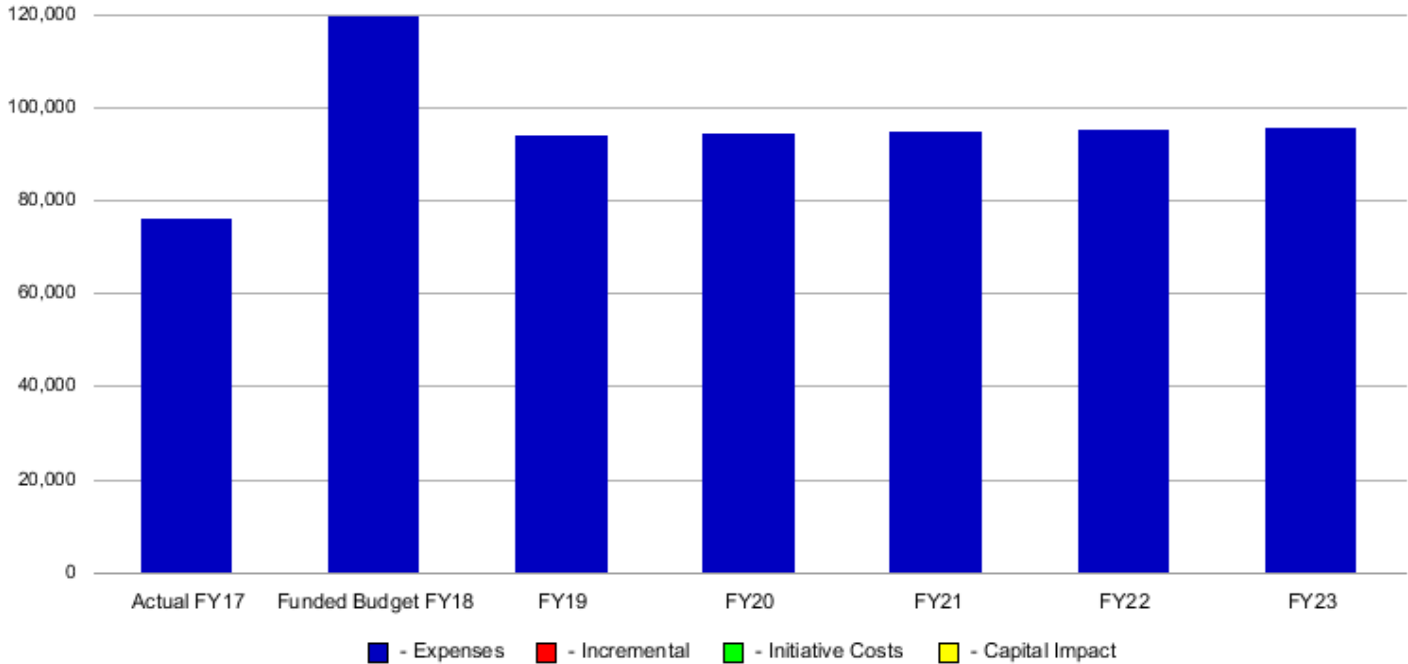


	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20	FY21	FY22	FY23	Total Plan Years
Expenses	\$18,527,356	\$20,673,375	\$22,041,888	\$22,053,399	\$22,285,616	\$22,536,338	\$22,789,354	\$111,706,596
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$36,095	\$36,361	\$36,626	\$36,892	\$145,974
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$18,527,356	\$20,673,375	\$22,041,888	\$22,089,494	\$22,321,977	\$22,572,964	\$22,826,246	\$111,852,570

- Expenses** - Over the next five years, expenses include costs related to personnel, police contracts, and service for operational needs.
- Incremental** - N/A
- Initiative Costs** - Initiative costs includes minimum wage increase to \$14 per hour in FY19, \$15 per hour in FY20, and beyond.
- Capital Impact** - N/A

Airport Revenue Fund - Department Of Ethics

The Board of Ethics seeks to protect the integrity of government and promote the public trust by bringing the City into compliance with the Atlanta Code of Ethics and instilling a culture of ethics in city government.

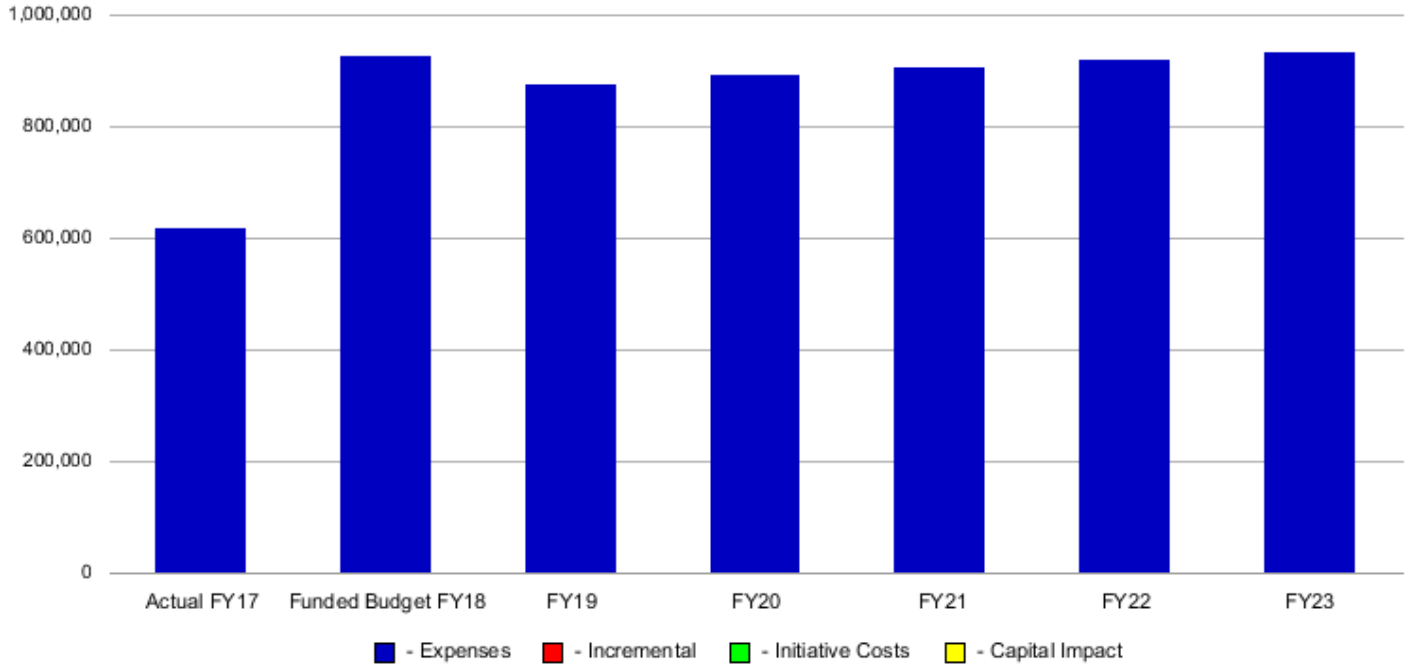


	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20	FY21	FY22	FY23	Total Plan Years
Expenses	\$76,456	\$119,590	\$94,005	\$94,494	\$94,865	\$95,242	\$95,627	\$474,233
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$76,456	\$119,590	\$94,005	\$94,494	\$94,865	\$95,242	\$95,627	\$474,233

- Expenses** - Over the next five years, expenses include professional training for staff members, additional training materials and media for broader outreach to City officials and employees.
- Incremental** - N/A
- Initiative Costs** - N/A
- Capital Impact** - N/A

Airport Revenue Fund - Department Of Audit

The City Auditor's Office promotes honesty, efficiency, effectiveness, and accountability in city government by conducting audits to support legislative oversight and public accountability. The Airport Revenue Fund supports audits and investigations in the Department of Aviation and related activities.

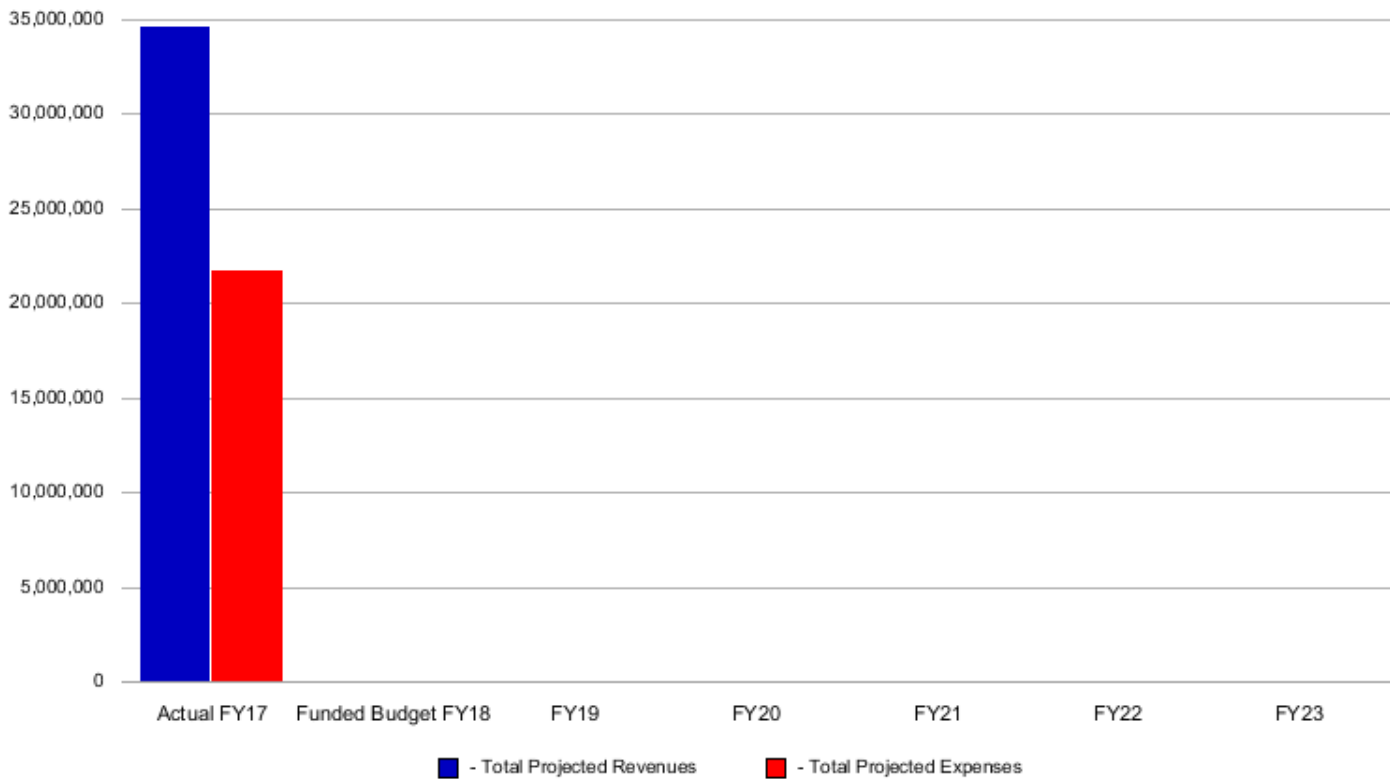


	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20	FY21	FY22	FY23	Total Plan Years
Expenses	\$617,504	\$928,380	\$877,764	\$891,807	\$905,259	\$918,851	\$932,445	\$4,526,126
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$617,504	\$928,380	\$877,764	\$891,807	\$905,259	\$918,851	\$932,445	\$4,526,126

- Expenses** - Over the next five years, expenses include personnel costs, support for audits and investigations that focus on or include the Department of Aviation and related activities.
- Incremental** - N/A
- Initiative Costs** - N/A
- Capital Impact** - N/A

Underground Atl Facil Revenue Fund - Five Year Plan

The Underground Atlanta Fund was established in 1989 to account for transactions associated with the public operations of the Underground Atlanta facilities and parking decks.



	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total Plan Years
	Actual	Funded Budget	Preliminary					
Total Projected Revenues	\$34,659,711	\$0	\$0	\$0	\$0	\$0	\$0	\$2
Expenses	\$21,784,146	\$0	\$0	\$0	\$0	\$0	\$0	\$2
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$21,784,146	\$0	\$0	\$0	\$0	\$0	\$0	\$2
Revenues Over(Under) Expenses	\$12,875,565	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Variance %	37%	0%	0%	0%	0%	0%	0%	0%

Revenue Overview:

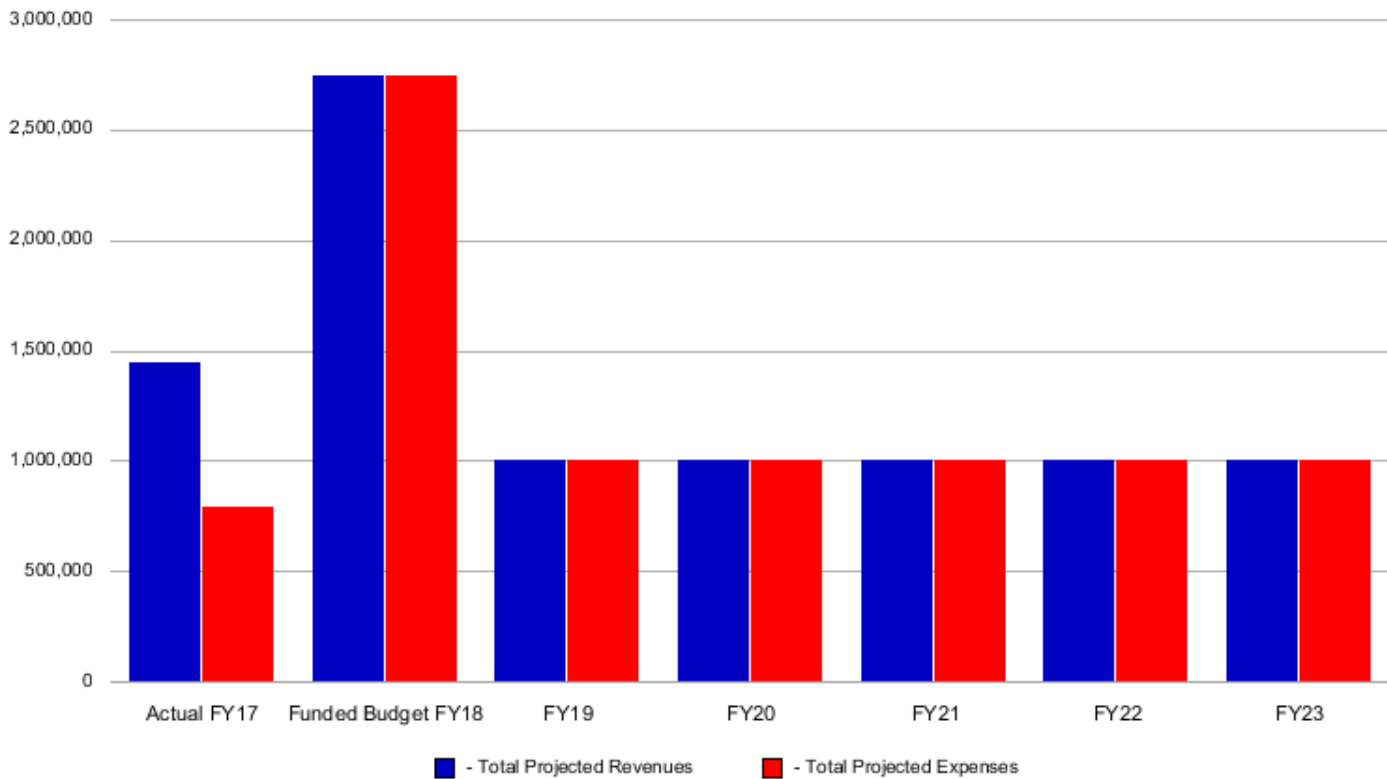
Underground was sold in Fiscal Year 2017.

Expense Overview:

Underground was sold in Fiscal Year 2017.

City Plaza Operating Fund - Five Year Plan

The City Plaza Fund was established to account for transactions associated with the public operations of the Mixed-Use facility and parking decks.



	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total Plan Years
	Actual	Funded Budget	Preliminary					
Total Projected Revenues	\$1,452,608	\$2,746,599	\$1,015,600	\$1,015,600	\$1,015,600	\$1,015,600	\$1,015,600	\$5,078,000
Expenses	\$796,709	\$2,746,599	\$1,015,600	\$1,015,600	\$1,015,600	\$1,015,600	\$1,015,600	\$5,078,000
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$796,709	\$2,746,599	\$1,015,600	\$1,015,600	\$1,015,600	\$1,015,600	\$1,015,600	\$5,078,000
Revenues Over(Under) Expenses	\$655,899	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Variance %	45%	0%	0%	0%	0%	0%	0%	0%

Revenue Overview:

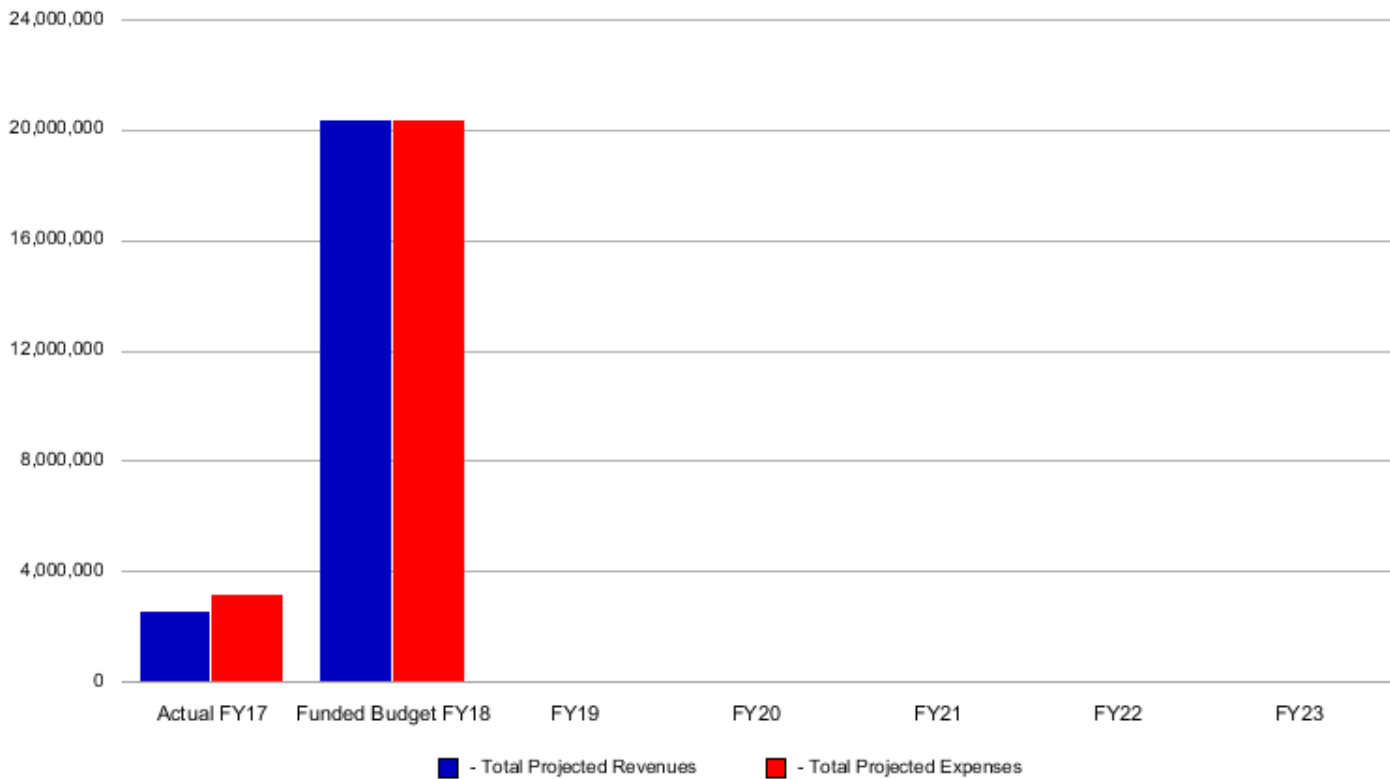
The City Plaza Fund revenue is projected to receive over \$1M in revenues, primarily from apartment rents and commercial income from parking.

Expense Overview:

Over the next five years, expenses include funding for maintenance of the building.

Civic Center Revenue Fund - Five Year Plan

The Civic Center Fund accounts for the collection of income associated with the operation of the Boisfeuillet Jones Atlanta Civic Center. These funds are derived from income generated primarily from ticket sales (surcharges), building and land rentals.



	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total Plan Years
	Actual	Funded Budget	Preliminary					
Total Projected Revenues	\$2,569,498	\$20,339,319	\$0	\$0	\$0	\$0	\$0	\$0
Expenses	\$3,219,677	\$20,339,319	\$0	\$0	\$0	\$0	\$0	\$0
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$3,219,677	\$20,339,319	\$0	\$0	\$0	\$0	\$0	\$0
Revenues Over(Under) Expenses	(\$650,178)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Variance %	(25%)	0%	0%	0%	0%	0%	0%	0%

Revenue Overview:

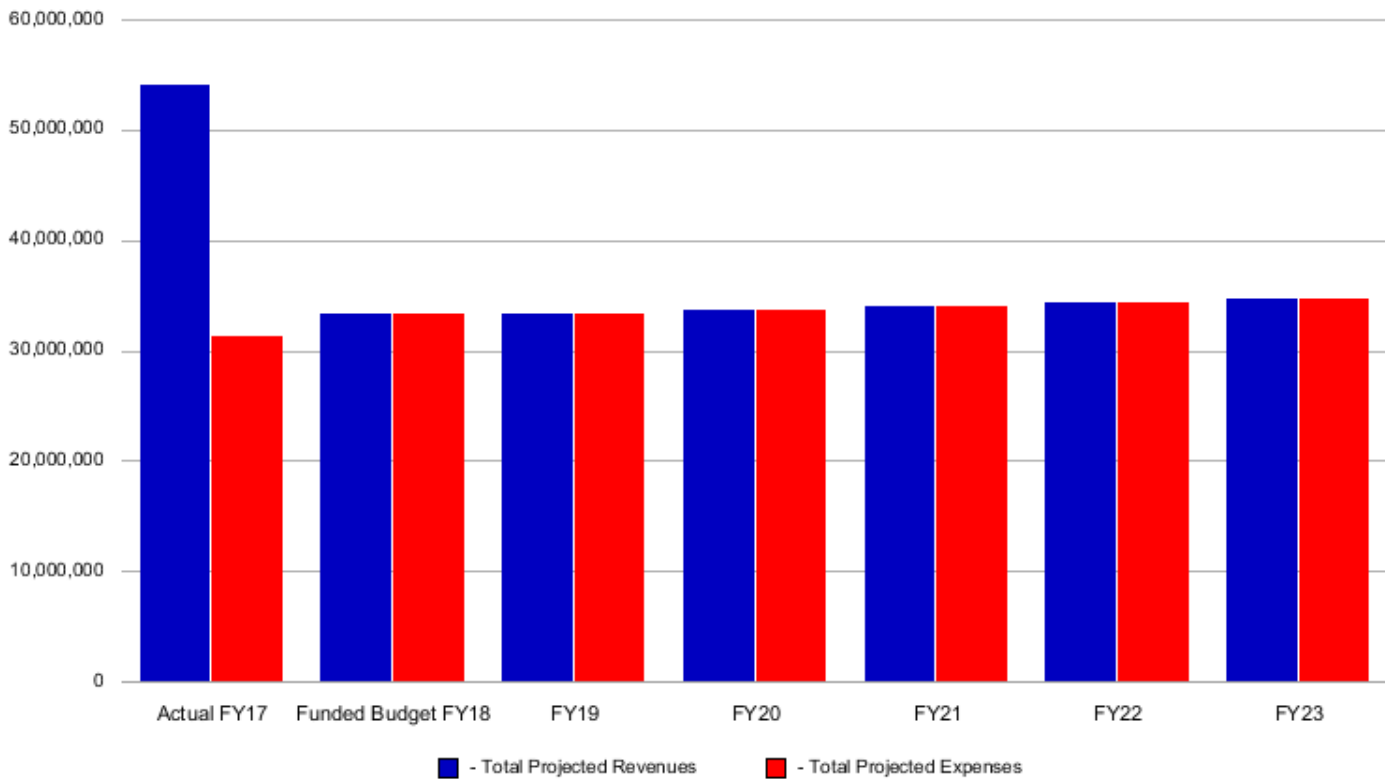
The Civic Center was sold in Fiscal Year 2018.

Expense Overview:

The Civic Center was sold in Fiscal Year 2018.

Fleet Service Fund - Five Year Plan

Fleet Management fund is established for maintaining the City of Atlanta's fleet of vehicles and motorized equipment. Fleet Management department provides fuel and maintenance services to City departments.



