



DEPARTMENT OF FINANCE  
**FY20 FIRST QUARTER**  
**FINANCIAL STATUS REPORT**

DECEMBER 11, 2019

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ROOSEVELT COUNCIL, JR. CFO | JOHN GAFFNEY, DEPUTY CFO | TINA WILSON, DEPUTY CFO

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# AGENDA

## QUARTERLY REPORT OVERVIEW

## GOVERNMENTAL FUNDS OVERVIEW

General Fund Revenues

General Fund Expenses

## PROPRIETARY FUNDS OVERVIEW

Enterprise Funds

## DEBT/INVESTMENT PORTFOLIOS