	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total Plan Years
	Actual	Funded Budget	Preliminary					
Total Projected Revenues	\$54,171,099	\$33,400,588	\$33,400,588	\$33,734,594	\$34,071,940	\$34,412,660	\$34,756,786	\$170,376,568
Expenses	\$31,395,293	\$33,400,588	\$33,400,589	\$33,675,221	\$34,012,130	\$34,352,414	\$34,696,103	\$170,136,457
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$59,373	\$59,810	\$60,246	\$60,683	\$240,112
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$31,395,293	\$33,400,588	\$33,400,589	\$33,734,594	\$34,071,940	\$34,412,660	\$34,756,786	\$170,376,569
Revenues Over(Under) Expenses	\$22,775,806	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Variance %	42%	0%	0%	0%	0%	0%	0%	0%

Revenue Overview:

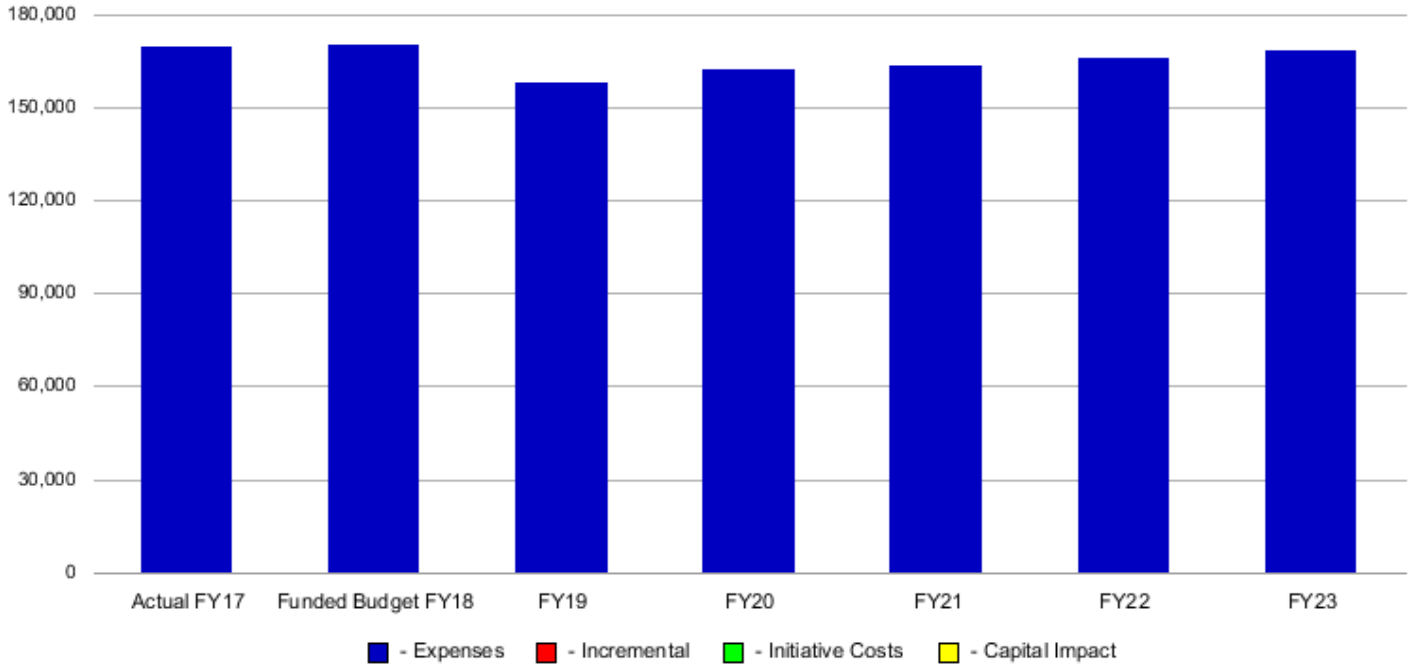
Revenues are derived from charge-back recovery to the participating City departments.

Expense Overview:

Expenses are projected to slightly increase over the next five years primarily due to indirect cost allocations. Initiative cost include minimum wage increase to \$14 per hour in FY19, \$15 per hour in FY20, and beyond.

Fleet Service Fund - Department Of Procurement

The Department of Procurement is responsible for providing guidance in the purchasing of all goods and services according to the City Code of Ordinances. The goal is to model best practices in public purchasing while promoting equity, fairness and economic inclusion.

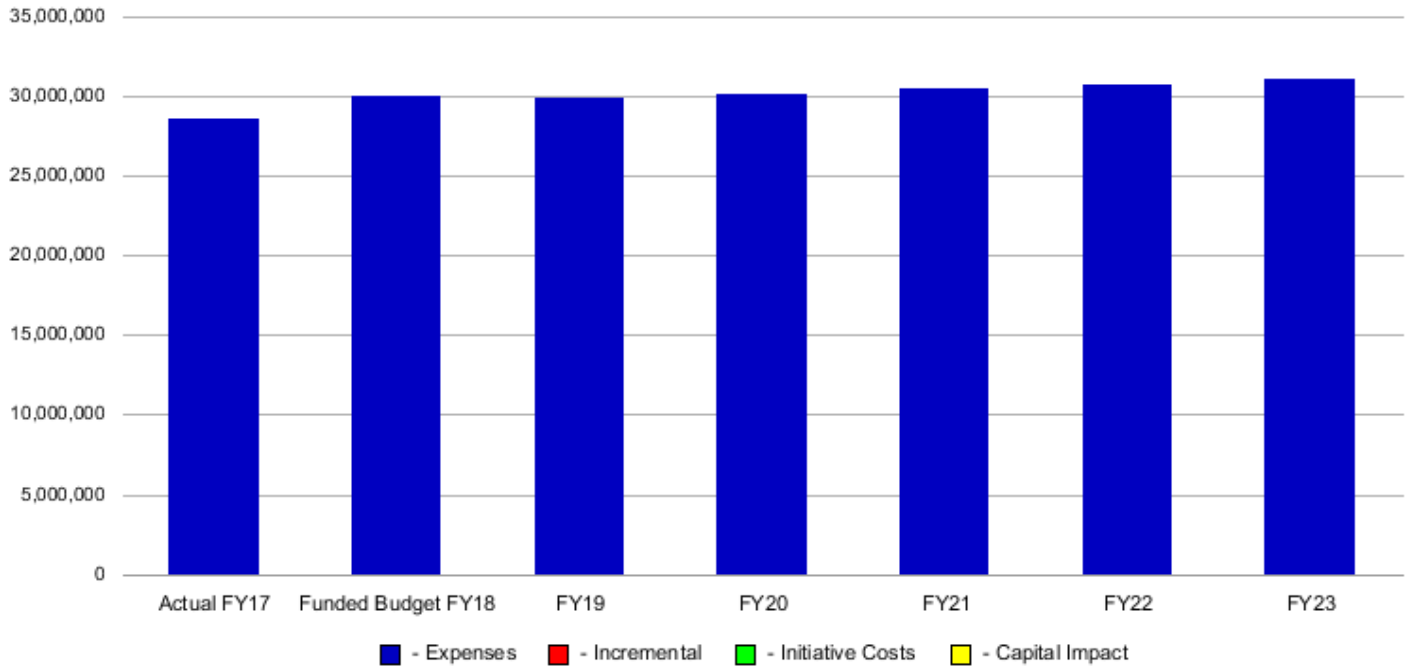


	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20	FY21	FY22	FY23	Total Plan Years
Expenses	\$169,809	\$170,302	\$158,209	\$162,348	\$163,869	\$166,388	\$168,674	\$819,488
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$169,809	\$170,302	\$158,209	\$162,348	\$163,869	\$166,388	\$168,674	\$819,488

- Expenses** - Over the next five years, expenses include funding for three full-time positions.
- Incremental** - N/A
- Initiative Costs** - N/A
- Capital Impact** - N/A

Fleet Service Fund - Department Of Public Works

The Department of Public Works is responsible for the acquisition, maintenance and disposal of the City of Atlanta's motorized equipment fleet. This Office is also responsible for the purchasing and dispensing of over three million gallons of fuel annually. Additionally, this office partners with other City departments in the delivery of critical City services.

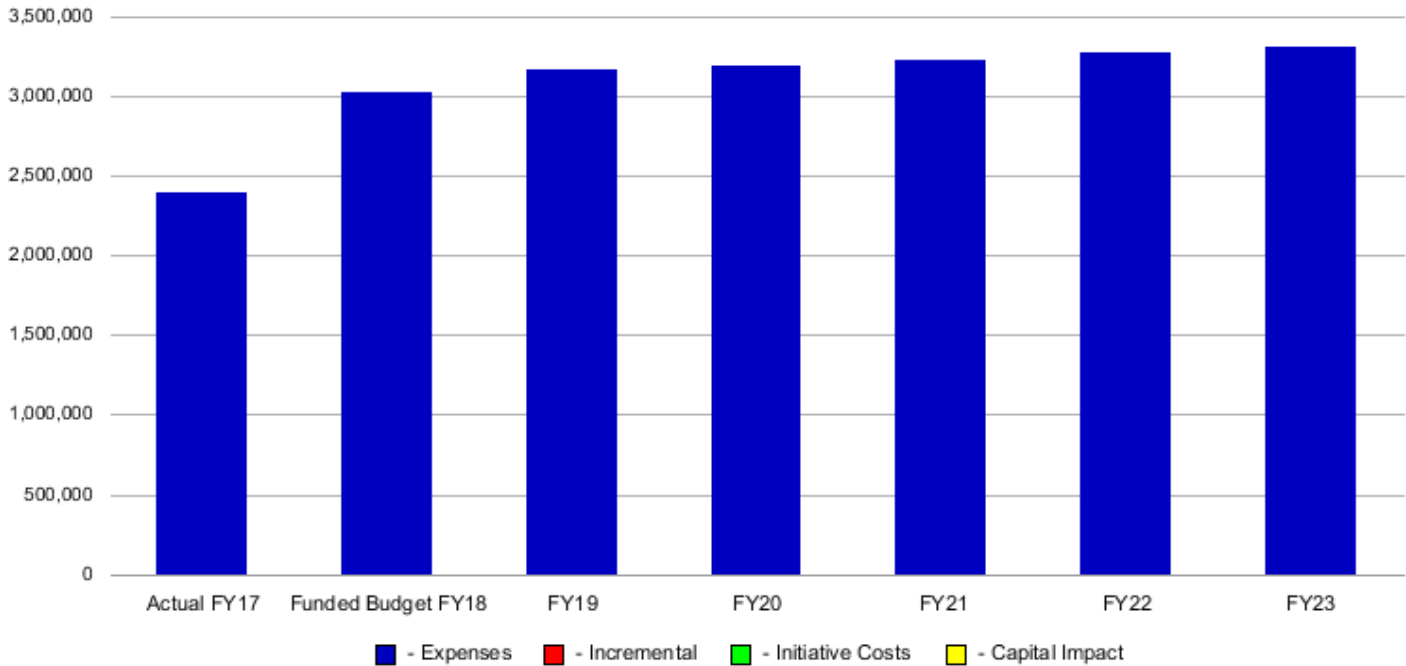


	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20	FY21	FY22	FY23	Total Plan Years
Expenses	\$28,702,887	\$30,085,564	\$29,957,330	\$30,205,707	\$30,503,390	\$30,793,947	\$31,094,261	\$152,554,635
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$59,373	\$59,810	\$60,246	\$60,683	\$240,112
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$28,702,887	\$30,085,564	\$29,957,330	\$30,265,080	\$30,563,200	\$30,854,193	\$31,154,944	\$152,794,747

- Expenses** - Over the next five years, expenses includes contractual obligations.
- Incremental** - N/A
- Initiative Costs** - Initiative costs includes minimum wage increase to \$14 per hour in FY19, \$15 per hour in FY20, and beyond.
- Capital Impact** - N/A

Fleet Service Fund - Non-Departmental

Non-Departmental is used to account for expenditures not directly associated with the operations and maintenance of the department such as debt service on bonds and loans, fund-wide reserve, retiree benefits and payments to other governments.

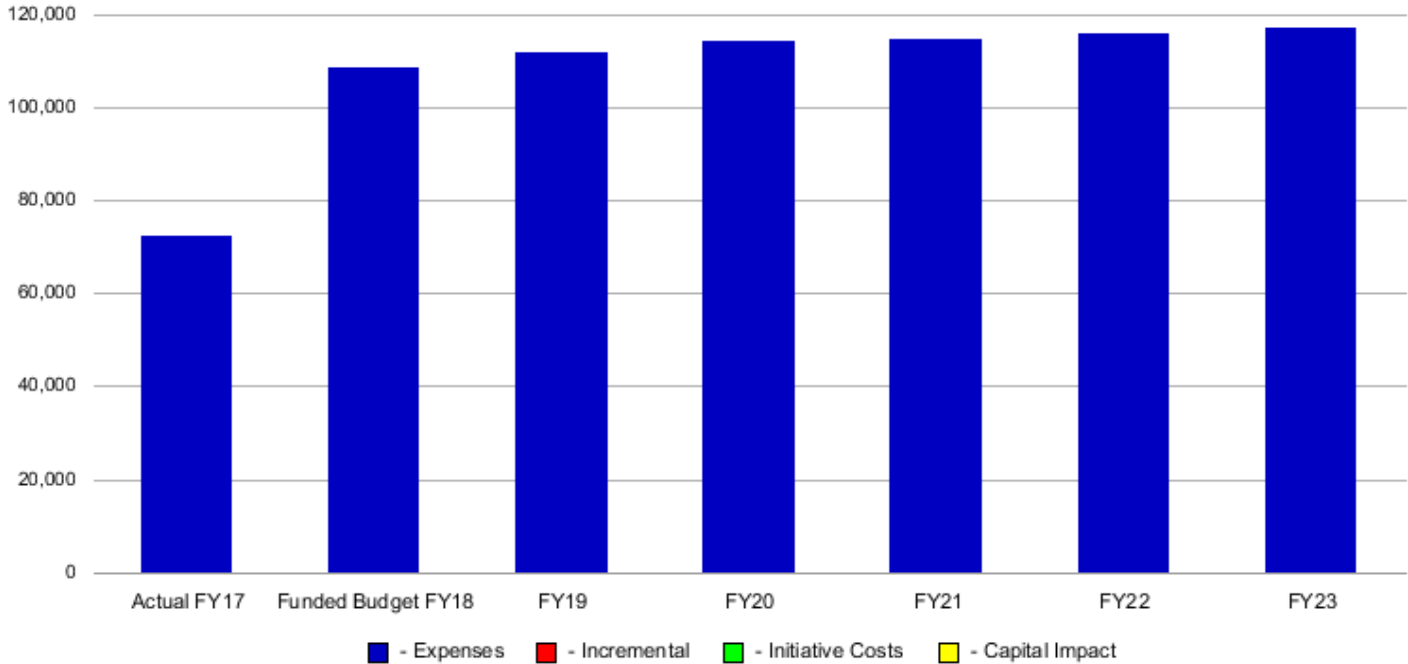


	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20	FY21	FY22	FY23	Total Plan Years
Expenses	\$2,405,718	\$3,035,857	\$3,172,857	\$3,192,857	\$3,229,857	\$3,275,857	\$3,315,857	\$16,187,286
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$2,405,718	\$3,035,857	\$3,172,857	\$3,192,857	\$3,229,857	\$3,275,857	\$3,315,857	\$16,187,286

- Expenses** - Over the next five year, expenses include indirect cost allocations.
- Incremental** - N/A
- Initiative Costs** - N/A
- Capital Impact** - N/A

Fleet Service Fund - Department Of Human Resources

The Department of Human Resources is committed to attracting, retaining and developing a diverse and competent workforce that enables City agencies to achieve their business needs.

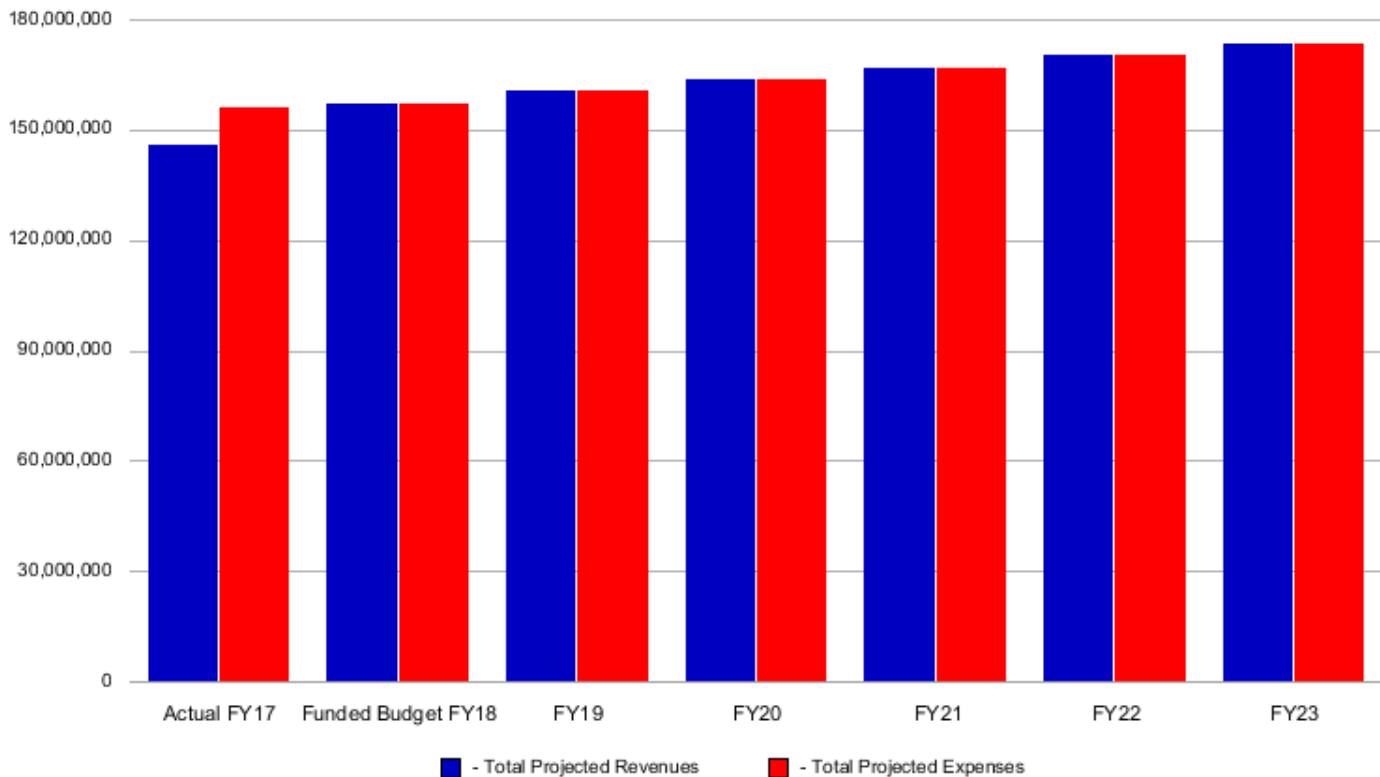


	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20	FY21	FY22	FY23	Total Plan Years
Expenses	\$72,510	\$108,865	\$112,192	\$114,308	\$115,014	\$116,222	\$117,311	\$575,047
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$72,510	\$108,865	\$112,192	\$114,308	\$115,014	\$116,222	\$117,311	\$575,047

- Expenses** - Over the next five years, expenses include salaries and benefits for DHR personnel.
- Incremental** - N/A
- Initiative Costs** - N/A
- Capital Impact** - N/A

Group Insurance Fund - Five Year Plan

The Group Insurance Fund is established through employer and employee contributions; it is used for the sole purpose of paying active and retired employees and their dependents medical, dental, vision, life, and voluntary insurance premiums and expenses.



	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total Plan Years
	Actual	Funded Budget	Preliminary					
Total Projected Revenues	\$146,180,835	\$157,520,019	\$160,865,571	\$163,924,153	\$167,105,079	\$170,413,243	\$173,853,732	\$836,161,779
Expenses	\$156,196,264	\$157,520,019	\$160,865,571	\$163,924,153	\$167,105,080	\$170,413,243	\$173,853,732	\$836,161,779
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$156,196,264	\$157,520,019	\$160,865,571	\$163,924,153	\$167,105,080	\$170,413,243	\$173,853,732	\$836,161,779
Revenues Over(Under) Expenses	(\$10,015,430)	\$0	\$0	\$0	\$0	\$0	\$0	\$1
Variance %	(7%)	0%	0%	0%	0%	0%	0%	0%

Revenue Overview:

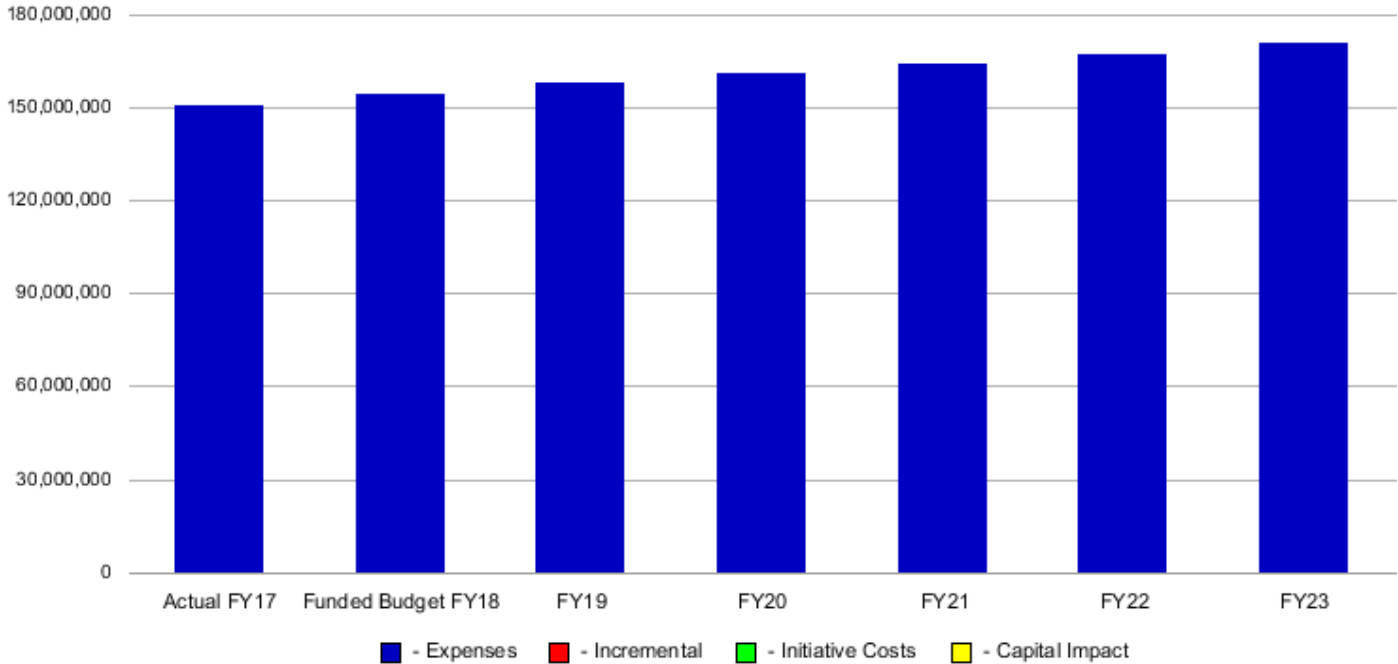
Group Insurance revenues include an initial projected increase of 4%. This amount is projected for FY19-FY23 per the anticipated employer contributions for provider services.

Expense Overview:

Group Insurance expenses include an initial projected increase of 4%. This amount is projected for FY19-FY23 per the anticipated provider payments for services.

Group Insurance Fund - Non-Departmental

The purpose of Non-Departmental Group Insurance is to provide funding for a variety of expenditures that generally are not specific to any one department within Group Insurance.

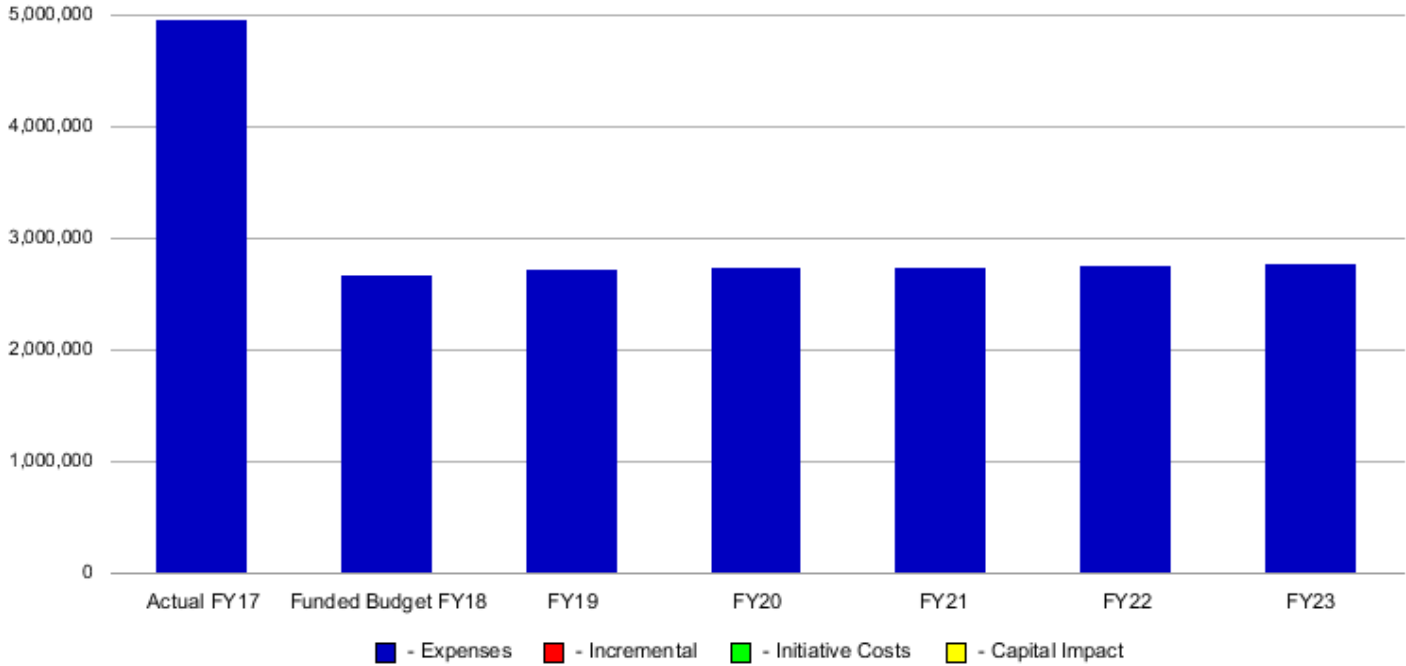


	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20	FY21	FY22	FY23	Total Plan Years
Expenses	\$151,233,296	\$154,858,101	\$158,147,236	\$161,191,548	\$164,361,006	\$167,655,183	\$171,082,143	\$822,437,116
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$151,233,296	\$154,858,101	\$158,147,236	\$161,191,548	\$164,361,006	\$167,655,183	\$171,082,143	\$822,437,116

- Expenses** - Over the next five years, expenses include the funding of health insurances as well as costs related to the Affordable Care Act.
- Incremental** - N/A
- Initiative Costs** - N/A
- Capital Impact** - N/A

Group Insurance Fund - Department Of Human Resources

The Department of Human Resources is committed to attracting, retaining and developing a diverse and competent workforce that enables City agencies to achieve their business needs.



	FY17 Actual	FY18 Funded Budget	FY19 Preliminary	FY20	FY21	FY22	FY23	Total Plan Years
Expenses	\$4,962,968	\$2,661,918	\$2,718,335	\$2,732,605	\$2,744,074	\$2,758,060	\$2,771,589	\$13,724,663
Incremental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initiative Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Impact	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Projected Expenses	\$4,962,968	\$2,661,918	\$2,718,335	\$2,732,605	\$2,744,074	\$2,758,060	\$2,771,589	\$13,724,663

- Expenses** - Over the next five years, expenses include salaries & benefits, consulting & professional services, medical services provider fees, maintenance/lease of copiers, printing & binding, wireless services, and supplies.
- Incremental** - N/A
- Initiative Costs** - N/A
- Capital Impact** - N/A

FUND BALANCES

GENERAL FUND BALANCE AND
PROJECTIONS

THE PLAN TO ADDRESS DEFICIT FUND
BALANCES

SUMMARY OF FUND BALANCE AND NET
POSITION

FIVE YEAR PLAN



GENERAL FUND BALANCE

According to GFOA, the adequacy of unassigned fund balance in the general fund should be assessed based upon a government's specific circumstances. Nevertheless, the GFOA recommends, at a minimum, that general-purpose governments, regardless of size, incorporate in its financial policies that unrestricted fund balance in their general fund be no less than two months (16.7%) of regular general fund operating revenues or regular general fund operating expenditures.

During the fiscal year 2012 the City adopted a fund balance policy which calls for the unrestricted fund balance in the General Fund to range from no less than 15% to 20% of the subsequent year's budgeted expenditures and outgoing transfers. At any time the unrestricted fund balance is within the range of 15% to 20% of the subsequent year's budgeted expenditures and outgoing transfers, upon recommendation by the Chief Financial Officer, the City Council may authorize additional transfers to a fund at its discretion, up to a maximum of 5% per year of the subsequent year's budgeted revenues in preparation for adoption of the upcoming years' budget.

If the unrestricted fund balance falls below the minimum 15% of the subsequent year's budgeted expenditures and outgoing transfers, replenishment of shortages/deficiencies will be made within specified time periods and upon the recommendation of the Chief Financial Officer.

Should the unrestricted fund balance of the General Fund exceed the maximum of 20%, such surplus fund balance may be considered for transfer to deficit balances in other funds and for one-time expenditures that are nonrecurring. At least 50% of surplus fund balance must be used to reduce any deficit fund balance prior to allocation for any one- time expenditure.

Fund Balance at June 30, 2010	72,433
FY 2011 Surplus	<u>21,917</u>
Fund Balance at June 30, 2011	94,350
FY 2012 Surplus	<u>32,370</u>
Fund Balance at June 30, 2012	126,720
FY2013 Surplus	<u>11,444</u>
Fund Balance at June 30, 2013	138,164
FY2014 Surplus	<u>3,821</u>
Fund Balance at June 30, 2014	<u>141,985</u>
FY2015 Surplus	9,029
Fund Balance at June 30, 2015	<u>151,014</u>
FY2016 Surplus	<u>2,135</u>
Fund Balance at June 30, 2016	<u>153,149</u>
FY2017 Surplus	<u>47,433</u>
Fund Balance at June 30, 2017	<u>200,582</u>

The following is the Fund Balance as of June 30, 2017 as presented in the format required by GASB 54.

GASB54 Category	Amount
Non-spendable	5,941
Committed	47,208
Restricted	0
Assigned	8,537
Unassigned	138,896
Total	200,582

Projected Fund Balance Change during FY18

*FY 2018 Revised Revenues Approved by City Council	665,959	
Plus: GF revenue projection variance	<u>0</u>	
Net Projected Revenues as of 6/30/2018		<u>665,959</u>
*FY 2018 Expenses Approved by Council	665,959	
Plus: GF department projection variance	<u>3,581</u>	
Net Projected Expenses as of 6/30/2018		<u>669,540</u>
Net Estimated FY18 Surplus from Operations		<u>(3,581)</u>
Projected General Fund Balance at June 30, 2018		<u>196,501</u>

At the end of the fiscal year, unspent reserves and any other surplus funds will increase fund balance.

The following is the Fund Balance Projection as of June 30, 2018, as presented in the format required by GASB:

GASB54 Category	Amount
Non-spendable	5,941
Restricted	0
Committed	47,208
Assigned	8,537
Unassigned	134,815
Total	196,501
Unrestricted	143,352

*Includes sale of Civic Center in November 2017.

THE PLAN TO ADDRESS DEFICIT FUND BALANCES

As of the FY2017 CAFR, the City has six funds that are operating in a deficit position:

- E911 – Emergency Telephone System
- Intergovernmental Grant Funds
- Solid Waste Fund
- Parks & Recreation Facilities
- Civic Center Fund
- Fleet Services Fund

The legislation driving this five year plan has included as an objective that each of these funds are addressed. Specifically, the legislation states the need to “eliminate any deficits in funds supported by the General Fund”. Listed below are descriptions of each fund with their respective FY2017 deficits and possible solutions to reduce or eliminate their balances.

E911–EMERGENCY TELEPHONE SYSTEM

The Emergency Telephone System Fund consists of collections of an Enhanced 911 (E911) fee levied against telephone subsidies beginning in 1991. Until 1993, the collections of these fees were accounted for in the General Fund in Revenue from the Charges for Services category. The rate structure mandated by the Georgia General Assembly did not adequately cover the costs of operating this function. During the 2015 legislative session, the Georgia General Assembly approved House Bill 650 to authorize the City to fix and collect a public safety assessment fee within the City for the protection of public health, welfare, and the convenience of the City, and for the adequate protection of police, fire and other emergency services, as set forth in the City’s Charter at Section 1-102(c)(62). On May 4, 2015, the City passed Resolution 15-R-3526 authorizing the Mayor to execute a contract with the Fulton County Tax Commissioner for the billing and collection of the E-911 Public Safety Access Assessment for the City. The legislation authorized the City to collect public safety assessment fees in the amount of \$27 per residential parcel and \$307 per nonresidential parcel. The annual billing for FY 2016 of \$6.9M is expected to contribute towards the deficit in the E911 fund. Since 2011, the general fund has transferred over \$45 million to this fund, including \$1 million in FY 2014 and \$8 million during FY 2015. There were no funds transferred from the General Fund to the E911 Fund in FY 2016 and FY 2017. As of the close of FY2017 the amount due to the General Fund is \$5.2 million, a slight increase of \$259K million from FY 2016. It is expected that the full impact of the assessment to increase revenue will occur in upcoming years which will reduce the amount due to the General Fund.

INTERGOVERNMENTAL GRANT FUND

Intergovernmental Grant Funds is an established account for the revenues and expenditures for miscellaneous grants except for those recorded in the Department of Aviation, Department of Watershed Management, and the Community Development Funds. At the close of FY 2017, Intergovernmental Grant Funds had an accumulated deficit of \$14.5 million. This deficit was primarily the result of timing differences between expenses and drawing down the grant funds. The City will ensure timely billing of Grant expenses and resolve unallowable expenditures in upcoming years.

SOLID WASTE FUND

The Solid Waste Collection Fund consists of collections of fees for: garbage, recycling, yard waste and bulk rubbish, street sweeping, de-littering, debris removal, right-of-way-cutting, dead animal removal, education, and enforcement. It also includes land post-closure management and responding to city-wide emergency operations. In FY 2010, the rates were increased to cover the cost for providing these services. As a result, this fund has been covering its operating costs and funding its capital needs. As of the close of FY 2017 the Sanitation Fund had an accumulated deficit of \$79.6 million. The operations deficit decreased by approximately \$3.2 million. Lack of adequate billing to cover costs is contributing to this deficit. The City administration is evaluating a fee increase along with tight cost control measures to address and eliminate the operating deficit. On a cash basis, the Sanitation Fund deficit is \$30 million.

PARKS and RECREATION FACILITIES FUND

The Parks and Recreation Facilities Fund was established to account for the financial activities of the Cyclorama. As of the close of FY 2017, the Parks and Recreation Facilities Fund had an accumulated deficit of \$1.3 million. The increase in the deficit of \$84 thousand is primarily due to the allocation of pension liability.

CIVIC CENTER FUND

The Civic Center will require significant capital investments in order to continue to attract events that result in revenues that will cover operating expenses. At the close of FY 2017, the Civic Center Fund had an accumulated deficit of \$5.7 million. The operating deficit decreased by approximately \$145 thousand, because the use of the facility has decreased as the City moved forward to sell the Civic Center.

FLEET SERVICES FUND

The Fleet Services Fund is an internal service fund that provides fuel and maintenance services to internal COA departments. Over time internal service funds should break-even; all costs incurred by the fund should be recouped via charges to the user departments. The Fleet Services Fund has not been recovering costs, and as of the close of FY 2017 had an accumulated deficit of \$3.3 million. During fiscal year 2017, the deficit was reduced by approximately \$22.6 million mainly due to legislation passed by Atlanta City Council to approve a contribution of \$7.3 million by the Department of Watershed Management, \$3.7 million by Department of Aviation, \$8.6 million by the Sanitation Fund, and a \$2.2 million contribution by the General Fund to reduce the accumulated deficit of \$21.8 million in the Fleet Service Fund. The contribution to reduce the deficit by each fund is based on their fleet usage. Fleet operations and billing continue to be monitored to reduce costs and recover the remaining accumulated deficit by FY 2018.

SUMMARY OF FUND BALANCE

	Beginning Fund Balance	Revenues	Expenditures	Other Financing Resource	FY17 Net Change in Fund Balance	Audited Ending Fund Balance 2017	% Change in Fund Balance
General Fund	153,148,826	572,908,498	(597,180,138)	71,205,128	46,933,488	200,082,314	31%
Special Revenue Funds							
Community Dev Block Grant Fund	688,680	6,449,105	(6,491,754)	-	(42,649)	646,031	-6%
Emergency 911 Fund	(4,828,473)	16,904,174	(16,828,217)	-	75,956	(4,752,517)	-2%
Intergovernmental Grant Fund	(7,607,079)	53,670,792	(62,500,416)	1,035,000	(7,794,624)	(15,401,704)	102%
Empowerment Zone Fund	-	-	-	-	-	-	0%
Job Training Grant Fund	399,600	5,096,910	(4,617,192)	-	479,719	879,319	120%
Home Investment Partnership Fund	363,114	2,534,222	(2,501,153)	-	33,069	396,183	9%
Rental Rehabilitation Fund	603	-	-	-	-	603	0%
Sec 108 Loan Trust Fund	5,238,165	10,530	(2,098,699)	-	(2,088,169)	3,149,996	-40%
Atlantic Station TAD Fund	45,235,593	18,367,406	(13,237,024)	-	5,130,382	50,365,975	11%
Westside TAD Fund	75,244,390	15,954,018	(18,541,596)	-	(2,587,578)	72,656,812	-3%
NW Atlanta TAD Fund	10,632,893	2,960,477	(5,850,909)	-	(2,890,432)	7,742,462	-27%
Princeton Lakes TAD Fund	4,907,490	1,936,007	(1,371,274)	-	564,733	5,472,223	12%
Eastside TAD Fund	78,542,295	17,316,629	(3,450,091)	-	13,866,538	92,408,833	18%
Atlanta Beltline TAD Fund	10,449,758	30,724,427	(40,077,756)	82,575,707	73,222,378	83,672,136	701%
Campbellton Road TAD Fund	2,152,802	1,077,629	(331,653)	-	745,976	2,898,778	35%
Hollowell/M.L. King TAD Fund	2,695,896	311,681	(43,669)	-	268,012	2,963,908	10%
Metropolitan Parkway TAD Fund	1,488,073	101,124	(53,989)	-	47,135	1,535,208	3%
Stadium Neighborhoods TAD Fund	175,414	10,790	(42,106)	-	(31,316)	144,098	-18%
Rental/Motor Vehicle Tax	-	1,253,762	(1,253,762)	-	-	-	0%
Hotel/Motel Tax Fund	-	72,583,062	(54,444,555)	(18,138,507)	-	-	0%
Affordable Housing Fund	8,022,163	69,827	37,428,250	2,197,133	39,695,210	47,717,373	495%
2007 URFA Housing Bond Fund	-	-	-	(667,515)	(667,515)	(667,515)	100%
2017 URFA Refu Housing Bond Fund	-	-	(40,269,172)	40,294,543	25,371	25,371	100%
TSPLOST	-	12,104,839	-	-	12,104,839	12,104,839	100%
Special 1% Sales And Use Tax Fund	-	131,709,569	-	(131,709,603)	(35)	(35)	0%
Perpetual Care	225,549	7,427	(30,530)	-	(23,104)	202,446	-10%
Trust Fund	31,120,497	17,525,032	(18,227,849)	-	(702,817)	30,417,680	-2%
Special Revenue Total	265,147,423	408,679,437	(254,835,116)	(24,413,242)	129,431,079	394,578,502	49%
Capital Projects Funds							
Annual Bond Fund	346,968	(1,058)	-	-	(1,058)	345,910	0%
1993 School Improvement Bond	20,228	115	-	-	115	20,343	1%
1994 Referendum G.O. Bond Fund	367,798	2,080	-	-	2,080	369,879	1%
1996 G.O. Public Improvement Bond Part B	32,421	185	-	-	185	32,605	1%
1997 G.O. Public Improvement Bond Fund	250,147	1,424	-	-	1,424	251,571	1%
2000 Park Improvement Bond Fund	11,941	68	-	-	68	12,009	1%
2001 Quality Of Life Fund	21,905	437	56,408	(21,905)	34,940	56,845	160%
2004 Quality Of Life Fund	192,963	3,258	639,186	(832,203)	(189,759)	3,204	-98%
2005 B Go Project Fund	-	-	-	-	-	-	0%
2005A Park Improvement Bond Fund	4,164,742	1,188	(590,636)	-	(589,448)	3,575,294	-14%
Public Safety Facility Fund	5	(2)	(5,800,596)	5,827,476	26,878	26,883	539711%
2008A Quality Of Life Improvement	1,531,327	3,332	(30,712)	-	(27,380)	1,503,947	-2%
2007 A&B AFCRA Zoo Bond Fund	-	106,358	-	-	106,358	106,358	100%
GO Refunding Series 2014A	10,098	-	-	-	-	10,098	0%
GO Refunding Series 2014B	8,814	-	-	-	-	8,814	0%
2014A Park Imp Revenue Refunding Bond	4,631,349	-	(1,675,158)	-	(1,675,158)	2,956,190	-36%
2015 Infrastructure Bond Fund	201,587,513	394,621	(30,429,947)	-	(30,035,326)	171,552,187	-15%
2015 Municipal Facilities Bond Fund	60,990,960	118,469	(27,227,744)	-	(27,109,275)	33,881,685	-44%
2016 GO Project Fund	2,899,053	-	(2,915,662)	-	(2,915,662)	(16,609)	100%
Capital Finance Fund	6,493,057	(977)	(20,014,165)	33,226,552	13,211,411	19,704,468	203%
Special Assessment Fund	2,780,038	479,332	-	-	479,332	3,259,370	17%
Solid Waste Management Fac Const Fund	2,463,612	1,744	(2,111,803)	2,107,999	(2,060)	2,461,552	0%
Capital Asset - Finance Fund	10,919,365	380,476	(6,574,565)	4,262,446	(1,931,643)	8,987,722	-18%
Capital Finance - Recovery	(4,392)	100,160	(141,858)	45,419	3,721	(670)	0%
General Government Capital Fund	38,747,971	8,753,113	(3,719,957)	-	5,033,156	43,781,127	13%
Park Improvement Fund	3,565,549	11,612,415	(13,032,740)	-	(1,420,325)	2,145,223	-40%
2002 Traffic Court Facility Bond	188,655	839	-	(41,207)	(40,368)	148,287	-21%
2016 Traffic Court Facility Refunding Bond	3,772,174	4,228	(3,801,741)	3,764,467	(33,045)	3,739,129	0%
Sub - Total	345,994,261	21,961,805	(117,371,689)	48,339,045	(47,070,839)	298,923,422	-14%
Debt Service Fund							
Bond Sinking Fund	15,149,120	40,997,380	(24,045,086)	-	16,952,294	32,101,414	112%
Government Grand Total	779,439,630	1,044,547,121	(993,432,029)	95,130,931	146,246,022	925,685,652	19%

SUMMARY OF FUND BALANCE

	Beginning Fund Balance	Revenues	Expenditures	Non-Operating	Other Financing Resource	FY17 Net Change in Fund Balance	Audited Ending Fund Balance 2017	% Change in Fund Balance
DWM	2,736,017,099	482,828,900	(336,057,029)	(125,611,629)	120,335,916	141,496,157	2,877,513,256	5%
DOA	4,791,825,963	502,604,448	(538,092,256)	93,213,356	6,292,725	64,018,273	4,855,844,237	1%
Nonmajor ENT								
Sanitation	(82,790,183)	54,698,989	(39,911,968)	(383,588)	(11,176,145)	3,227,288	(79,562,894)	-4%
Parks and Recreational	(1,179,055)	-	(83,025)	(1,009)	-	(84,034)	(1,263,089)	7%
Underground Atlanta	8,801,435	1,281,021	(1,950,367)	2,780,059	(10,912,147)	(8,801,435)	0	-100%
Parking Deck	1,460,512	1,018,259	(469,600)	(1,239,733)	737,833	46,759	1,507,271	3%
Permit Fund	38,143,854	-	-	-	(38,143,733)	(38,143,733)	121	-100%
Civic Center	(5,823,506)	343,733	(1,684,734)	(140,459)	1,626,006	144,546	(5,678,960)	-2%
City Plaza	570,047	1,260,000	(837,301)	8,149,574	3,745,475	12,317,749	12,887,795	2161%
Internal Services								
Fleet services	(25,869,322)	32,367,534	(31,361,243)	(197,100)	21,800,000	22,609,191	(3,260,131)	-87%
Group Insurances	10,803,281	146,187,089	(152,646,389)	(6,254)	(3,550,000)	(10,015,555)	787,727	-93%

DEBT MANAGEMENT

OVERVIEW

MUNICIPAL BOND RATINGS

DEBT FORECAST SUMMARIES

FIVE YEAR PLAN

OVERVIEW

The City of Atlanta Department of Finance is responsible for executing sound financial management policies to provide sufficient funding to permit necessary improvements to the City's infrastructure, as governed by the Mayor and City Council members. The Office of the Treasurer operates under the Department of Finance and is responsible for the management of the City's cash, investment and debt portfolios. Specifically, where debt management is concerned, the Office:

- Manages the City's bond program and facilitates the execution of bond sales, strategic planning for debt structuring and issuance, and ongoing portfolio management;
- Identifies the appropriate funding mechanism utilizing long term financing instruments such as general obligation bonds, revenue bonds, obligations issued through state and local authorities, and other appropriation-backed securities;
- Develops debt policies, capital improvement plans, and debt capacity studies;
- Manages external consultants and agencies, including financial advisors, investment bankers, bond counsel and ratings agencies; and
- Advises City leadership which includes members of the Cabinet and City Council of its debt position and transactions, as required.

This document provides an overview of the City's debt management program's methodology and practices under the management of the Office of the Treasurer.

Debt Management Objectives

- Maintain cost-effective access to the capital markets through prudent policies;
- Maintain reasonable debt and debt service payments with effective planning and coordination with the City's departments;
- Meet significant capital demands through debt financing and alternative financing mechanisms;
- Define the acceptable parameters and structure for each type of debt or obligation; and
- Achieve and maintain the highest possible credit ratings within the context of the City's capital needs and financing capabilities.

MUNICIPAL BOND RATINGS

CITY OF ATLANTA			
BONDS TYPE	CREDIT RATING		
	Moody's	Standard & Poor's	Fitch
General Obligation Bonds	Aa1	AA+	AA+
Water and Wastewater Revenue Bonds	Aa2	AA-	A+
Hartsfield Atlanta International Airport Revenue Bonds - Senior Lien GARBs	Aa3	AA-	AA-
Hartsfield Atlanta International Airport Revenue Bonds- PFC/Subordinate Lien GARBs	Aa3	AA-	A+
Hartsfield Atlanta International Airport Revenue Bonds Senior Lien Customer Facility Charge	A3	A-	A
Atlanta Development Authority	Aa1	AA+	--
Downtown Development Authority	Aa1	AA+	AA+
Solid Waste Management Authority	Aa1	AA+	--
City of Atlanta and Fulton County Recreation Authority	Aa1	AA+	--
Urban Residential Finance Authority	Aa1		AA+
Tax Allocation Districts	N/A	N/A	--

Total Debt Outstanding

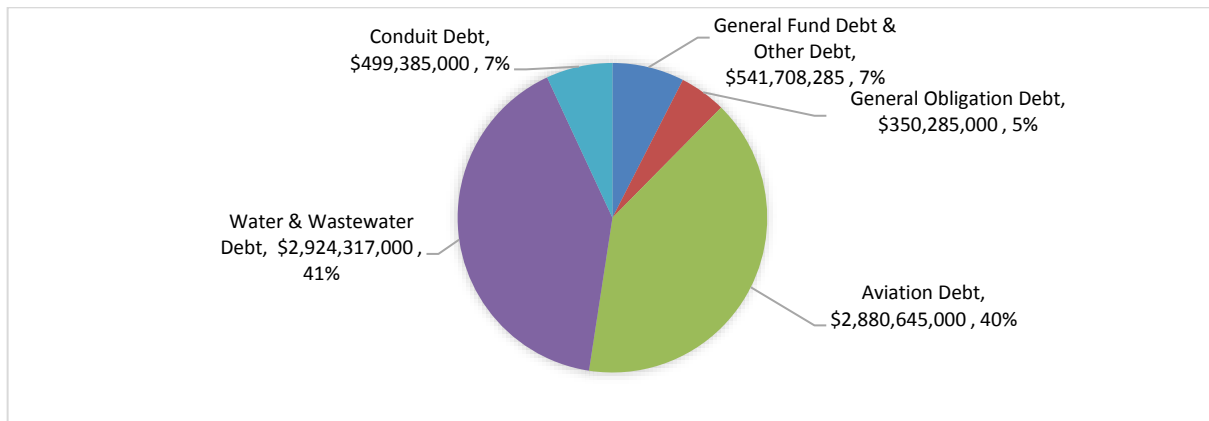
The City of Atlanta's long-term outstanding debt, including capital leases totaled \$7.6 billion as of June 30, 2017. Total debt consists of \$1.4 billion in General Obligation and other debt (General Fund, TAD, Capital Leases, Other); \$2.9 billion in Aviation Revenue Bonds, \$2.9 billion in Water and Wastewater Revenue Bonds, and total bond debt premiums of \$422.1 million less total bond debt discounts of \$2.3 million. Total debt from Fiscal Year 2017 decreased by \$119.1 million or 1.6% over Fiscal Year 2016.

In Fiscal Year 2017, the City issued the following debt:

- City of Atlanta Tax Allocation Bonds (BeltLine Project), Series 2016A-E in the aggregate principal amount of \$144.8 million
- City of Atlanta, Georgia Water, and Wastewater Revenue Refunding Bonds, Series 2017A in the aggregate principal amount of \$226.1 million
- By component unit, Atlanta Public Safety Facility and Judicial Authority Revenue Refunding Bonds (Public Safety Facility Project), Series 2016 in the aggregate amount of \$27.1 million
- By Intergovernmental Agreement,
 - Atlanta Urban Redevelopment Agency (AURA) Revenue Refunding Bonds (Downtown Parking Deck Project), Series 2017 in the aggregate principal amount of \$15.6 million
 - Urban Residential Finance Authority of the City of Atlanta, Georgia Taxable Revenue Bonds (Housing Opportunity Program), Series 2017A in the aggregate principal amount of \$63.6 million.

In addition, the City of Atlanta utilizes short-term commercial paper to fund specific projects for the Department of Aviation and the Department of Watershed Management. As of June 30, 2017, the commercial paper outstanding was \$146.9 million, and \$96.4 million respectively.

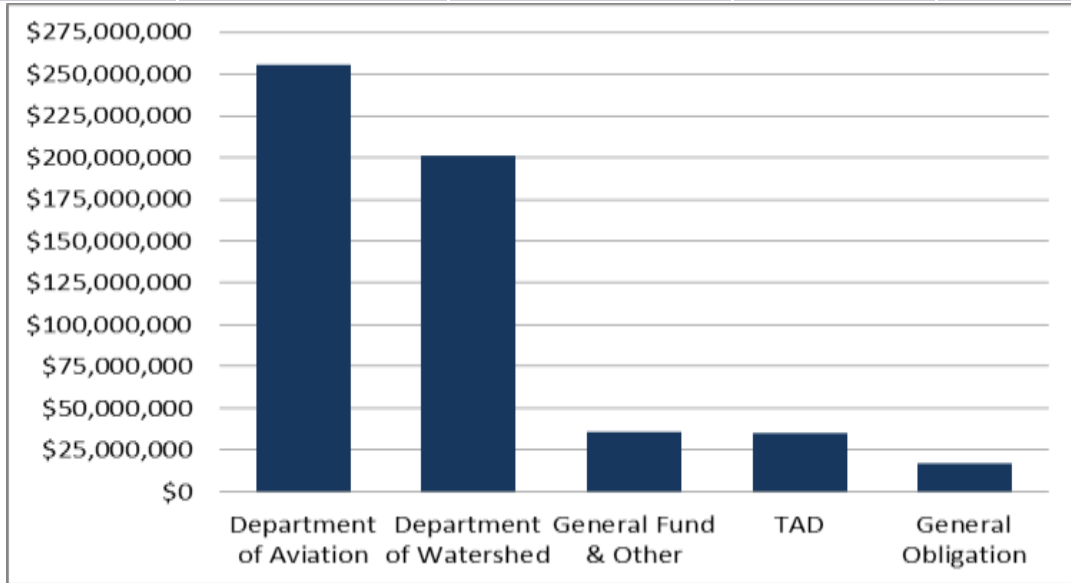
Overall, the City continues to generate enough cash from various revenue streams to cover its operating costs, make payments on outstanding debt obligations and build future reserves.



FY 2017 Principal and Interest Payments

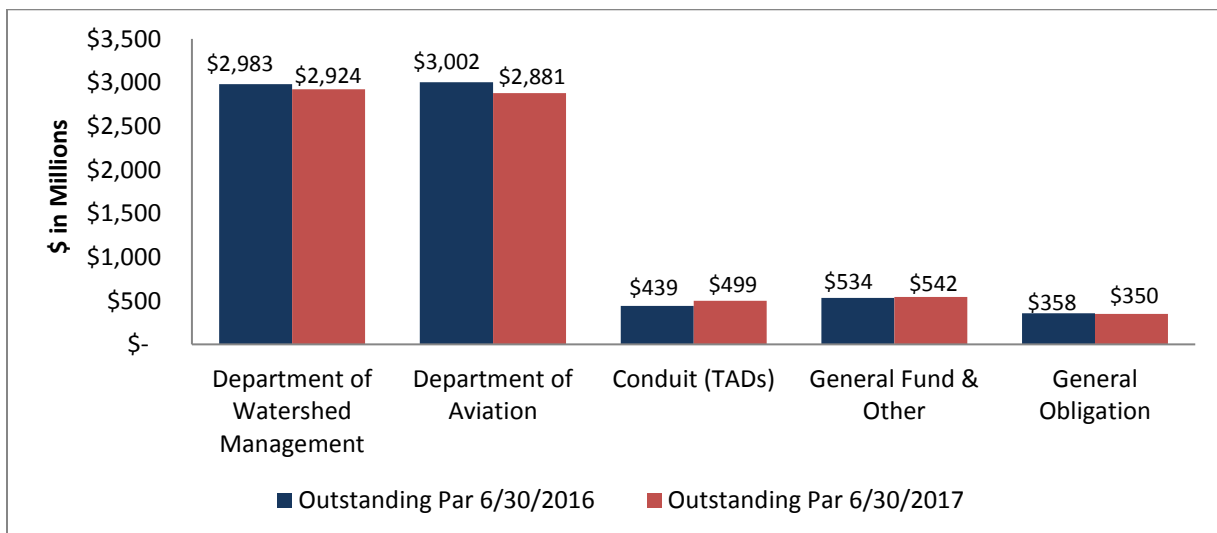
In Fiscal Year 2017, approximately \$544.7 million in revenues were used to service the outstanding long-term debt obligations of the City. \$235.7 million of this total was spent on principal and \$309 million on interest payments. The total debt payments by issue category are as follows:

Aviation	Water / Wastewater	General Fund & Other	TADs	General Obligation
\$255.9M	\$201M	\$35.8M	\$34.8M	\$17.1M



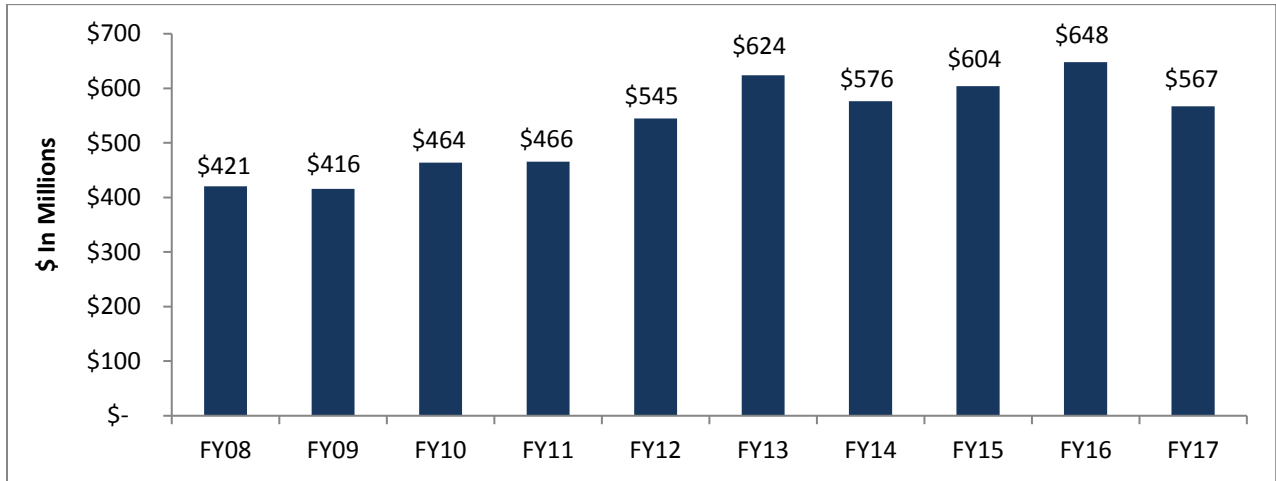
Debt Comparison

At the end of Fiscal Year 2017, the City's total long-term debt outstanding excluding premiums, discounts, and deferred insurance premiums was \$7.2 billion. This represents a 1.6% or approximately \$119.1 million decrease over the previous year's total of \$7.3 billion.



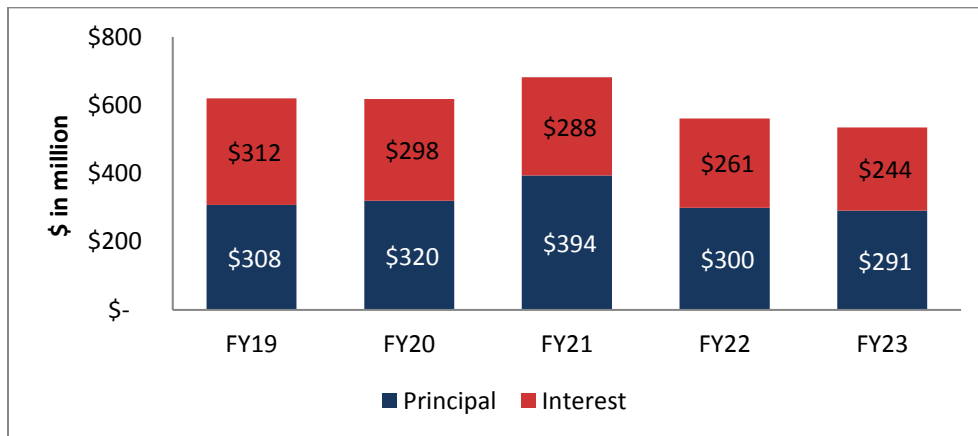
All Long-Term Debt – Historical Payments

During the last 10 years, from 2008 to 2017, the City has spent \$5.3 billion in principal and interest payments on all its outstanding debt obligations. The payments were for the GO bonds, Conduit bonds, General Fund bonds, Intergovernmental Agreements, Capital Leases, Aviation bonds, Water and Wastewater bonds, and Commercial Paper. The overall annual debt payment has increased approximately 1.3 times from \$420.5 million in 2008 to \$567 million in 2017.



All Debt – 5 Year Outlook Principal & Interest Payments

At the end of Fiscal Year 2017, the City had a total of \$7.4 billion in outstanding debt obligations - \$7.2 billion in long-term debt, \$243 million in outstanding commercial paper, and deferred bond insurance premiums of \$422.1 million less deferred bond insurance discount of \$2.3 million. It is expected that the City will spend approximately \$1.4 billion in interest payments over the next five years on its debt obligations; this averages out to \$280.7 million annually.



GENERAL OBLIGATION

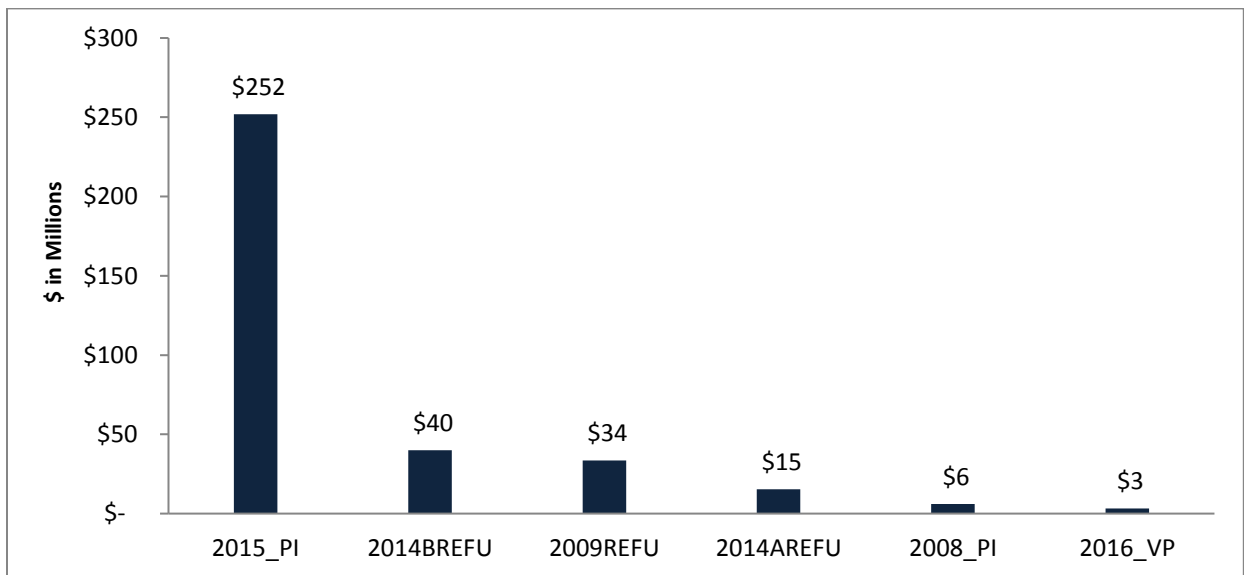
General Obligation - Outstanding Debt

The State Constitution requires approval from a majority of the qualified voters of the City prior to the issuance of general obligation bonds, provided, however, that the City may issue without voter approval not more than:

- \$4 million dollars in aggregate principal amount of general obligation bonds for lawful public purposes other than for school purposes in any fiscal year; and
- \$4 million dollars in aggregate principal amount of general obligation bonds for school purposes in any fiscal year.

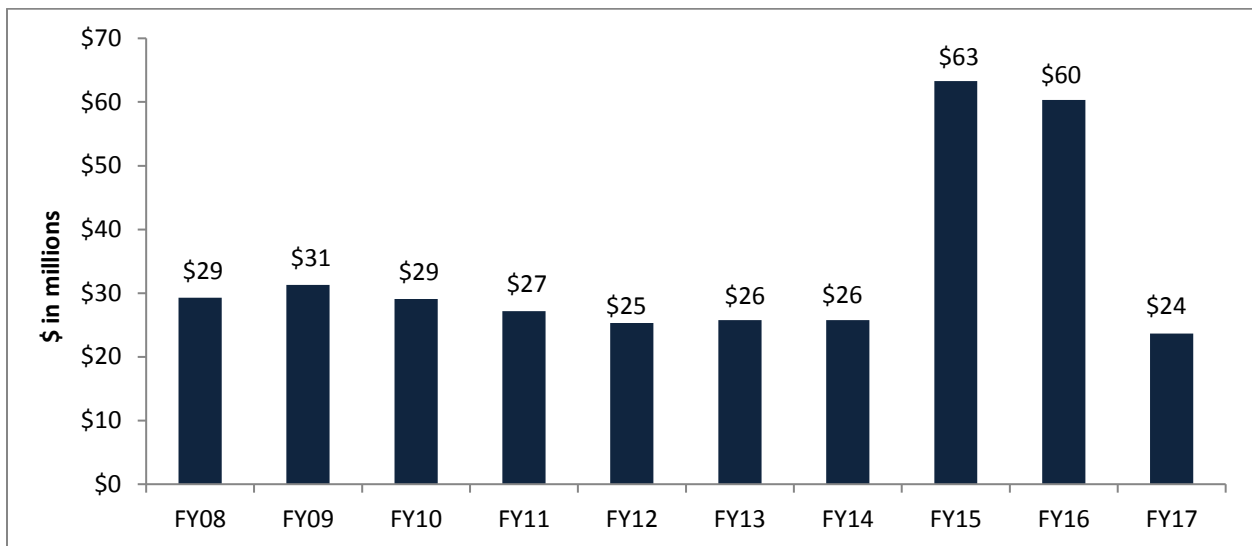
The City's General Obligation Public Improvement Bonds are used for sidewalk design and construction throughout the City, including sidewalk installations in various public housing development and for streetscape and intersection improvements throughout the City.

For the Fiscal Year ended June 30, 2017, the City had six (6) General Obligation debt outstanding totaling \$350.3 million. The City used \$24 million of collected tax revenues to make annual principal and interest payment for the fiscal year.



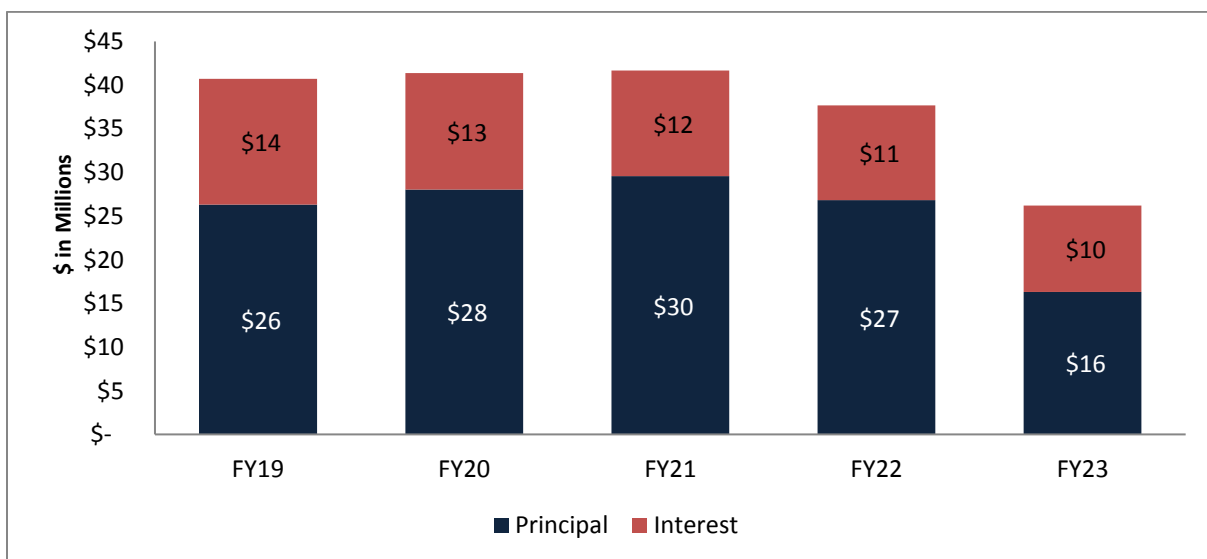
General Obligation – Historical Payments

During the last 10 years from 2007 to 2016 the City has spent \$285.5 million in principal and interest payments on its GO bond debt. During this period GO annual debt payments has averaged \$34.1 million.



General Obligation Debt – 5 Year Outlook - Principal & Interest Payments

\$187.6 million in total tax revenues will be used to make principal and interest payments on the City’s General Obligation debt outstanding in the next 5 years. \$127.1 million or 67.7% of the total amount will be used for principal payments and \$60.5 million or 32.3% for interest.

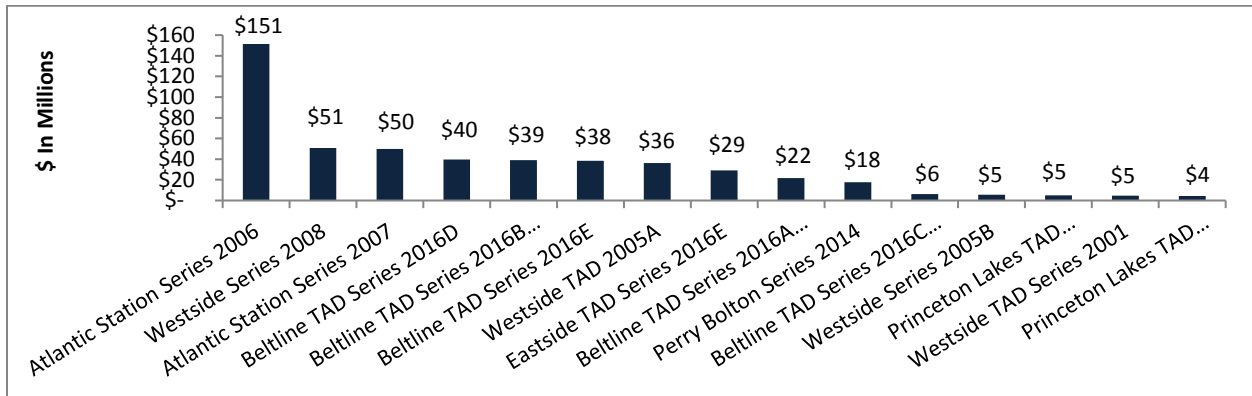


TAX ALLOCATION DISTRICTS (TADs)

TADs – Outstanding Debt

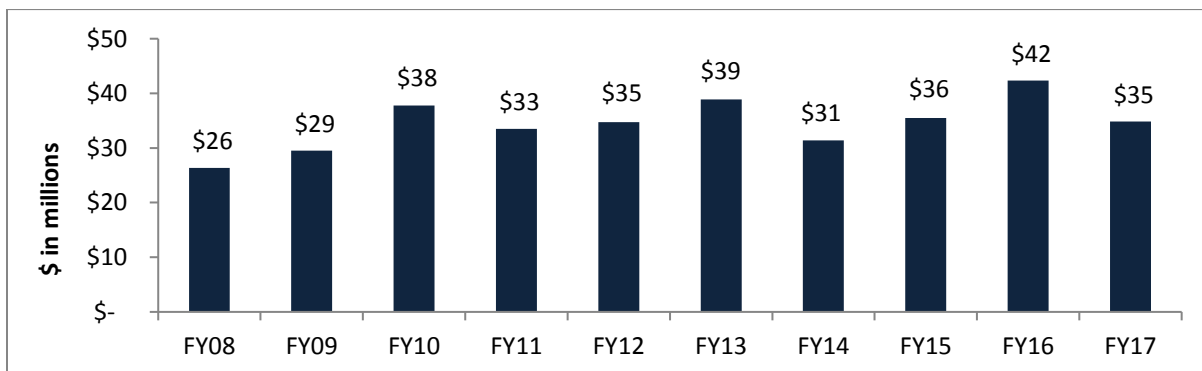
The City has issued bonds to fund various Capital Improvement Projects (CIP) in specially designated tax districts; these bond issuances are deemed as conduit debt obligations of the City. Tax receipts from the designated districts are used to make annual debt service payments when due.

For Fiscal Year 2017, the City had fifteen (15) TAD bonds outstanding with a total value of \$499.4 million. The City used \$35 million of tax receipts from the various designated districts to make annual principal and interest payments.



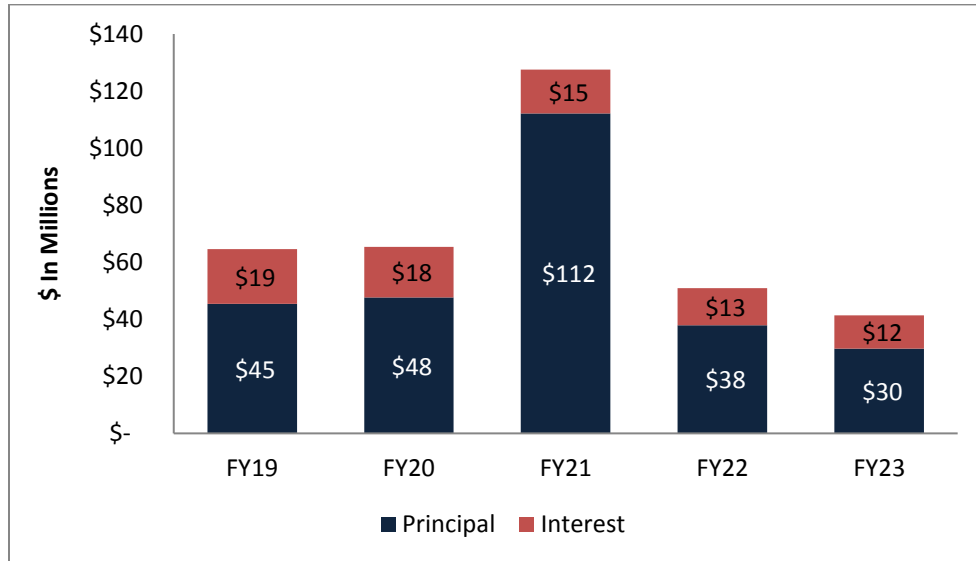
TAD – Historical Payments

Between 2008 and 2017 the City has spent \$344.8 million on principal and interest payments on its conduit debt outstanding. During this period the annual debt payment has increased from \$26.3 million in 2008 to \$34.5 million in 2017. The average annual debt service payments for the last 5 years was \$36.6 million.



TADs - 5 Year Outlook - Principal & Interest Payments

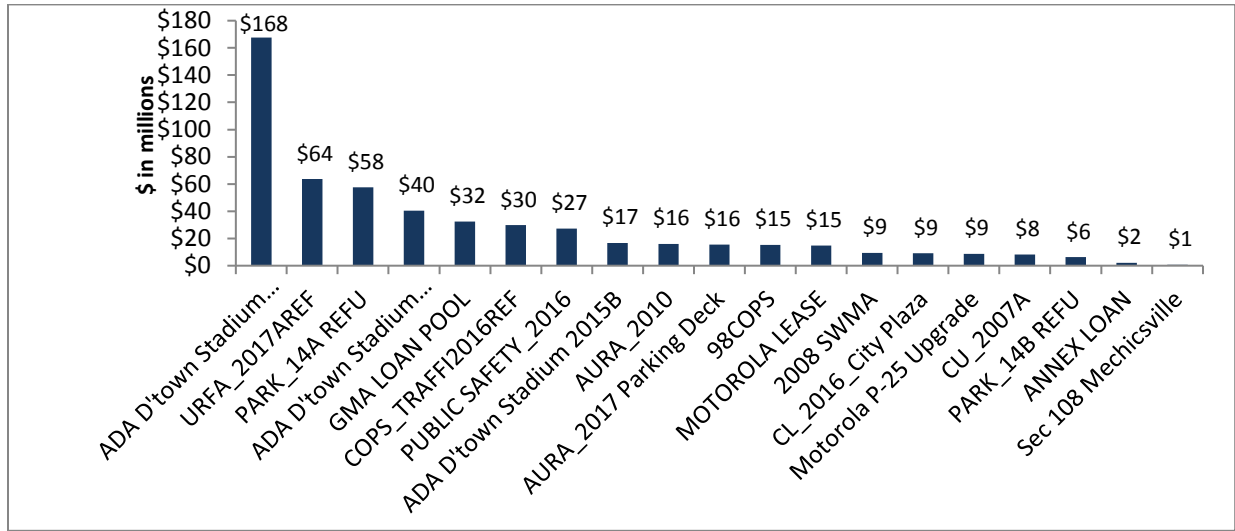
In the next 5 years it is expected that the City will make \$349.9 million in principal and interest payments on its outstanding Conduit debt. \$272.9 million or 78% of the total amount will be used to make annual principal payments and \$77 million or 22% in interest.



GENERAL FUND & OTHER

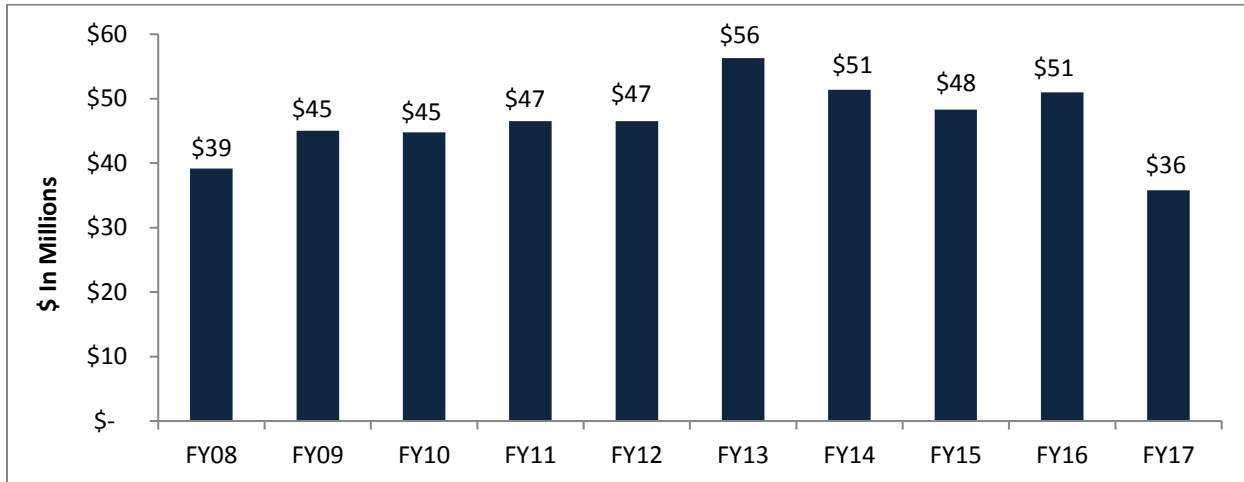
General Fund & Other Outstanding Debt

The General Fund and Other debt obligations of the City consist of bonds issued for various purposes and Capital Lease agreements. For Fiscal Year 2017, \$541.7 million of the General Fund and Other debt obligations including Inter-Governmental Agreements (IGA) remained outstanding.



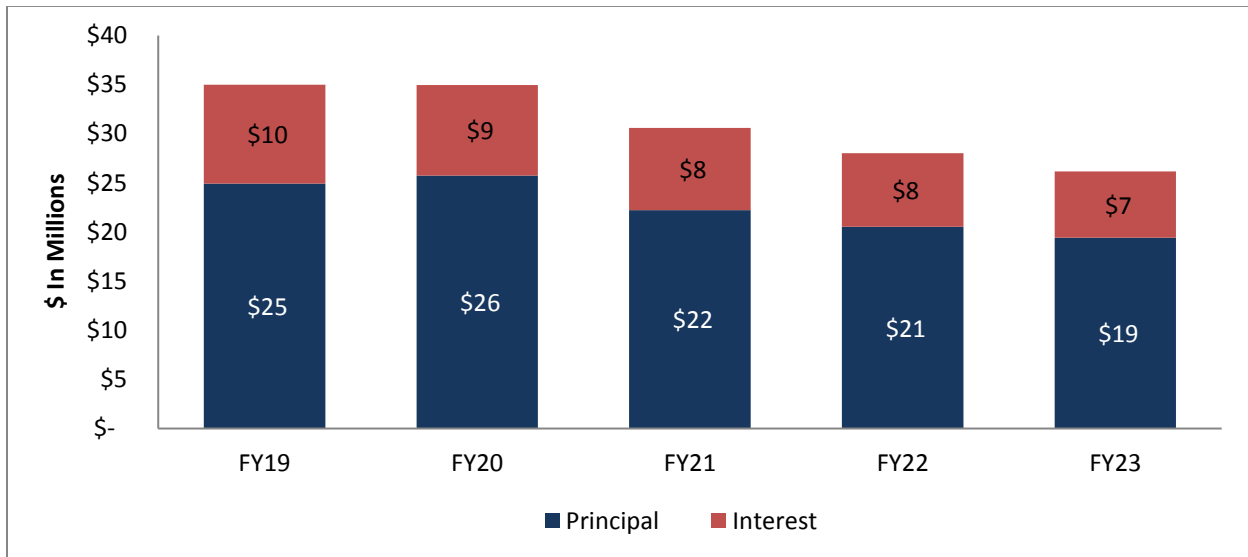
General Fund & Other - Historical Payments

Between 2008 and 2017 the City has paid \$464.8 million on principal and interest on its general fund and other debt outstanding. During this period the debt payments have decreased from \$39.2 million in 2008 to \$35.8 million in fiscal year 2017.



General Fund – 5 Year Outlook – Principal & Interest Payments

In the next 5 years, it is expected that \$154.7 million of General Fund and Other revenues will be used to make annual debt service payments. The payments include Inter-governmental agreements that the City has with other authorities. \$112.9 million of the total amount will be used to make principal payments and \$41.8 million for interest payments.

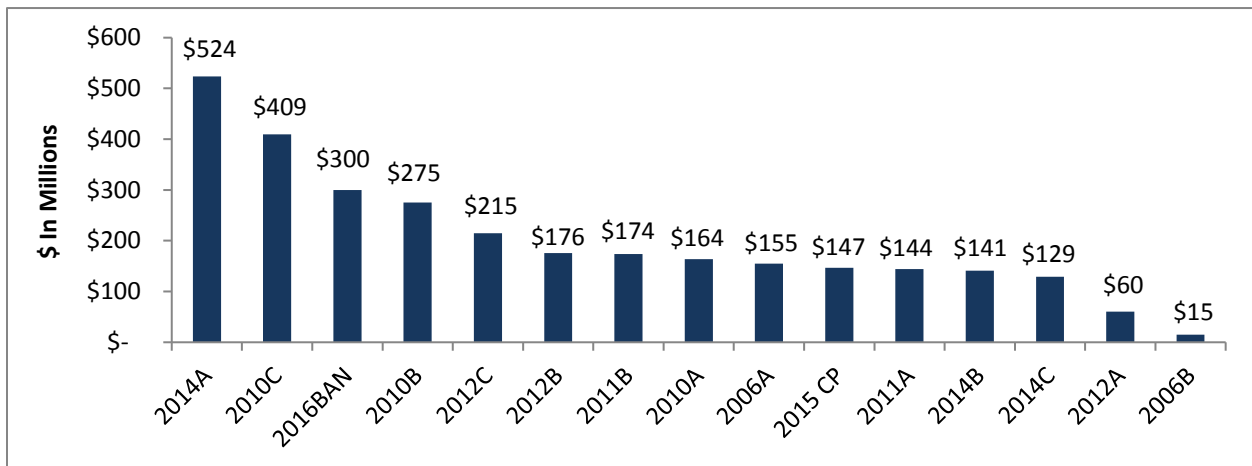


DEPARTMENT OF AVIATION

Department of Aviation – Outstanding Debt

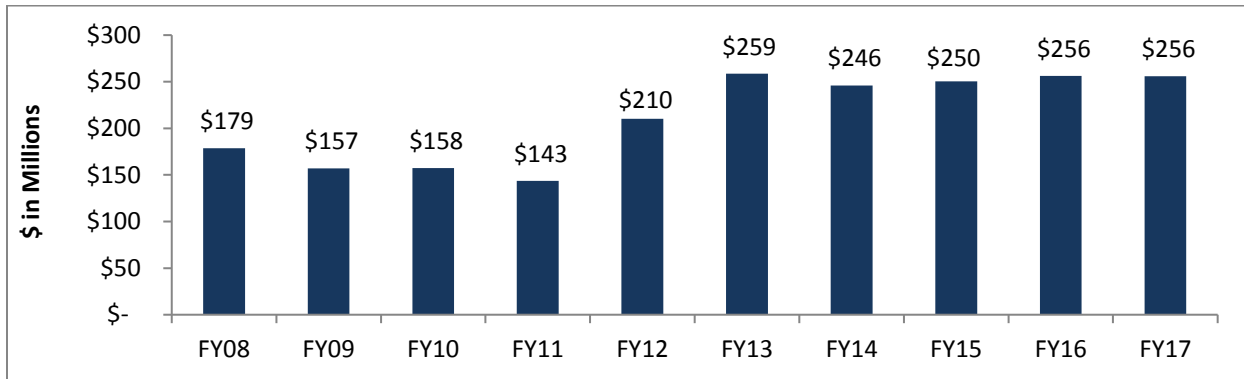
The City of Atlanta is one of 4 cities in the nation that owns and operates a World Class International airport. To maintain its position, the City issues bonds for ongoing capital improvement projects which are pledged against its revenues and have equal lien parity. Revenues pledged against the bonds issued are either General revenues, Passenger Facility Charges or Customer Facility Charges revenues.

At the end of Fiscal Year 2017, the Department of Aviation had \$3 billion outstanding debt which consisted of: 1) \$2.5 billion long-term debt; 2) \$300 million in Bond Anticipation Notes (BANs); and 3) \$146.9 million in short-term Commercial Paper notes.



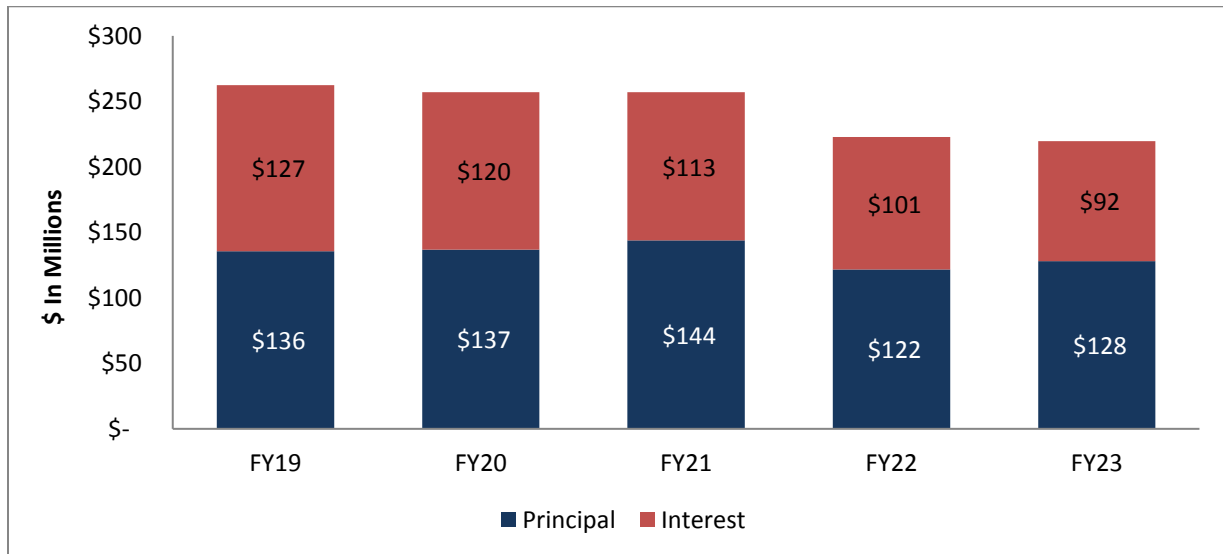
Department of Aviation - Historical Payments

During the last 10 years from 2008 to 2017, the City’s Department of Aviation has paid \$2.1 billion in principal and interest on all its revenue bonds obligations. The average annual debt service payments for the last 5 years is \$253.4 million.



Department of Aviation – 5 Year Outlook - Principal & Interest Payments

In the next 5 years, the Department of Aviation is expected to spend \$1.2 billion of revenues to make annual principal and interest payments on current outstanding debt obligations. 54.7% or \$666 million of the total will be used to make principal payments, and \$552.6 million or 45.3% for interest. It is expected that average annual debt service payments will be approximately \$243.7 million over the next 5 years.

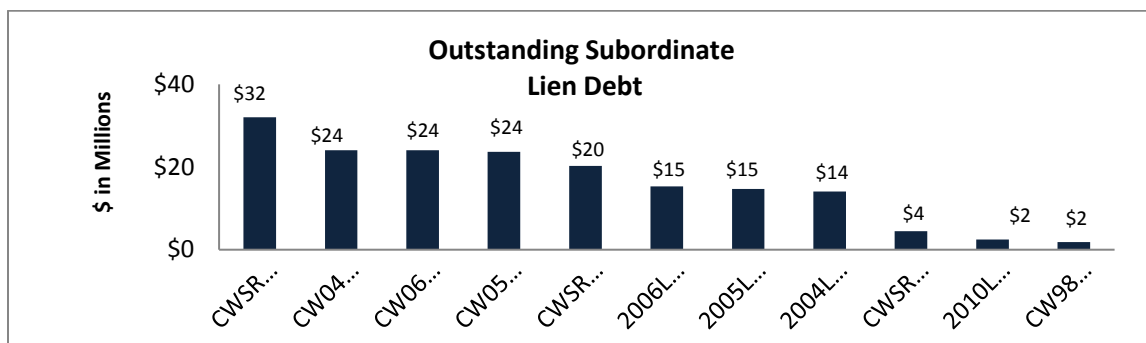
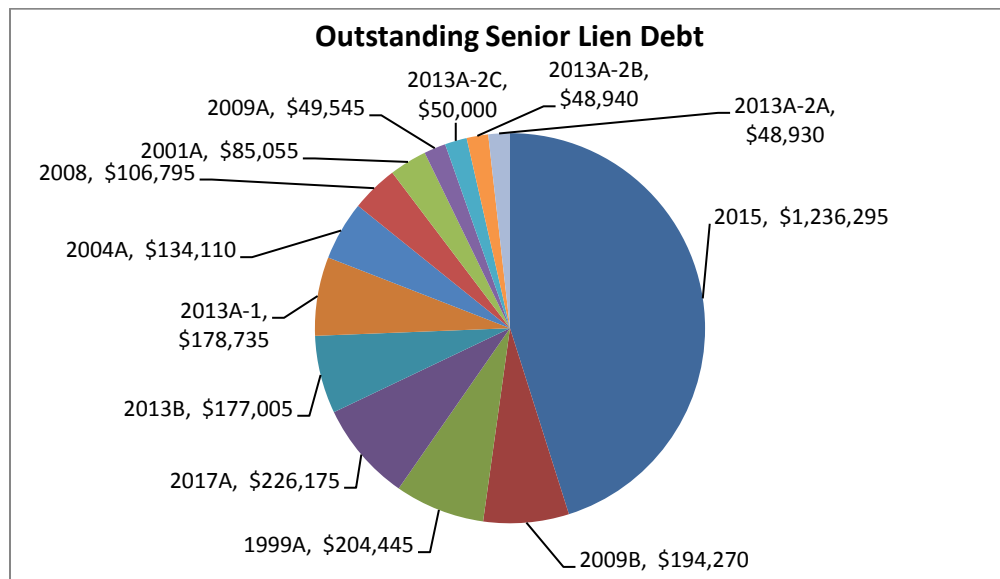


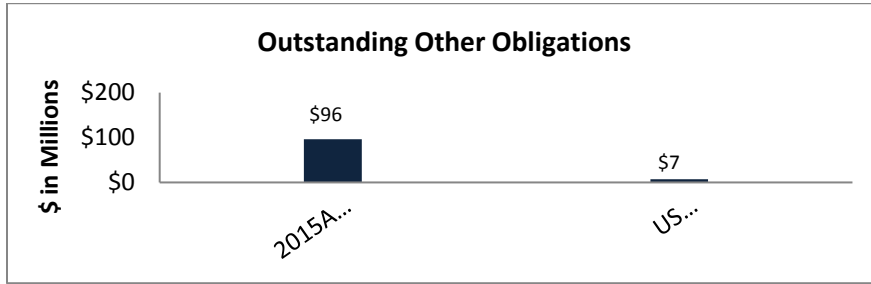
DEPARTMENT OF WATERSHED MANAGEMENT

Department of Watershed Management - Outstanding Debt

The Department of Watershed Management is responsible for operating and maintaining the City's Water and Wastewater system in compliance with federal and state regulations. The department has issued long-term bonds, state revolving loans, commercial paper, and other financing vehicles to provide funding for its capital improvement projects. The bonds and loans issued are pledged against the revenues generated by the system.

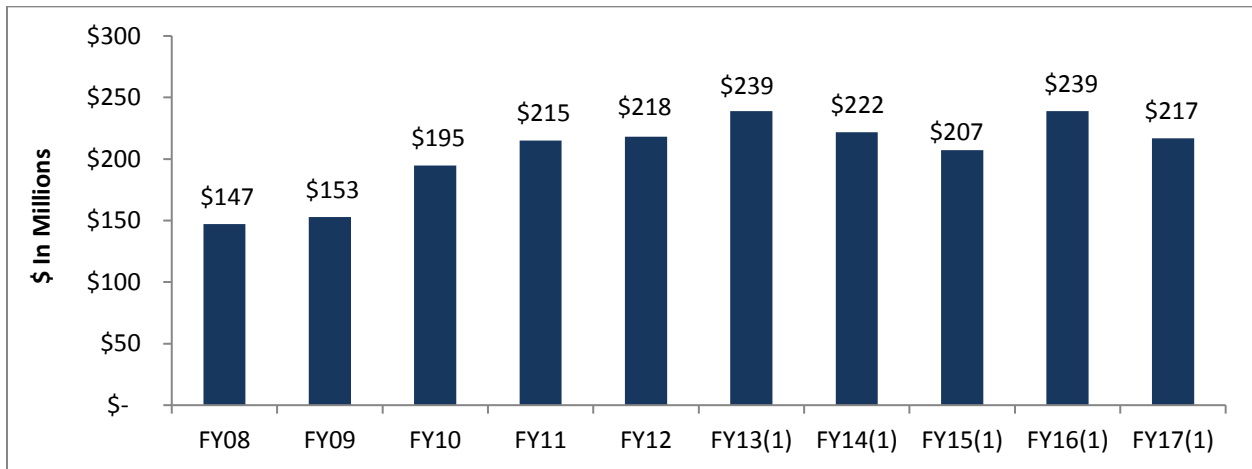
For Fiscal Year 2017, the Department had \$3 billion in outstanding debt which consisted of: 1) \$2.7 billion of senior-lien debt; 2) \$177 million of subordinate-lien debt; 3) \$7.1 million of other long-term obligations; and 4) \$96.4 million commercial paper notes.





Department of Watershed Management Debt - Historical Payments

During Fiscal Years 2008 to 2017, the City’s Department of Watershed Management (DWM) has paid \$2.1 billion in principal and interest on all its revenue bonds and other obligations, which has been restated in the past five fiscal years to include swap, capital leases, installment purchases, and commercial paper payments. The annual debt (including other liability payments) has increased from \$147 million in fiscal year 2008 to \$217 million in Fiscal Year 2017. The average annual debt for the last five Fiscal Years is \$225 million. It is expected that overall annual debt including other liability payments will be approximately \$221 million over the next 5 years. The decrease in annual debt for the Department is the result of a bond refunding opportunity that the Department executed in Fiscal Year 2017 which provided a net present value savings of \$27.5 million. The decrease is also impacted by the inclusion of the Department’s other obligations for the past five fiscal years as aforementioned.

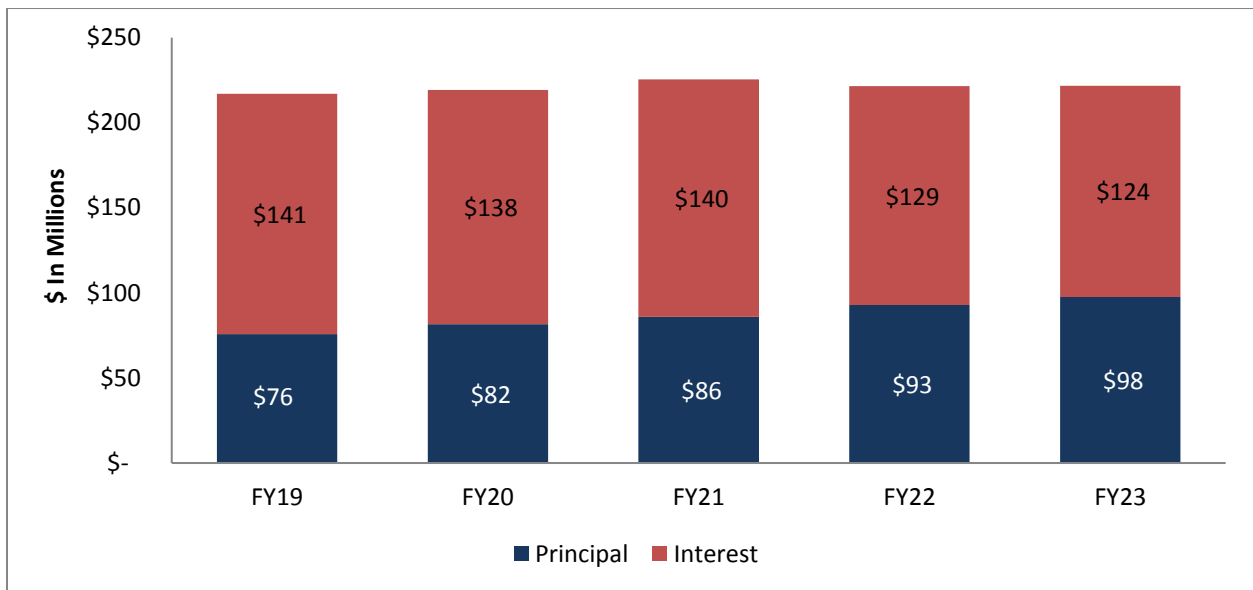


(1) Fiscal Year 2013 through 2017 have been modified to include Other Obligations which include swap, capital lease, installment purchase, and commercial paper payments.

Department of Watershed Management – 5 Year Outlook - Principal & Interest Payments

The Department of Watershed is expected to make approximately \$5 billion in total principal and interest payments. This represents an average of approximately \$221 million annually. \$3 billion or 60% of the total amount will be used to make annual principal payments and \$2 billion or 40% in interest.

It is expected that the Department will execute both short-term and long-term financial opportunities as they become available which will impact its five-year outlook.





CAPITAL PROJECT
STATUS
SUMMARIES

CAPITAL PROJECT STATUS OVERVIEW

RENEW ATLANTA/TSPLOST

FIVE YEAR PLAN



CAPITAL PROJECT STATUS OVERVIEW

The quality of life for City of Atlanta residents depends on the reliability of transportation, the dependability of water, wastewater, and stormwater systems, the ability to safely dispose of waste, the accessibility to culture and recreation, and many other essential public services. Quality service levels can be achieved by proper enhancement, replacement, and maintenance of capital assets by implementing a Capital Improvement Program (CIP).

In order to qualify as a Capital Improvement Project, the item in question must meet one of the following criteria:

- Real property acquisition (Land)
- Construction of new facilities
- Addition (a modification that changes the structural “footprint” of the facility) to existing facilities greater than or equal to \$25,000
- Remodeling/repair/preservation of the interior/exterior of any facility greater than or equal to \$25,000
- Demolition of existing facilities greater than or equal to \$25,000
- Major equipment items or projects including computer infrastructure, which as a whole are greater than or equal to \$25,000 (excludes vehicles unless \geq \$50,000)
- Infrastructure projects (a road, bridge, intersection, drainage system, or sewer structure, etc.)
- Planning and inventory studies in excess of \$25,000

Project costs include all phases of a project, including planning, design, utility relocation, right of way acquisition, etc. All phases of the project are budgeted in a Capital Projects Fund.

The City of Atlanta develops its capital projects budget based on its Capital Improvements Program process. This process is the mechanism for operating departments to request programming of funds for future capital needs, and is designed to coordinate capital projects requirements with available resources. A capital project may be divided into various cost centers for accounting purposes. Each center represents the budgeting of funds for a particular project by an organizational unit within a fund.

The FY2019 to FY2023 five year plan provides the status of active capital projects that are new or will continue from the previous fiscal year. All anticipated project costs are spread over the five year period with the exception of projects anticipated to be expensed and closed-out in the current year. For these projects, funding will not be allocated in future years.



RENEW ATLANTA/TSPLOST

Mission Statement

The Mission of the Renew Atlanta bond program and TSPLOST program is to deliver high quality, cost effective infrastructure projects to meet infrastructure backlog needs throughout the City. Strong community partnerships, transparent policies, and sustainable procedures utilizing a performance driven workforce ensure that increased mobility, public safety, health, and wellness for the City of Atlanta are accomplished.

The Renew Atlanta Bond Program is a \$250 million infrastructure improvement citywide program. It is the most significant investment in Atlanta's above ground infrastructure in more than a decade and a first step toward resolving a \$900 million backlog. The Administration and City Council, worked to develop this program which is addressing Atlanta's most critical infrastructure needs. The program was developed through years of research, with extensive community input and includes resurfacing, signal modernization, Complete Streets, sidewalks and ADA improvements as well as building improvements in Public Safety, Parks and Recreation and City facilities. Restoration of public art is also included.

TSPLOST, a \$300 million infrastructure program approved by the voters in November 2016, began May 2017. Included in the project list is right of way and lighting funding for the Atlanta Beltline, Complete Streets, multi-use trails, sidewalks and streetscapes, neighborhood greenways, street, capacity and vehicular improvements, signal coordination, project scoping and engineering studies, Relay bike share, and partnership and matching funding. The referendum approval, coupled with implementation by MARTA of their transit expansion referendum, will implement high priority projects from the Connect Atlanta Plan, the City's comprehensive transportation plan, the Atlanta Streetcar System Plan, and Concept 3, the Atlanta region's transit plan, and more than a dozen neighborhood and community plans that have been adopted in the last six years.

Vision Statement

To ensure high quality, cost effective infrastructure improvements that creatively meets the City's current and future challenges and opportunities with a transparent approach and strong public outreach.

Core Functions

- Renew Atlanta Bond Vertical and Horizontal project development and delivery
- TSPLOST project development and delivery

Summary of Operations

The Renew Atlanta Bond and TSPLOST programs are delivered by our team of both City staff and program management team consultants, combined to offer the most cost efficient and effective management model.

Office/Programs Descriptions

The General Manager provides leadership to the overall program development and delivery including supporting administrative services such as human resource management; public relations & community outreach; budget and fiscal management; information technology; contracts and procurement; performance management and coordination of legislative affairs for the programs.

Renew Atlanta is comprised of both Horizontal and Vertical Portfolios. Each is supported by a Program Management Officer. Of the total \$250 million Renew Atlanta bond program, the Horizontal Program represents over \$184 million and the Vertical Program totals nearly \$66 million.

Goals

The Renew Atlanta bond program was to have \$167.5 million under contract by the end of 2017. The Proctor Creek Greenway project, among about a dozen others in the TSPLOST program, was underway by the end of 2017.



**FY19-FY23 FIVE YEAR PLAN
CAPITAL PROJECT STATUS
TSPLOST Capital Project Fund**

	*FY19	FY20	FY21	FY22	FY23	Total
DEPARTMENT TOTALS						
Department Of Public Works	113,310,509	49,118,571	46,116,226	42,541,020	13,913,675	\$265,000,000
Total City Wide	\$113,310,509	\$49,118,571	\$46,116,226	\$42,541,020	\$13,913,675	\$265,000,000
PROJECT TOTALS BY DEPARTMENT						
Department Of Public Works						
Default - 000000	7,489,715	9,156,382	6,156,382	6,156,382	2,375,415	\$31,334,275
Complete Streets - 112754	9,282,315	10,145,469	10,145,469	8,588,320	8,595,254	\$46,756,827
Multi-Use Trails - 112755	8,845,354	461,006	461,006			\$9,767,366
Sidewalks and Streetscapes - 112756	15,554,742	6,308,388	6,308,388	4,751,238	1,636,938	\$34,559,695
Signal Coordination - 112759	7,248,103	4,420,367	4,420,367	4,420,367	1,306,067	\$21,815,273
Partnership & Matching Funding- 112762	26,240,000	2,344				\$26,242,344
Program Management - 112763	5,718,781	2,444,614	2,444,614	2,444,614		\$13,052,622
Atlanta Beltline - 112767	26,360,001	13,180,000	13,180,000	13,180,099		\$65,900,100
Committed Project Contingency - 112768	6,571,498	3,000,000	3,000,000	3,000,000		\$15,571,498
Sub-Total	\$113,310,509	\$49,118,571	\$46,116,226	\$42,541,020	\$13,913,675	\$265,000,000
Total City Wide	\$113,310,509	\$49,118,571	\$46,116,226	\$42,541,020	\$13,913,675	\$265,000,000

* FY19 reflects current FY18 project spend of \$45.4MM.

**FY19-FY23 FIVE YEAR PLAN
CAPITAL PROJECT STATUS
2005A Park Improvement Bond Fund**

	FY19	FY20	FY21	FY22	FY23	Total
DEPARTMENT TOTALS						
Dept Of Parks & Recreation	2,272,208					\$2,272,208
Total City Wide	\$2,272,208					\$2,272,208

	FY19	FY20	FY21	FY22	FY23	Total
PROJECT TOTALS BY DEPARTMENT						
Dept Of Parks & Recreation						
Lighting Improvements, City-Wide - 100184	25,103					\$25,103
Construction Of Bldgs., City-Wide - 100229	1,206,751					\$1,206,751
Ground & Site Imprvs., City-Wide - 100247	1,007,667					\$1,007,667
City Wide Park Furniture & Play Equip. - 100271	32,687					\$32,687
Sub-Total	\$2,272,208					\$2,272,208
Total City Wide	\$2,272,208					\$2,272,208

**FY19-FY23 FIVE YEAR PLAN
CAPITAL PROJECT STATUS
2008A Quality Of Life Improvement Bond Fd**

	FY19	FY20	FY21	FY22	FY23	Total
DEPARTMENT TOTALS						
Department Of Public Works	1,367,341					\$1,367,341
Total City Wide	\$1,367,341					\$1,367,341

	FY19	FY20	FY21	FY22	FY23	Total
PROJECT TOTALS BY DEPARTMENT						
Department Of Public Works						
Greenscape Enhance (Cat. 2) - 110063	184,820					\$184,820
Sts,Brdgs,& Vias (Cat. 3) - 110064	505,848					\$505,848
Traffic Signals (Cat. 4) - 110065	50,658					\$50,658
Crosswalk Installation - 110074	234,547					\$234,547
Undes Sdwlk & Stscps (Cat. 1) - 110076	137,586					\$137,586
2008 Qol Bond Sidewalk Crews - 110265	253,882					\$253,882
Sub-Total	\$1,367,341					\$1,367,341
Total City Wide	\$1,367,341					\$1,367,341

**FY19-FY23 FIVE YEAR PLAN
CAPITAL PROJECT STATUS
2014a Park Improvement Revenue Refunding Bond**

	<u>FY19</u>	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>	<u>Total</u>
DEPARTMENT TOTALS						
Dept Of Parks & Recreation	4,629,185	4,629,185	4,629,185	4,629,185		\$18,516,740
Total City Wide	\$4,629,185	\$4,629,185	\$4,629,185	\$4,629,185		\$18,516,740

	<u>FY19</u>	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>	<u>Total</u>
PROJECT TOTALS BY DEPARTMENT						
Dept Of Parks & Recreation						
Default - 000000	4,629,185	4,629,185	4,629,185	4,629,185		\$18,516,740
Sub-Total	\$4,629,185	\$4,629,185	\$4,629,185	\$4,629,185		\$18,516,740
Total City Wide	\$4,629,185	\$4,629,185	\$4,629,185	\$4,629,185		\$18,516,740

**FY19-FY23 FIVE YEAR PLAN
CAPITAL PROJECT STATUS
2015 Infrastructure Bond**

	<u>FY19</u>	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>	<u>Total</u>
DEPARTMENT TOTALS						
Department Of Public Works	122,055,708	31,604,549	4,362,488			\$158,022,745
Total City Wide	\$122,055,708	\$31,604,549	\$4,362,488			\$158,022,745

	<u>FY19</u>	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>	<u>Total</u>
PROJECT TOTALS BY DEPARTMENT						
Department Of Public Works						
Transportation Infrastructure - 112184	91,518,290	22,879,572				\$114,397,862
District 1 - 112203	2,456,061	701,732	350,866			\$3,508,658
District 2 - 112204	2,786,881	796,252	398,126			\$3,981,258
District 3 - 112205	2,831,453	808,987	404,493			\$4,044,933
District 4 - 112206	2,865,113	818,604	409,302			\$4,093,018
District 5 - 112207	2,828,705	808,201	404,101			\$4,041,007
District 6 - 112208	2,823,848	806,814	403,407			\$4,034,068
District 7 - 112209	2,850,579	814,451	407,226			\$4,072,256
District 8 - 112210	2,850,607	814,459	407,230			\$4,072,296
District 9 - 112211	2,615,323	747,235	373,618			\$3,736,175
Council District 10 - 112212	1,047,885	299,396	149,698			\$1,496,979
District 11 - 112213	1,931,416	551,833	275,917			\$2,759,166
District 12 - 112214	2,649,548	757,014	378,507			\$3,785,069
Sub-Total	\$122,055,708	\$31,604,549	\$4,362,488			\$158,022,745
Total City Wide	\$122,055,708	\$31,604,549	\$4,362,488			\$158,022,745

**FY19-FY23 FIVE YEAR PLAN
CAPITAL PROJECT STATUS
2015 Municipal Facilities Bond Fund**

DEPARTMENT TOTALS	FY19	FY20	FY21	FY22	FY23	Total
Executive Offices	32,074,975					\$32,074,975
Total City Wide	\$32,074,975					\$32,074,975

PROJECT TOTALS BY DEPARTMENT	FY19	FY20	FY21	FY22	FY23	Total
Executive Offices						
Municipal Facilities - 112217	16,807,762					\$16,807,762
District 1-Facilities - 112221	1,187,186					\$1,187,186
District 2-Facilities - 112223	1,318,148					\$1,318,148
District 3-Facilities - 112224	1,367,917					\$1,367,917
District 4-Facilities - 112225	1,287,481					\$1,287,481
District 5-Facilities - 112226	868,544					\$868,544
District 6-Facilities - 112227	1,428,061					\$1,428,061
District 7-Facilities - 112228	1,324,284					\$1,324,284
District 8-Facilities - 112229	1,076,891					\$1,076,891
District 9-Facilities - 112230	1,225,129					\$1,225,129
District 10-Facilities - 112231	1,323,746					\$1,323,746
District 11-Facilities - 112232	1,431,250					\$1,431,250
District 12-Facilities - 112233	1,428,576					\$1,428,576
Sub-Total	\$32,074,975					\$32,074,975
Total City Wide	\$32,074,975					\$32,074,975

**FY19-FY23 FIVE YEAR PLAN
CAPITAL PROJECT STATUS
Park Improvement Fund**

	<u>FY19</u>	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>	<u>Total</u>
DEPARTMENT TOTALS						
Dept Of Parks & Recreation	13,001,851	13,000,000	13,000,000	13,000,000		\$52,001,851
Total City Wide	\$13,001,851	\$13,000,000	\$13,000,000	\$13,000,000		\$52,001,851
PROJECT TOTALS BY DEPARTMENT						
Dept Of Parks & Recreation						
Default - 000000	13,000,000	13,000,000	13,000,000	13,000,000		\$52,000,000
City Wide Park Furniture & Play Equip. - 100271	973					\$973
Southside Butler Street Ymca, Cd-220 - 200409	878					\$878
Sub-Total	\$13,001,851	\$13,000,000	\$13,000,000	\$13,000,000		\$52,001,851
Total City Wide	\$13,001,851	\$13,000,000	\$13,000,000	\$13,000,000		\$52,001,851

**FY19-FY23 FIVE YEAR PLAN
CAPITAL PROJECT STATUS
General Government Capital Fund**

	FY19	FY20	FY21	FY22	FY23	Total
DEPARTMENT TOTALS						
Executive Offices	503,442					\$503,442
Department Of Public Works	20,704,866					\$20,704,866
Dept Of Parks & Recreation	13,850,273	11,683,218	11,683,218	11,683,218		\$48,899,927
Department Of Fire Services	154,404					\$154,404
Department Of Police Services	287,360					\$287,360
Department of City Planning	27,500					\$27,500
Total City Wide	\$35,527,845	\$11,683,218	\$11,683,218	\$11,683,218		\$70,577,499

	FY19	FY20	FY21	FY22	FY23	Total
PROJECT TOTALS BY DEPARTMENT						
Executive Offices						
Municipal Court Building Construction - 100177	503,442					\$503,442
Sub-Total	\$503,442					\$503,442
Department Of Public Works						
Bicycle Rack Project - 101491	7,392					\$7,392
Wieuca Road Sidewalk (Phase Ii) - 101639	31,127					\$31,127
Jonesboro Rd. (Sr54) Sidewalk (Phase I) - 101803	1					\$1
Defoors Avenue Sidewalk - 101854	37,403					\$37,403
Citywide Traffic Signal Improvement - 101985	1,451,818					\$1,451,818
Mlk, Jr., Dr. Corridor Improvements - 102281	1					\$1
Barge Rd./Campellton Lci Grant - 102385	50,250					\$50,250
Morningside/Lenox Park - 102389	33,314					\$33,314
City Wide Intersection Timing Loop - Det - 102642	63,725					\$63,725
Hermit's Bridge Project - 102730	23,309					\$23,309
Citywide Greenway Trail Projects - 102847	13,365					\$13,365
Piedmont Intersection Impr - 110253	500,000					\$500,000
Memorial Dr Sidewalks - 110255	24,825					\$24,825
Windemere Dr Sidewalks - 110256	564					\$564
Freemont Ave Rd Constr - 110257	99,472					\$99,472
City Hall Sidewalks - 110259	200,000					\$200,000
Hollywood Road Impr - 110261	131,763					\$131,763
Ada Ramps & Ada Sidewalk Imp, Cityw - 110262	218,507					\$218,507
Buckhead Village Redevelopment - 110892	24,041					\$24,041
Dl Hollowell/Westlake-Lci - 111105	106,829					\$106,829
Glenwood/Moreland-Lci - 111106	5,132					\$5,132
Memorial Drive Corridor - 111322	72,665					\$72,665
Atlanta University Center Pedestrian Streetscape - 112170	275,000					\$275,000
Cycle Atlanta Phase 1.0 Bicycle Mobility - 112172	200,000					\$200,000
12th Street Two-Way Conversion - 112174	30,000					\$30,000
Huff Road Complete Street - 112175	1,500,000					\$1,500,000
Sr260/Sr42 Intersection Realignment - 112176	209,666					\$209,666
Moore's Mill Road Extn - 112186	798,000					\$798,000
Juniper St Bicycle/Ped Fac - 112503	1,272,785					\$1,272,785
10TH STREET TCC	240,000					\$240,000

**FY19-FY23 FIVE YEAR PLAN
CAPITAL PROJECT STATUS
General Government Capital Fund**

	<u>FY19</u>	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>	<u>Total</u>
MONROE DRIVE TCC.	720,000					\$720,000
PIEDMT & LINDEN AVE	65,000					\$65,000
10TH ST SIGNAL UPG	120,000					\$120,000
N. HIGHLAND & INMAN	65,000					\$65,000
ROXBORO RD TCC	260,000					\$260,000
CHESHIRE BRIDGE & LENOX	60,000					\$60,000
PEACHTREE ST TCC	1,211,400					\$1,211,400
NORTH AVE & SOMERSET	65,000					\$65,000
HOWELL MILL RD TCC	1,100,000					\$1,100,000
PIEDMONT AVE TCC	260,000					\$260,000
MT. PARAN & NORTHSIDE	750,000					\$750,000
WIEUCA & PHIPPS BLVD	1,000,000					\$1,000,000
Cleveland Ave Pedestrian Mobility Imp - 112723	210,000					\$210,000
Atlanta Traffic Control Centers-ITS - 112725	113,495					\$113,495
HUFF ROAD PROJECT	483,576					\$483,576
Boulevard Pedestrian Improvements - 112744	210,000					\$210,000
MLK Corridor Improvements - 112745	3,750,000					\$3,750,000
Smart Lighting Pilot - 112746	810,388					\$810,388
D.I.F.Admin-Transportation-City - 201053	1,830,053					\$1,830,053
Sub-Total	\$20,704,866					\$20,704,866
Dept Of Parks & Recreation						
Comprehen Imps Major Pks, City-Wide - 101519	147,761					\$147,761
Centennial Park Trail - 101643	250,000					\$250,000
English Avenue Trail - 101644	100,000					\$100,000
Pk Fairburn & Mays, 2015 Cd - 112167	391,712	391,712	391,712	391,712		\$1,566,848
ADA Compliant - 112737	1,600,000	1,600,000	1,600,000	1,600,000		\$6,400,000
System Improvement - 112738	2,928,887	2,928,887	2,928,887	2,928,887		\$11,715,548
Green Space Pgm., Parks North - 201997	6,356,913	4,687,619	4,687,619	4,687,619		\$20,419,770
Ada Handicapped Access 2015 Cd - 212053	500,000	500,000	500,000	500,000		\$2,000,000
Tullwater Park Improv 2015 - 212054	75,000	75,000	75,000	75,000		\$300,000
Playground Replacement 2015 - 212056	300,000	300,000	300,000	300,000		\$1,200,000
Ada Access Improvement 2016 - 212396	500,000	500,000	500,000	500,000		\$2,000,000
Playground Replacement 2016 - 212397	300,000	300,000	300,000	300,000		\$1,200,000
New Park Fairburn & Mays 2016 - 212399	400,000	400,000	400,000	400,000		\$1,600,000
Sub-Total	\$13,850,273	\$11,683,218	\$11,683,218	\$11,683,218		\$48,899,927
Department Of Fire Services						
Fire Station 22 Construction - 100170	154,404					\$154,404
Sub-Total	\$154,404					\$154,404
Department Of Police Services						
Workspace-Police Special Operation Sec. - 101957	176,424					\$176,424
New Zone 3 Precinct - 111450	110,936					\$110,936
Sub-Total	\$287,360					\$287,360
Department of City Planning						
Update To Impact Program And Fee Schedule - 212610	27,500					\$27,500
Sub-Total	\$27,500					\$27,500
Total City Wide	\$35,527,845	\$11,683,218	\$11,683,218	\$11,683,218		\$70,577,499

**FY19-FY23 FIVE YEAR PLAN
CAPITAL PROJECT STATUS
Capital Finance Fund**

	<u>FY19</u>	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>	<u>Total</u>
DEPARTMENT TOTALS						
Department Of Information Technology	550,000	550,000				\$1,100,000
Department Of Corrections	706,973	39,012	19,149	19,149		\$784,283
Department Of Finance	4,958,960					\$4,958,960
Department Of Public Works	1,669,561	553,874				\$2,223,435
Dept Of Parks & Recreation	506,210					\$506,210
Department Of Fire Services	951,252					\$951,252
Department Of Police Services	3,381,655					\$3,381,655
Department of City Planning	1,258,000	185,000				\$1,443,000
Total City Wide	\$13,982,611	\$1,327,886	\$19,149	\$19,149		\$15,348,795

	<u>FY19</u>	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>	<u>Total</u>
PROJECT TOTALS BY DEPARTMENT						
Department Of Information Technology						
Itsm-It Service Mgmt	550,000	550,000				\$1,100,000
Sub-Total	\$550,000	\$550,000				\$1,100,000
Department Of Corrections						
Cor Upgrades 2016 - 112522	176,400					\$176,400
COR UPGRADES 2017	530,574	39,012	19,149	19,149		\$607,884
Sub-Total	\$706,973	\$39,012	\$19,149	\$19,149		\$784,283
Department Of Finance						
DOF BUSINESS PROCESS TRAN	3,458,960					\$3,458,960
BLS Upgrade DOF Revenue	1,500,000					\$1,500,000
Sub-Total	\$4,958,960					\$4,958,960
Department Of Public Works						
Bicycle Route Sign & Marks - 110071	235,704					\$235,704
Sidewalks - Ada Ramps - 110820	500,000	178,874				\$678,874
Memorial Drive Corridor - 111322	101,400					\$101,400
Led Conversion Project - 112013	217,553					\$217,553
District 8 - 112210	375,000	375,000				\$750,000
BATTLE OF ATLANTA TRAIL	127,000					\$127,000
HUFF ROAD PROJECT	112,904					\$112,904
Sub-Total	\$1,669,561	\$553,874				\$2,223,435
Dept Of Parks & Recreation						
M.L. KING NATATORIUM	400,000					\$400,000
Dprca Repair & Maint Ada Comp - 211201	106,210					\$106,210
Sub-Total	\$506,210					\$506,210
Department Of Fire Services						
FIRE STATION 22	800,000					\$800,000
Afr Facilities Repair & Maint. - 211200	151,252					\$151,252
Sub-Total	\$951,252					\$951,252
Department Of Police Services						
MOTOROLA P-12 UPGRADE	2,834,762					\$2,834,762
Apd Facility Improvements 2012 - 211204	330,545					\$330,545
Apd Reloca/Reno Cops/Cc - 211207	216,348					\$216,348
Sub-Total	\$3,381,655					\$3,381,655

**FY19-FY23 FIVE YEAR PLAN
CAPITAL PROJECT STATUS
Capital Finance Fund**

	FY19	FY20	FY21	FY22	FY23	Total
Department of City Planning						
Atlas Geographic Data - 212646	608,000					\$608,000
Fy18 Planning Initiatives	400,000	185,000				\$585,000
Government District	250,000					\$250,000
Sub-Total	\$1,258,000	\$185,000				\$1,443,000
Total City Wide	\$13,982,611	\$1,327,886	\$19,149	\$19,149		\$15,348,795

**FY19-FY23 FIVE YEAR PLAN
CAPITAL PROJECT STATUS
Capital Finance-Recovery Zone (Eco. Dev.) Fund**

	FY19	FY20	FY21	FY22	FY23	Total
DEPARTMENT TOTALS						
Department Of Public Works	103,823	100,000				\$203,823
Total City Wide	\$103,823	\$100,000				\$203,823

	FY19	FY20	FY21	FY22	FY23	Total
PROJECT TOTALS BY DEPARTMENT						
Department Of Public Works						
Rec Zone Economic Dev Bond - 111318	103,823	100,000				\$203,823
Sub-Total	\$103,823	\$100,000				\$203,823
Total City Wide	\$103,823	\$100,000				\$203,823

FY19-FY23 FIVE YEAR PLAN
CAPITAL PROJECT STATUS
Water & Wastewater Renewal & Extension Fund

	FY19	FY20	FY21	FY22	FY23	Total
DEPARTMENT TOTALS						
Department Of Watershed Management	193,676,179	166,189,504	101,831,130	49,222,746		\$510,919,559
Non-Departmental	45,000,000					\$45,000,000
Total City Wide	\$238,676,179	\$166,189,504	\$101,831,130	\$49,222,746		\$555,919,559

	FY19	FY20	FY21	FY22	FY23	Total
PROJECT TOTALS BY DEPARTMENT						
Department Of Watershed Management						
Water Mains, Various Locations - 100395	1,507,724					\$1,507,724
Program Management-Year 3 - 102335	7,000,000	7,000,000	3,266,897			\$17,266,897
Public Health Security-Water - 102366	146,260					\$146,260
Public Health Security- Wastewater - 102367	115,500					\$115,500
Sewer Group 2 Rehabilitation - 102445	750,734					\$750,734
Raw Water Transmission Mains - 102474	4,000,000	4,120,549				\$8,120,549
Sanitary Sewer-Annual Contract - 102506	3,000,000	2,000,000	2,000,000	415,119		\$7,415,119
Sses Sewer Groups - 102652	3,204,582					\$3,204,582
Small Meter Installation (New Meters) - 102658	2,900,000					\$2,900,000
Repair & Replace Large Water Meters - 102664	5,000,000	6,500,000				\$11,500,000
Clean Water Atlanta, Flint River - 102675	1,129,819					\$1,129,819
Clean Water Atlanta, R.M. Clayton - 102676	1,695,084					\$1,695,084
Peachtree Basin Cap Relief - 110846	8,000,000	10,000,000	13,672,405			\$31,672,405
Utilities Gdot & Municipal - 110893	2,000,000	2,000,000	2,751,390			\$6,751,390
Custer Ave Cso Cap Relief - 111415	12,000,018	12,000,000	12,000,000	6,551,784		\$42,551,802
Clear Creek Cso-Improvements - 111432	35,460					\$35,460
Intrenchment Creek Wrc Dec S/S - 111468	1,191,900					\$1,191,900
Hemphill Res #1 Embank Rep - 111469	500,000	500,000	500,000	515,093		\$2,015,093
Lake Forrest Dam Improvement - 111605	483,280					\$483,280
Odor Mitigation Study - 111607	128,903					\$128,903
Wpp-Nancy Creek Basin - 111613	75,769					\$75,769
W'Shed Impr Prog Plan & Des - 111614	927,811					\$927,811
South River Wrc Various Grp 1 - 111635	421,356					\$421,356
Hartsfield Manifold Improvements - 111636	2,000,000	1,500,000	2,298,138			\$5,798,138
Dwm Fac & Struc.Site Impr - 111640	985,673	950,000	950,000			\$2,885,673
Treatment Fac Various Projects - 111652	1,200,000	1,200,000	1,200,000	1,359,312		\$4,959,312
Rmc Compliance Upgrades 3 - 111674	4,000,000	4,000,000	4,000,000	1,348,937		\$13,348,937
W'Shed Impr Plan & Design Sccs - 111688	3,666,058	3,666,057				\$7,332,115
Cso Various Projects - 111697	1,748					\$1,748
Dwm It Infrastructure Upgrade - 111713	2,400,000					\$2,400,000
Raw Water Delivery Program - 111736	35,000,000	24,506,865				\$59,506,865
Csos. Fac. Comp. Improv. Proj. - 111741	10,000,000	10,000,000	10,000,000	9,586,021		\$39,586,021
Downtown H2o Storage Tanks & Pd - 111815	5,000,000	12,000,000	12,000,000	9,257,005		\$38,257,005
Consent Decree Rehab Comp Sewer Group - 111881	299,032					\$299,032
Sewer Capacity Relief - 111925	8,000,000	612,156				\$8,612,156
Distribution System R & R - 111948	5,000,000	5,000,000				\$10,000,000
Dwm Vehicle & Heavy Equipment - 112157	6,316,831					\$6,316,831
Up Proctor Creek Cap Relief - 112164	5,000,000	8,000,000	8,000,000	7,076,332		\$28,076,332

**FY19-FY23 FIVE YEAR PLAN
CAPITAL PROJECT STATUS
Water & Wastewater Renewal & Extension Fund**

	FY19	FY20	FY21	FY22	FY23	Total
Utoy Creek Cso Various Projects - 112253	1,342,729					\$1,342,729
Sewer Group li - 112264	5,000,000	5,000,000	5,000,000	4,802,996		\$19,802,996
Cip A&E & Cm Services - 112308	9,745,451	15,000,000	15,000,000			\$39,745,451
Facility Capital Maintenance - 112309	1,000,000	1,000,000	1,000,000	1,071,004		\$4,071,004
Small Diameter Distribution System Rehad - 112517	10,000,000	10,483,877				\$20,483,877
Sg3 Contracat C - 112530	5,000,000	5,000,000	5,000,000	4,304,069		\$19,304,069
Most Phase 2 Stormwater - 112561	2,000,000	2,000,000	2,000,000	2,935,074		\$8,935,074
SG3 Contr. D Rehab	10,000,000	10,000,000				\$20,000,000
Atlanta Water Customer Rebate Program - 210059	146,027	200,000	200,000			\$546,027
Dwm Water Surcharge - 210540	950,000	950,000	992,300			\$2,892,300
Nancy Creek Assess & Odor Cnt. - 211775	8,430					\$8,430
Asphaltic Concrete (Annual)	1,000,000	1,000,000				\$2,000,000
Green INFRT. Challenge	2,400,000					\$2,400,000
Sub-Total	\$193,676,179	\$166,189,504	\$101,831,130	\$49,222,746		\$510,919,559
Non-Departmental						
Restricted Reserves - 212591	45,000,000					\$45,000,000
Sub-Total	\$45,000,000					\$45,000,000
Total City Wide	\$238,676,179	\$166,189,504	\$101,831,130	\$49,222,746		\$555,919,559

**FY19-FY23 FIVE YEAR PLAN
CAPITAL PROJECT STATUS
2001 Water & Wastewater Bond Fund**

	<u>FY19</u>	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>	<u>Total</u>
DEPARTMENT TOTALS						
Department Of Watershed Management	5,256,980					\$5,256,980
Total City Wide	\$5,256,980					\$5,256,980

	<u>FY19</u>	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>	<u>Total</u>
PROJECT TOTALS BY DEPARTMENT						
Department Of Watershed Management						
Rmc Compliance Upgrades 3 - 111674	5,256,980					\$5,256,980
Sub-Total	\$5,256,980					\$5,256,980
Total City Wide	\$5,256,980					\$5,256,980

FY19-FY23 FIVE YEAR PLAN
CAPITAL PROJECT STATUS
Ser. 2009A Water & Wastewater Rev Bd Fd

	FY19	FY20	FY21	FY22	FY23	Total
DEPARTMENT TOTALS						
Department Of Watershed Management	24,504,053	13,777,125	4,342,113			\$42,623,291
Total City Wide	\$24,504,053	\$13,777,125	\$4,342,113			\$42,623,291

	FY19	FY20	FY21	FY22	FY23	Total
PROJECT TOTALS BY DEPARTMENT						
Department Of Watershed Management						
Small Diameter Sewer Rehab - 102350	2,160,072					\$2,160,072
Sewer Group 2 Rehabilitation - 102445	173,746					\$173,746
Large Diameter Sewer Rehab - 102450	322,335					\$322,335
Rm Clayton- Compliance Upgrades - 102462	203,414					\$203,414
North Area Main Improvements - 102663	5,393,383					\$5,393,383
Peachtree Basin Cap Relief - 110846	4,125,190					\$4,125,190
Utilities Gdot & Municipal - 110893	355,074					\$355,074
Rmc Compliance Upgrades 3 - 111674	5,000,000	7,777,125				\$12,777,125
Clear Creek Cso - 112156	5,000,000	5,000,000	4,342,113			\$14,342,113
Emer. Sewer Repairs	1,770,839	1,000,000				\$2,770,839
Sub-Total	\$24,504,053	\$13,777,125	\$4,342,113			\$42,623,291
Total City Wide	\$24,504,053	\$13,777,125	\$4,342,113			\$42,623,291

**FY19-FY23 FIVE YEAR PLAN
CAPITAL PROJECT STATUS
Airport Renewal And Extension Fund**

	<u>FY19</u>	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>	<u>Total</u>
DEPARTMENT TOTALS						
Department Of Aviation	94,460,397	31,464,468	12,760,289	12,306,539		\$150,991,693
Total City Wide	\$94,460,397	\$31,464,468	\$12,760,289	\$12,306,539		\$150,991,693
PROJECT TOTALS BY DEPARTMENT						
Department Of Aviation						
Hapeville Easement Program - 100312	3,249,676	3,249,676				\$6,499,353
Airfield Projects - 111300	10,343,021					\$10,343,021
Terminal & Atrium Projects - 111301	6,290,151	4,787,666	3,116,011	2,662,261		\$16,856,091
Concourse Projects - 111302	6,290,151					\$6,290,151
Other Facility Projects - 111304	39,937,826	2,073,799				\$42,011,625
Parking And Ground Transportation - 111306	4,496,245					\$4,496,245
Other Direct Costs Project - 111310	9,644,277	9,644,277	9,644,277	9,644,277		\$38,577,109
Noise Insulation Program - 210816	11,674,740	11,674,740				\$23,349,480
Non-Capital Projects - 211312	2,534,309	34,309				\$2,568,618
Sub-Total	\$94,460,397	\$31,464,468	\$12,760,289	\$12,306,539		\$150,991,693
Total City Wide	\$94,460,397	\$31,464,468	\$12,760,289	\$12,306,539		\$150,991,693

**FY19-FY23 FIVE YEAR PLAN
CAPITAL PROJECT STATUS
Airport Passenger Facility Charge Fund**

	FY19	FY20	FY21	FY22	FY23	Total
DEPARTMENT TOTALS						
Department Of Aviation	31,633,065	31,633,065	12,569,372	2,200,000		\$78,035,501
Total City Wide	\$31,633,065	\$31,633,065	\$12,569,372	\$2,200,000		\$78,035,501

	FY19	FY20	FY21	FY22	FY23	Total
PROJECT TOTALS BY DEPARTMENT						
Department Of Aviation						
Airfield Projects - 111300	21,705,483	21,705,483	5,119,372			\$48,530,338
Terminal & Atrium Projects - 111301	2,200,000	2,200,000	2,200,000	2,200,000		\$8,800,000
Parking And Ground Transportation - 111306	5,250,000	5,250,000	5,250,000			\$15,750,000
Noise Insulation Program - 210816	2,477,582	2,477,582				\$4,955,163
Sub-Total	\$31,633,065	\$31,633,065	\$12,569,372	\$2,200,000		\$78,035,501
Total City Wide	\$31,633,065	\$31,633,065	\$12,569,372	\$2,200,000		\$78,035,501

**FY19-FY23 FIVE YEAR PLAN
CAPITAL PROJECT STATUS
Airport Commercial Paper Series 2010A/B**

	<u>FY19</u>	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>	<u>Total</u>
DEPARTMENT TOTALS						
Department Of Aviation	1,814,075	1,814,075				\$3,628,150
Total City Wide	\$1,814,075	\$1,814,075				\$3,628,150

	<u>FY19</u>	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>	<u>Total</u>
PROJECT TOTALS BY DEPARTMENT						
Department Of Aviation						
Terminal Improvements - 101352	1,814,075	1,814,075				\$3,628,150
Sub-Total	\$1,814,075	\$1,814,075				\$3,628,150
Total City Wide	\$1,814,075	\$1,814,075				\$3,628,150

**FY19-FY23 FIVE YEAR PLAN
CAPITAL PROJECT STATUS
2012A Bond General Airport Revenue**

	FY19	FY20	FY21	FY22	FY23	Total
DEPARTMENT TOTALS						
Department Of Aviation	1,224,445	499,136				\$1,723,581
Total City Wide	\$1,224,445	\$499,136				\$1,723,581

	FY19	FY20	FY21	FY22	FY23	Total
PROJECT TOTALS BY DEPARTMENT						
Department Of Aviation						
Concourse Projects - 111302	1,224,445	499,136				\$1,723,581
Sub-Total	\$1,224,445	\$499,136				\$1,723,581
Total City Wide	\$1,224,445	\$499,136				\$1,723,581

**FY19-FY23 FIVE YEAR PLAN
CAPITAL PROJECT STATUS
2012C Bond General Airport Revenue**

	<u>FY19</u>	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>	<u>Total</u>
DEPARTMENT TOTALS						
Department Of Aviation	4,568,311	1,206,789				\$5,775,100
Total City Wide	\$4,568,311	\$1,206,789				\$5,775,100
PROJECT TOTALS BY DEPARTMENT						
Department Of Aviation						
Concourse Projects - 111302	4,568,311	1,206,789				\$5,775,100
Sub-Total	\$4,568,311	\$1,206,789				\$5,775,100
Total City Wide	\$4,568,311	\$1,206,789				\$5,775,100

**FY19-FY23 FIVE YEAR PLAN
CAPITAL PROJECT STATUS
Doa Series 2015 Commerical Paper Program**

	FY19	FY20	FY21	FY22	FY23	Total
DEPARTMENT TOTALS						
Department Of Aviation	2,478,305					\$2,478,305
Total City Wide	\$2,478,305					\$2,478,305

	FY19	FY20	FY21	FY22	FY23	Total
PROJECT TOTALS BY DEPARTMENT						
Department Of Aviation						
Terminal & Atrium Projects - 111301	2,478,305					\$2,478,305
Sub-Total	\$2,478,305					\$2,478,305
Total City Wide	\$2,478,305					\$2,478,305

**FY19-FY23 FIVE YEAR PLAN
CAPITAL PROJECT STATUS
Doa Series 2016 Bond Anticipation Notes (Ban)**

	<u>FY19</u>	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>	<u>Total</u>
DEPARTMENT TOTALS						
Department Of Aviation	12,283,853	12,283,333	7,250,000			\$31,817,187
Total City Wide	\$12,283,853	\$12,283,333	\$7,250,000			\$31,817,187
PROJECT TOTALS BY DEPARTMENT						
Department Of Aviation						
Terminal & Atrium Projects - 111301	2,667,187	2,666,667				\$5,333,853
Parking And Ground Transportation - 111306	9,616,667	9,616,667	7,250,000			\$26,483,333
Sub-Total	\$12,283,853	\$12,283,333	\$7,250,000			\$31,817,187
Total City Wide	\$12,283,853	\$12,283,333	\$7,250,000			\$31,817,187



APPENDIX

LEGISLATION

AFFORDABLE CARE ACT

GLOSSARY

FIVE YEAR PLAN



11453

17 - 1-3082

A RESOLUTION BY FINANCE/EXECUTIVE COMMITTEE

A RESOLUTION ADOPTING THE 2018 UPDATE TO THE CITY OF ATLANTA FIVE YEAR FINANCIAL PLAN FOR YEARS 2018 TO 2022; AND FOR OTHER PURPOSES.

ADOPTED BY
FEB 20 2017
COUNCIL

- CONSENT REFER
 - REGULAR REPORT REFER
 - ADVERTISE & REFER
 - 1ST ADOPT 2ND READ & REFER
 - PERSONAL PAPER REFER
- Date Referred: _____
- Referred To: _____
- Date Referred: _____
- Referred To: _____
- Date Referred: _____
- Referred To: _____

First Reading

Committee _____

Date _____

Chair _____

Referred To _____

Committee Finance/Executive

Date 2-14-17

Chair H. Sullivan

Action Fav, Adv, Hold (see rev. side)

Other _____

Members Spencer H. Wood
Chapman
Ally
Walt

Refer To _____

Committee _____

Date _____

Chair _____

Action _____

Fav, Adv, Hold (see rev. side) _____

Other _____

Members _____

Refer To _____

Committee _____

Date _____

Chair _____

Action _____

Fav, Adv, Hold (see rev. side) _____

Other _____

Members _____

Refer To _____

Committee _____

Date _____

Chair _____

Action _____

Fav, Adv, Hold (see rev. side) _____

Other _____

Members _____

Refer To _____

FINAL COUNCIL ACTION

2nd 1st & 2nd 3rd

Readings

Consent V Vote RC Vote

CERTIFIED

FEB 20 2017

COUNCIL

FEB 20 2017

Richard L. Johnson

MAYOR'S ACTION

RETURNED WITHOUT SIGNATURE

MAR 01 2017

**A RESOLUTION
BY FINANCE/EXECUTIVE COMMITTEE**

A RESOLUTION ADOPTING THE 2018 UPDATE TO THE CITY OF ATLANTA FIVE YEAR FINANCIAL PLAN FOR YEARS 2018 TO 2022; AND FOR OTHER PURPOSES.

WHEREAS, pursuant to Resolution 09-R-1213, the Administration and the Chief Financial Officer of the City of Atlanta are authorized to develop a strategic short and long-range planning and economic forecasting, or Financial Plan (the "Plan") which will assist in the allocation of the City's financial resources; and

WHEREAS, pursuant to Resolution 09-R-1213, following adoption of the 2009 through 2014 Financial Stabilization Plan, the Plan shall be updated annually by the Administration and the Chief Financial Officer; and

WHEREAS, Article 6, Chapter 3, Section 6-312 of the City Charter establishes that the annual update of the Plan shall be presented to City Council by February 15 of each year by the Mayor; and

WHEREAS, on February 15, 2017, the Chief Financial Officer will present the annual update of the Plan to the Finance/Executive Committee of the City Council; and


WHEREAS, the City Council desires to adopt the annual update of the Plan as the guide by which the City shall move forward in stabilizing and improving the City's financial position.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF ATLANTA, GEORGIA HEREBY RESOLVES, as follows:

SECTION 1: That the Five Year Financial Plan Update FY 2018-2022 be approved and adopted as an update of the guide by which the City shall move forward in stabilizing and improving the City's financial position.

SECTION 2: That all resolutions and parts of resolutions in conflict herewith are hereby waived to the extent of the conflict.

A true copy,



Deputy Clerk

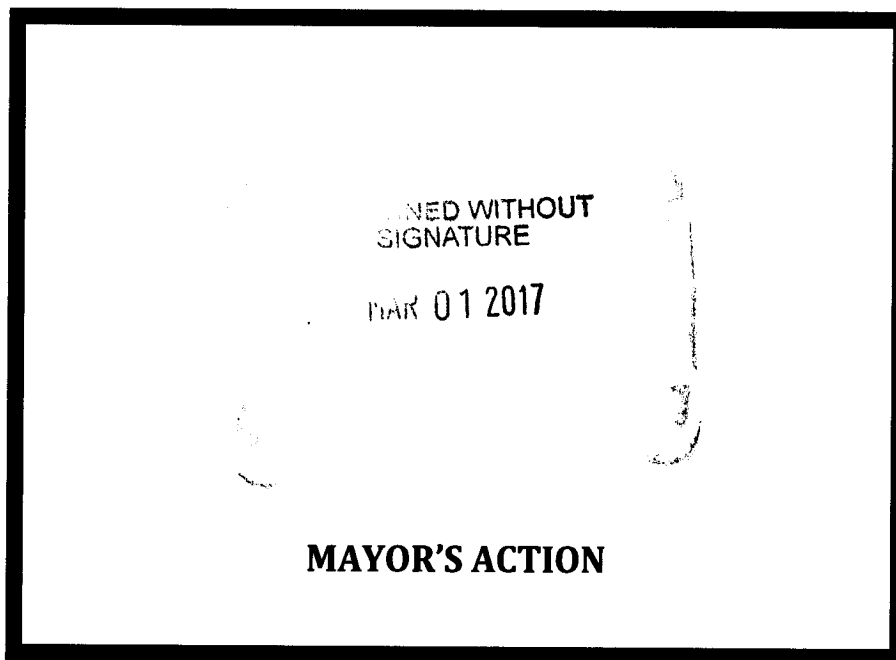
ADOPTED by the Atlanta City Council
APPROVED as per City Charter Section 2-403

FEB 20, 2017
MAR 01, 2017



17-R-3132

**Adopted by the Atlanta City Council
February 20, 2017**



RCS# 2638
2/20/17
4:04 PM

Atlanta City Council

CONSENT I

CONSENT AGENDA SECTION I:ALL ITEMS
EXCEPT 16-O-1412, 17-O-1058 & 17-O-1053
ADOPT

YEAS: 15
NAYS: 0
ABSTENTIONS: 0
NOT VOTING: 1
EXCUSED: 0
ABSENT 0

Y Smith	Y Archibong	Y Moore	Y Bond
Y Hall	Y Wan	Y Martin	Y Norwood
Y Young	Y Shook	Y Bottoms	Y Dickens
Y Winslow	Y Adrean	Y Sheperd	NV Mitchell

+

		02-20-17
ITEMS ADOPTED ON CONSENT	ITEMS ADOPTED ON CONSENT	ITEMS ADVERSED ON CONSENT
1. 16-O-1709	42. 17-R-3207	66. 17-R-3162
2. 17-O-1057	43. 17-R-3208	67. 17-R-3163
3. 16-O-1708	44. 17-R-3140	68. 17-R-3164
4. 17-O-1044	45. 17-R-3141	69. 17-R-3165
5. 17-O-1052	46. 17-R-3142	70. 17-R-3166
6. 17-O-1054	47. 17-R-3143	71. 17-R-3167
7. 16-O-1425	48. 17-R-3144	72. 17-R-3168
8. 16-O-1681	49. 17-R-3145	73. 17-R-3169
9. 17-R-3128	50. 17-R-3211	74. 17-R-3170
10. 17-R-3122	51. 17-R-3146	75. 17-R-3171
11. 17-R-3200	52. 17-R-3147	76. 17-R-3172
12. 17-R-3201	53. 17-R-3148	77. 17-R-3173
13. 17-R-3206	54. 17-R-3149	78. 17-R-3174
14. 17-R-3114	55. 17-R-3150	79. 17-R-3175
15. 17-R-3115	56. 17-R-3152	80. 17-R-3176
16. 17-R-3116	57. 17-R-3153	81. 17-R-3177
17. 17-R-3119	58. 71-R-3154	82. 17-R-3178
18. 17-R-3136	59. 17-R-3155	83. 17-R-3179
19. 17-R-3137	ITEMS ADVERSED ON CONSENT	84. 17-R-3180
20. 17-R-3138	60. 17-R-3156	85. 17-R-3181
21. 17-R-3139	61. 17-R-3157	86. 17-R-3182
22. 16-R-4517	62. 17-R-3158	87. 17-R-3183
23. 17-R-3104	63. 17-R-3159	88. 17-R-3184
24. 17-R-3107	64. 17-R-3160	89. 17-R-3185
25. 17-R-3109	65. 17-R-3161	90. 17-R-3186
26. 17-R-3110		91. 17-R-3187
27. 17-R-3111		92. 17-R-3188
28. 17-R-3112		93. 17-R-3189
29. 17-R-3117		94. 17-R-3190
30. 17-R-3123		95. 17-R-3191
31. 17-R-3124		96. 17-R-3192
32. 17-R-3125		97. 17-R-3193
33. 17-R-3126		98. 17-R-3194
34. 17-R-3127		99. 17-R-3195
35. 17-R-3129		100. 17-R-3196
36. 17-R-3132		101. 17-R-3197
37. 17-R-3133		102. 17-R-3198
38. 17-R-3134		103. 17-R-3199
39. 17-R-3135		
40. 17-R-3210		
41. 17-R-3212		



AN ORDINANCE

BY COUNCIL MEMBERS *Felicia A. Moore* *Joyce M. Sheperd*
Howard Shook *Clair Muller* *Carla Smith* *C.T. Martin*
 HOWARD SHOOK, CLAIR MULLER, CARLA SMITH, C.T. MARTIN,
Mary Norwood *Ivory Lee Young, Jr.* *Anne Falver*
 MARY NORWOOD, IVORY LEE YOUNG, JR., ANNE FALVER,
Cesar Mitchell *Kwanza Hall* *H. Lamar Willis*
 CEASAR MITCHELL, KWANZA HALL, H. LAMAR WILLIS,

Jim Maddox *Natalyn Mosby Archibong* *Cleta Winslow*
 JIM MADDOX AND NATALYN MOSBY ARCHIBONG CLETA WINSLOW

AN ORDINANCE TO AMEND THE CHARTER OF THE CITY OF ATLANTA, GEORGIA, 1996 GA LAWS P. 4469, ET SEQ., UNDER AND BY VIRTUE OF THE AUTHORITY OF THE MUNICIPAL HOME RULE ACT OF 1965, O.C.G.A. SECTION 36-35-1, ET SEQ., AS AMENDED, BY AMENDING PART 1, SUBPART A, ARTICLE VI (REVENUE AND FUND ADMINISTRATION), CHAPTER III (FISCAL CONTROL) TO CREATE A NEW SECTION WHICH SHALL BE SECTION 6-312 TO BE ENTITLED FINANCIAL STABILIZATION PLAN, WHICH NEW SECTION 6-312 SHALL PROVIDE FOR THE DEVELOPMENT AND ADOPTION OF AN ANNUAL FINANCIAL STABILIZATION PLAN COVERING A PERIOD OF FIVE YEARS; TO REPEAL CONFLICTING ORDINANCES; AND FOR OTHER PURPOSES.

WHEREAS, the City of Atlanta (the "City") is facing unprecedented short and long-term budget challenges; and

WHEREAS, the Chief Financial Officer for the Department of Finance has stated that the City's financial recovery will span several years and that priorities will need to be established and considered before the City undertakes any new spending, which statements have been supported by recent audits and assessments and actions of the part of rating agencies; and

WHEREAS, on April 1, 2008, the City's Internal Auditor submitted a performance audit report on the 2008 General Fund Budget process, which, among other things, called for the establishment of policies to guide long and short-term financial planning and monitoring, including the maintenance of fund balances, the use of non-recurring and surplus revenues, the development of five-year financial forecasts and interim financial reporting; and



WHEREAS, in January 2009, Deloitte Consulting conducted a pro-bono assessment of the Department of Finance and provided recommendations for improvement of business processes; and

WHEREAS, in March 2009, Moody's Investor Service downgraded the City's general obligation rating from "A1" to "Aa3", which downgrade was based on the diminished financial position of the City's general fund, including the decline in fund balance levels, the prolonged trend of structural imbalance and the indefinite resolution of inter-fund receivables related to accumulated deficits in other operating funds; and

WHEREAS, in March 2009, Standard and Poor's Rating Service also lowered its standard long-term and underlying rating on the City's general obligation debt to "A" from "AA-" based on a trend of operating deficits and declining revenues during a period of strong economic growth, which has left the City with diminished revenues and a lack of financial flexibility as it enters the current economic downturn; and

WHEREAS, to address these issues the Council of the City of Atlanta desires to establish guidelines and priorities for long-term financial planning through the development of a comprehensive annual Financial Stabilization Plan; and

WHEREAS, the Charter of the City of Atlanta, Georgia, 1996 Ga. Laws P. 4469, et seq., Part I, Subpart A, Article VI, Chapter III entitled Fiscal Control sets forth certain provisions governing the budgetary process and other fiscal control policies of the City; and

WHEREAS, the Council of the City of Atlanta now desires to amend Part I, Subpart A, Article VI, Chapter III of the Charter of the City of Atlanta to provide for a new section 6-312 to be entitled "Financial Stabilization Plan"; and

WHEREAS, such new Section 6-312 shall provide for the annual preparation by the Mayor of a five-year Financial Stabilization Plan, which shall project general fund revenues and general fund expenses and shall provide a calculation of the surplus or deficit produced by the projected revenues and expenditures, a cost estimate of long term initiatives, a list of revenue initiatives, and a list of cost saving initiatives;

THE CITY COUNCIL OF THE CITY OF ATLANTA, GEORGIA, HEREBY ORDAINS:

SECTION 1: That Part I, Subpart A, Article VI, Chapter III of the Charter of the City of Atlanta, Georgia, 1996 Ga. Laws P. 4469, et seq., be amended to add a new section 6-312, which shall read as follows:

Section 6-312. Financial Stabilization Plan

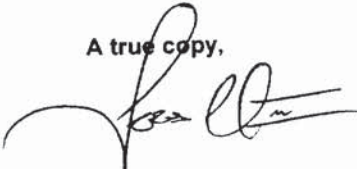
(a) The Mayor shall present to the governing body by October 15 of each year a five-year Financial Stabilization Plan consisting of the following elements:



- (1) A five-year projection of general fund revenues broken down by major category. The projection shall identify the economic trends and assumptions upon which such projection is based.
 - (2) A five-year projection of total general fund expenses on a departmental level. Such expense projection shall assume the continuation of department operations as they exist in the current general fund budget and shall take into account the following:
 - i. The effect of inflation on general fund budgeted costs;
 - ii. A projection of pension costs as provided by the City's actuaries; and
 - iii. Costs occurring in future years that the City is legally obligated to pay.
 - (3) A calculation of the surplus or deficit produced by the projected revenues and expenditures described in (1) and (2) above.
 - (4) A cost estimate of long-term initiatives of the City. Such initiatives shall include, but are not limited to, long-term operating infrastructure and capital infrastructure needs and the elimination of deficit positions in funds that are subsidized or have historically been subsidized by the general fund. At any time the governing body of the City may, by resolution, request specific long-term initiatives to be included in the five-year Financial Stabilization Plan.
 - (5) A comprehensive list of revenue initiatives the City may pursue during the five years covered by the Financial Stabilization Plan, including an estimate of the revenues to be produced by such initiatives.
 - (6) A comprehensive list of cost saving initiatives the City may pursue during the five years covered by the Financial Stabilization Plan, including an estimate of costs saved by such initiatives.
- (b) The governing body shall adopt the Financial Stabilization Plan by December 31 of each year.

SECTION 2. That a copy of this proposed amendment to the Charter of the City of Atlanta, Georgia, 1996 Ga. Laws P. 4469, et seq., as amended, shall be filed in the Office of the Municipal Clerk of the City of Atlanta and in the Offices of the Clerk of the Superior Courts of Fulton and DeKalb Counties and that the "Notice of Proposed Amendment to the Charter of the City of Atlanta, Georgia" attached hereto as Exhibit "A" and hereby made a part of this ordinance, be published in the official organ of the county of the legal situs of the City of Atlanta or in a newspaper of general circulation in the City of Atlanta once a week for three weeks within a period of 60 days immediately preceding the final adoption of this ordinance, and that a copy of said advertisement be attached to this ordinance prior to its final adoption by the Council of the City of Atlanta.

SECTION 3. That all ordinances and parts of ordinances in conflict herewith are hereby waived to the extent of the conflict.

A true copy,

Deputy Clerk

ADOPTED by the Atlanta City Council
APPROVED by Mayor Shirley Franklin

SEP 21, 2009
SEP 25, 2009

RCS# 3297
9/21/09
2:59 PM

Atlanta City Council

REGULAR SESSION

09-O-1406 AMEND PART1 SUBPART A ART.VI CHAPT.III
 TO CREATE NEW SEC.6-312
 FINAL ADOPT

YEAS: 12
NAYS: 0
ABSTENTIONS: 0
NOT VOTING: 3
EXCUSED: 0
ABSENT 1

Y Smith	Y Archibong	Y Moore	NV Mitchell
Y Hall	Y Fauver	Y Martin	Y Norwood
NV Young	Y Shook	B Maddox	Y Willis
Y Winslow	Y Muller	Y Sheperd	NV Borders

09-O-1406

RCS# 3268
9/08/09
5:51 PM

Atlanta City Council

REGULAR SESSION

09-O-1406 AMEND CITY CHARTER TO CREATE NEW SECTION
 6-312 ENTITLED STABILIZATION PLAN
 ADOPT/REFER

YEAS: 14
NAYS: 0
ABSTENTIONS: 0
NOT VOTING: 2
EXCUSED: 0
ABSENT 0

Y Smith	Y Archibong	Y Moore	Y Mitchell
Y Hall	Y Fauver	Y Martin	NV Norwood
Y Young	Y Shook	Y Maddox	Y Willis
Y Winslow	Y Muller	Y Sheperd	NV Borders

09-O-1406

- (1) A five-year projection of general fund revenues broken down by major category. The projection shall identify the economic trends and assumptions upon which such projection is based.
 - (2) A five-year projection of total general fund expenses on a departmental level. Such expense projection shall assume the continuation of department operations as they exist in the current general fund budget and shall take into account the following:
 - i. The effect of inflation on general fund budgeted costs;
 - ii. A projection of pension costs as provided by the City's actuaries; and
 - iii. Costs occurring in future years that the City is legally obligated to pay.
 - (3) A calculation of the surplus or deficit produced by the projected revenues and expenditures described in (1) and (2) above.
 - (4) A cost estimate of long-term initiatives of the City. Such initiatives shall include, but are not limited to, long-term operating infrastructure and capital infrastructure needs and the elimination of deficit positions in funds that are subsidized or have historically been subsidized by the general fund. At any time the governing body of the City may, by resolution, request specific long-term initiatives to be included in the five-year Financial Stabilization Plan.
 - (5) A comprehensive list of revenue initiatives the City may pursue during the five years covered by the Financial Stabilization Plan, including an estimate of the revenues to be produced by such initiatives.
 - (6) A comprehensive list of cost saving initiatives the City may pursue during the five years covered by the Financial Stabilization Plan, including an estimate of costs saved by such initiatives.
- (b) The governing body shall adopt the Financial Stabilization Plan by December 31 of each year.

SECTION 2. That a copy of this proposed amendment to the Charter of the City of Atlanta, Georgia, 1996 Ga. Laws P. 4469, et seq., as amended, shall be filed in the Office of the Municipal Clerk of the City of Atlanta and in the Offices of the Clerk of the Superior Courts of Fulton and DeKalb Counties and that the "Notice of Proposed Amendment to the Charter of the City of Atlanta, Georgia" attached hereto as Exhibit "A" and hereby made a part of this ordinance, be published in the official organ of the county of the legal situs of the City of Atlanta or in a newspaper of general circulation in the City of Atlanta once a week for three weeks within a period of 60 days immediately preceding the final adoption of this ordinance, and that a copy of said advertisement be attached to this ordinance prior to its final adoption by the Council of the City of Atlanta.

SECTION 3. That all ordinances and parts of ordinances in conflict herewith are hereby waived to the extent of the conflict.

#8

09-0 -1406

(Do Not Write Above This Line)

AN ORDINANCE BY COUNCILMEMBERS FELICIA K. MOORE, JOYCE SHEPHERD, HOWARD SHOOK, CLAIR MULLER, CARLA SMITH, C.T. MARTIN, MARY NORWOOD, IVORY LEE YOUNG, JR., ANNE FAUVER, CEASAR MITCHELL, KWANZA HALL, H. LAMAR WILLIS, JIM MADDOX AND NATALYN MOSBY ARCHIBONG

AN ORDINANCE TO AMEND THE CHARTER OF THE CITY OF ATLANTA, GEORGIA, 1996 GA LAWS P. 4469, ET SEQ, UNDER AND BY VIRTUE OF THE AUTHORITY OF THE MUNICIPAL HOME RULE ACT OF 1965, O.C.G.A. SECTION 36-35-1, ET SEQ., AS AMENDED, BY AMENDING PART 1, SUBPART A, ARTICLE VI (REVENUE AND FUND ADMINISTRATION), CHAPTER III (FISCAL CONTROL) TO CREATE A NEW SECTION WHICH SHALL BE SECTION 6-312 TO BE ENTITLED FINANCIAL STABILIZATION PLAN, WHICH NEW SECTION 6-312 SHALL PROVIDE FOR THE DEVELOPMENT AND ADOPTION OF AN ANNUAL FINANCIAL STABILIZATION PLAN COVERING A PERIOD OF FIVE YEARS; TO REPEAL CONFLICTING ORDINANCES; AND FOR OTHER PURPOSES.

- CONSENT REFER
- REGULAR REPORT REFER
- ADVERTISE & REFER
- 1st ADOPT 2nd READ & REFER
- PERSONAL PAPER REFER

Date Referred 08/17/07 1st reading

Referred To: Finance / Exec

Date Referred 9/08/2009 ADOPTED BY

Referred To: Finance / Exec

Date Referred SEP 21 2009

Referred To: COUNCIL

Final Adoption -

First Reading

Committee _____
Date _____
Chair _____
Referred To _____

Committee Finance / Executive
Date 9/2/09
Chair H. Lamar Willis
Action Fav, Adv, Hold (see rev. side)
Other 2nd Reading 13. 1st Reading Per

Members Carla Smith, Felicia Moore, Clair Muller, H. Lamar Willis
Refer To _____

Committee Finance
Date 9-1 Date 2 009
Chair H. Lamar Willis
Action Fav, Adv, Hold (see rev. side)
Other 2nd Reading 13. 1st Reading Per

Members Carla Smith, Felicia Moore, Clair Muller
Refer To _____

FINAL COUNCIL ACTION
 2nd 1st & 2nd 3rd
Readings
 Consent V Vote RC Vote

CERTIFIED

SEP 21 2009

CERTIFIED
SEP 21 2009

Rhonda Davidson Johnson
MUNICIPAL CLERK

APPROVED
SEP 21 2009
Mayor

11-0-1415

(Do Not Write Above This Line)

F. Moore
FINANCE AND CHARTER AMENDMENT
MEMBERS/FELICIA MOORE AND
A ADREAN

ORDINANCE AND CHARTER
AMENDMENT TO AMEND THE CHARTER OF
CITY OF ATLANTA, GEORGIA, 1996 GA
4469, ET SEQ., ADOPTED UNDER AND
THE AUTHORITY OF THE
MUNICIPAL HOME RULE ACT OF 1965,
SECTION 36-35-1 ET SEQ., AS
AMENDED, BY AMENDING PART 1 (CHARTER
RELATED LAWS), SUBPART A
(ADMINISTRATION), CHAPTER 3
(CONTROL), SECTION 6-312
(FINANCIAL STABILIZATION PLAN), SO AS
TO CHANGE THE DATES BY WHICH THE
FINANCIAL STABILIZATION PLAN
IS PRESENTED TO AND ADOPTED BY
THE COUNCIL; AND FOR OTHER PURPOSES.

ADOPTED BY

NOV 07 2011

CONSENT REFER

REGULAR REPORT REFER

ADVERTISE & REFER

ADOPT 2nd READ & REFER

PERSONAL PAPER REFER

Referred

09/19/2011

Referred To:

Finance/Exec

Referred

10/3/11

Referred To:

Finance/Exec

Referred

Referred To:

First Reading

Committee _____
Date _____
Chair _____
Referred To _____

Committee *Finance/Exec*

Date *11/3/11*

Chair *John*

Action *Fav, Adv, Hold (see rev. side)*

Other *None*

Members *John, [Signature]*

Refer To _____

Committee _____

Date _____

Chair _____

Action _____

Other _____

Members _____

Refer To _____

Committee *Finance/Exec*

Date *10/12/11*

Chair *John*

Action *Fav, Adv, Hold (see rev. side)*

Other _____

Members _____

Refer To _____

FINAL COUNCIL ACTION
 2nd 1st & 2nd 3rd
Readings
 Consent V Vote RC Vote

CERTIFIED

CERTIFIED
NOV 07 2011
ATLANTA CITY COUNCIL PRESIDENT
[Signature]

CERTIFIED
NOV 07 2011
Felicia Moore
MUNICIPAL CLERK

MAYOR'S ACTION

APPROVED

NOV 16 2011

WITHOUT SIGNATURE
BY OPERATION OF LAW

AN ORDINANCE AND CHARTER AMENDMENT TO AMEND THE CHARTER OF THE CITY OF ATLANTA, GEORGIA, 1996 GA LAWS P. 4469, ET SEQ., ADOPTED UNDER AND BY VIRTUE OF THE AUTHORITY OF THE MUNICIPAL HOME RULE ACT OF 1965, O.C.G.A. SECTION 36-35-1 ET SEQ., AS AMENDED, BY AMENDING PART 1 (CHARTER AND RELATED LAWS), SUBPART A (CHARTER), ARTICLE VI (REVENUE AND FUND ADMINISTRATION), CHAPTER 3 (FISCAL CONTROL), SECTION 6-312 (FINANCIAL STABILIZATION PLAN), SO AS TO CHANGE THE DATES BY WHICH THE CITY'S FINANCIAL STABILIZATION PLAN MUST BE PRESENTED TO AND ADOPTED BY CITY COUNCIL; AND FOR OTHER PURPOSES.

WHEREAS, Section 6-312(a) of the Charter of the City of Atlanta, Georgia, 1996 Ga. Laws P. 4469, et seq. ("Charter") requires that the Mayor present a five-year financial stabilization plan to the City Council of the City of Atlanta ("City Council") by October 15 of each year; and

WHEREAS, Section 6-312(b) of the Charter requires that City Council adopt a financial stabilization plan by December 31 of each year; and

WHEREAS, by October 15 of each year, the Chief Financial Officer has not completed the necessary accounting adjustments for close-out purposes of the prior fiscal year; and

WHEREAS, by October 15 of each year, the City's external auditor has not presented the City with its findings and recommendations for the prior fiscal year; and

WHEREAS, information from the close-out of the prior fiscal year and the external auditor's recommendations should be utilized in the preparation of the City's financial stabilization plan; and

WHEREAS, in order to present a more comprehensive financial stabilization plan, it is the desire of the City to amend Section 6-312 (a) to change the deadline for presentation of the City's financial stabilization plan from October 15 of each year to February 15 of each year; and

WHEREAS, it is the desire of the City to amend Section 6-312 (b) to change the deadline for adoption of the City's financial stabilization plan from December 31 of each year to April 30 of each year.

WHEREAS, it is the desire of the City to amend Section 6-312 (b) to require that City Council consider the financial stabilization plan prior to adoption of the budget for the upcoming fiscal year.

SECTION 1: That Part I, Subpart A, Article VI, Chapter 3, Section 6-312 of the Charter of the City of Atlanta, Georgia, Georgia, 1996 Ga. Laws P. 4469, et seq., which currently reads:

Sec. 6-312. – Financial stabilization plan.

(a) The Mayor shall present to the governing body by October 15 of each year a five-year financial stabilization plan consisting of the following elements:

(1) A five-year projection of general fund revenues broken down by major category. The projection shall identify the economic trends and assumptions upon which such projection is based.

(2) A five-year projection of total general fund expenses on a departmental level. Such expense projection shall assume the continuation of department operations as they exist in the current general fund budget and shall take into account the following:

i. The effect of inflation on general fund budgeted costs;

ii. A projection of pension costs as provided by the city's actuaries; and

iii. Costs occurring in future years that the city is legally obligated to pay.

(3) A calculation of the surplus or deficit produced by the projected revenues and expenditures described in (1) and (2) above.

(4) A cost estimate of long-term initiatives of the city. Such initiatives shall include, but are not limited to, long-term operating infrastructure and capital infrastructure needs and the elimination of deficit positions in funds that are subsidized or have historically been subsidized by the general fund. At any time the governing body of the city may, by resolution, request specific long-term initiatives to be included in the five-year financial stabilization plan.

(5) A comprehensive list of revenue initiatives the city may pursue during the five years covered by the financial stabilization plan, including an estimate of the revenues to be produced by such initiatives.

(6) A comprehensive list of cost saving initiatives the city may pursue during the five years covered by the financial stabilization plan, including an estimate of costs saved by such initiatives.

(b) The governing body shall adopt the financial stabilization plan by December 31 of each year.

Sec. 6-312. – Financial stabilization plan.

(a) The Mayor shall present to the governing body by February 15 ~~October 15~~ of each year a five-year financial stabilization plan consisting of the following elements:

(1) A five-year projection of general fund revenues broken down by major category. The projection shall identify the economic trends and assumptions upon which such projection is based.

(2) A five-year projection of total general fund expenses on a departmental level. Such expense projection shall assume the continuation of department operations as they exist in the current general fund budget and shall take into account the following:

i. The effect of inflation on general fund budgeted costs;

ii. A projection of pension costs as provided by the city's actuaries; and

iii. Costs occurring in future years that the city is legally obligated to pay.

(3) A calculation of the surplus or deficit produced by the projected revenues and expenditures described in (1) and (2) above.

(4) A cost estimate of long-term initiatives of the city. Such initiatives shall include, but are not limited to, long-term operating infrastructure and capital infrastructure needs and the elimination of deficit positions in funds that are subsidized or have historically been subsidized by the general fund. At any time the governing body of the city may, by resolution, request specific long-term initiatives to be included in the five-year financial stabilization plan.

(5) A comprehensive list of revenue initiatives the city may pursue during the five years covered by the financial stabilization plan, including an estimate of the revenues to be produced by such initiatives.

(6) A comprehensive list of cost saving initiatives the city may pursue during the five years covered by the financial stabilization plan, including an estimate of costs saved by such initiatives.

(b) The governing body shall adopt the financial stabilization plan by April 30 ~~December 31~~ of each year. In no event shall the governing body adopt the budget for the upcoming fiscal year prior to consideration of the financial stabilization plan.

**NOTICE OF PROPOSED AMENDMENT
TO THE CHARTER OF THE CITY OF ATLANTA**

Notice is hereby given that an Ordinance has been introduced to amend the Charter of the City of Atlanta (Ga. Laws, 1996, p. 4469, et seq.) approved April 15, 1996, as amended, said Ordinance being captioned as follows:

AN ORDINANCE AND CHARTER AMENDMENT TO AMEND THE CHARTER OF THE CITY OF ATLANTA, GEORGIA, 1996 GA LAWS P. 4469, ET SEQ., ADOPTED UNDER AND BY VIRTUE OF THE AUTHORITY OF THE MUNICIPAL HOME RULE ACT OF 1965, O.C.G.A. SECTION 36-35-1 ET SEQ., AS AMENDED, BY AMENDING PART 1 (CHARTER AND RELATED LAWS), SUBPART A (CHARTER), ARTICLE VI (REVENUE AND FUND ADMINISTRATION), CHAPTER 3 (FISCAL CONTROL), SECTION 6-312 (FINANCIAL STABILIZATION PLAN), SO AS TO CHANGE THE DATES BY WHICH THE CITY'S FINANCIAL STABILIZATION PLAN MUST BE PRESENTED TO AND ADOPTED BY CITY COUNCIL; AND FOR OTHER PURPOSES.


A copy of the proposed Ordinance and Charter Amendment is on file in the Office of the Municipal Clerk of the City of Atlanta and in the Offices of the clerks of the Superior Courts of Fulton and DeKalb Counties, Georgia for the purpose of examination and inspection by the public.

This _____ day of _____, 2011.

Rhonda Dauphin Johnson
Municipal Clerk
City of Atlanta

Clerk of the City of Atlanta and in the Offices of the Clerks of the Superior Courts of Fulton and DeKalb Counties and that a "Notice of Proposed Amendment to the Charter of the City of Atlanta, Georgia," attached hereto and marked "Exhibit A" and made a part of this ordinance, be published in the official organ of the county of the legal situs of the City of Atlanta or in a newspaper of general circulation in the City of Atlanta once a week for three weeks within a period of 60 days immediately preceding its final adoption, and that a copy of said advertisement be attached to this ordinance prior to its final adoption by the Council of the City of Atlanta.

Section 3: That all ordinances and parts of ordinances in conflict herewith are hereby waived to the extent of the conflict.

A true copy,

Deputy Municipal Clerk

ADOPTED by the Atlanta City Council
APPROVED as per City Charter Section 2-403

Nov. 07, 2011
Nov. 16, 2011

RCS# 1531
11/07/11
4:01 PM

Atlanta City Council

REGULAR SESSION

11-O-1415 AMEND COA CHARTER PART IA/ART VI/CH3
 SEC 6-312/CHANGE DATES FOR FSP
 ADOPT

YEAS: 11
NAYS: 0
ABSTENTIONS: 0
NOT VOTING: 1
EXCUSED: 2
ABSENT 2

Y Smith	Y Archibong	Y Moore	Y Bond
Y Hall	Y Wan	Y Martin	E Watson
B Young	Y Shook	B Bottoms	Y Willis
Y Winslow	Y Adrean	E Sheperd	NV Mitchell

11-O-1415

Atlanta City Council

REGULAR SESSION

11-O-1415

AMENDING CHARTER AND RELATED LAWS PART 1
ARTICLE IV, CH.3, SECTION 6-312
ADOPT

YEAS: 15
NAYS: 0
ABSTENTIONS: 0
NOT VOTING: 1
EXCUSED: 0
ABSENT 0

Y Smith	Y Archibong	Y Moore	Y Bond
Y Hall	Y Wan	Y Martin	Y Watson
Y Young	Y Shook	Y Bottoms	Y Willis
Y Winslow	Y Adrean	Y Sheperd	NV Mitchell

11-O-1415

AFFORDABLE CARE ACT

The Affordable Care Act (ACA) Health Reform Affordable Care Act (ACA) Health Reform Legislation was initially passed on March 23, 2010. The law started making changes in the way health care was offered in America.

Significant Points of the Health Reform Legislation-(ACA)

- Citizens and legal immigrants were extended access to health insurance coverage and were imposed an individual mandate requiring them to have coverage or pay a tax penalty
- The legislation mandates and established reporting requirements on insurers and employer sponsoring health benefits
- Established equal access requirements for women as it relates to preventive health, medical exams, screenings and counseling that had not been made available in the past
- Creates new virtual marketplaces to buy coverage (the Exchanges)
 - Provides subsidies for low-income individuals to buy Exchange coverage
- Expanded Medicare benefits
- Expanded Medicaid eligibility
 - To individuals under 65 with income under 133% of the Federal Poverty Level (FPL)

Employer Mandates Already in Effect as of 2013

- Age 26 coverage extension
- No lifetime dollars limits
- No annual dollar limits
- No preexisting condition exclusions for children
- No preexisting condition exclusions
- No cost for preventive care/immunizations; expanded Emergency Room Services
- No coverage waiting period over 90 days
- Summary of Benefits and Coverage must be provided by Employer
- W-2 reporting of health benefits costs
- Comparative Effectiveness Research Fees
- Uniform information disclosure
- Medical loss ratio rebates for insured plans

The most significant part of the legislation is the establishment of the Health Insurance Marketplace (Exchange).

- Starting on October 1, 2013, all Americans will have access to a Health Insurance Marketplace (Exchange). The Open Enrollment Period will run from October 1, 2013 through March 31, 2014 with benefits starting on January 1, 2014

Impact on the City of Atlanta

In an effort to comply with the newly enacted health-care law that will provide an opportunity for millions of uninsured Americans to gain access to medical coverage, the City of Atlanta is enthusiastically playing our part in this historic event.

As a result, the Affordable Care Act has two key areas for us to focus on.

- 1. Employer taxes**
- 2. Expansion of coverage for employees previously not offered health benefits.**

EMPLOYER TAXES

- Federal premium tax on group plans to fund comparative effectiveness research program-\$2 per enrollee for plan years ending September 30, 2014
Estimated cost-FY15 \$23,000

- Health Insurance Premium Tax
This tax only applies to fully insured plan (Kaiser) plan. The estimated tax is 3% of total Kaiser HMO premiums in the FY 13 Plan Year-(\$1.4 million dollars). Under the current contributions levels for the City/Employee & Retirees (70/30). **Estimated City contribution is \$1 million dollars.**

The current agreement with Kaiser HMO has one remaining contract renewal. During the next Benefits RFP Process, the City will need to determine if we will continue offering both a fully insured product and self- funded benefit plans and be subject to the ACA Health Insurance Premium Tax, or take on full financial responsibility for claims payment by only offering a self-funded products.

- Re-insurance Premium Program-3year program Effective 2014 – employers are required to pay \$63 per insured member annually -**Estimated cost \$1.3 million dollars for Plan Year FY15. Re-insurance premium tax will decrease to \$45 per insured member in FY 16 and decrease to \$30 per insured member in FY 17**

Expansion of Coverage

The law requires employers to offer benefits to all employees who work 30 or more hours per week.

- Approximately 385 temporary/extra help/part-time employees are not currently receiving insurance benefits from the City. Due to required expansion of coverage law, the City is required to offered healthcare benefits in our 2015 plan year, which will begin in calendar year 2014. **Estimated cost \$3 million dollars.**

Health Insurance Budget Challenges

- Annual healthcare costs increases nationally has been between 7 to 12% for the past 5 years
- Continued increases in medical cost due to:
- Increasing aging population and inability to completely utilize Medicare for retirees aged 65+
- High prevalence of Chronic Diseases within Employee/Retiree/Dependent Population
 - Diabetes
 - Heart Disease
 - Coronary Artery Disease (including circulatory restrictions and strokes)
 - Musculoskeletal Disorders (including lower back pain)
 - Digestive Disorders
- Obesity related conditions continues to have a significant impact on the overall medical costs (FY 13 Plan Year- contributed to over 40% of COA medical cost)
- High financial risk for Catastrophic Claims as a result of high prevalence of chronic disease – (i.e. FY13 Plan Year: 20 Kaiser claims (>\$137,000)-13.3% and 20 BCBS claims (>\$200,00) - 11.1% of overall paid medical claims
- Funding for Affordable Care Act Employer Taxes
- Reduction of the City's long-term OPEB liability



GLOSSARY

Auction Rate Bond/Security – An auction rate bond or security is a long term maturity instrument for which interest rates are regularly reset. The reset is normally done by a Dutch auction where the security instrument begins at a high price and is then lowered until an investor is willing to accept the auctioneer's price.

Bond Insurance – An insurance policy that guarantees that the insurance company will make principal and interest payments to a bond holder if the issuer cannot. This insurance policy usually broadens the demand of the bond to retail investors.

Conduit Bond – A bond issued by a state or local authority on behalf of a non-profit organization and business for projects to boost economic development.

Fixed Rate Bond – A fixed rate bond is a long-term debt instrument that carries a predetermined interest rate. The interest rate is known as the coupon rate and is payable at specific dates until the instruments maturity date(s). Most often fixed rate bonds pay interest semi-annually.

General Obligation Bonds – Bond issued by a local government for public purposes and require voter approval. These bonds are secured by the issuer's taxing power.

Letter of Credit/Standby (LOC) – Is a guarantee of payment issued by a bank on behalf of a client as payment of last resort should the client fail to fulfill its commitment to a third party. This credit facility is required when issuing auction rate bonds, variable rate bonds and commercial paper notes. This letter is a contract between the bank and the client and usually has a 3 year expiration date. The client is charged a quarterly fee by the bank for this service.

Municipal Bond – A debt or obligation of a public agency that bears interest and recognized by specific maturity date(s).

Refunding Bonds – Issued to refinance a previous bond issue; usually to achieve a lower rate of interest or restructure for lower payments. It uses the same security as the refunded debt (G.O. Bonds, Revenue Bonds, Leases, etc.)

Revenue Bond - A municipal bond supported by revenues from a specific project or enterprise system. Some examples of revenue bonds are water & waster bonds, airport bonds, public utility bonds, tolls authority bonds. The fees and charges collected from the enterprise systems are used to make the debt payments.

Serial Bonds – A bond issue in which portions of the bonds mature at intervals until eventually all the bonds have matured. Serial bonds pay varying interest based on the yield at which they were sold.

Term Bond – An issue of bonds that mature at the same time. The principal or outstanding par amount of the bond becomes due at the same date.

Variable Rate Bonds – A method of interest rate assignment where the interest rate is reset after a short period of time (e.g., weekly or 30-90 days). Essentially, the loan rolls over every time the rate is reset and bondholders can request repayment of principal at each reset. In addition, variable rate debt has the advantage of bearing the least expensive rates available in the market, has the disadvantage of having exposure to large scale upward interest rate movements in the market and bear additional costs from Letter of Credit protection and re-marketing fees, as a new buyer may be needed with each reset.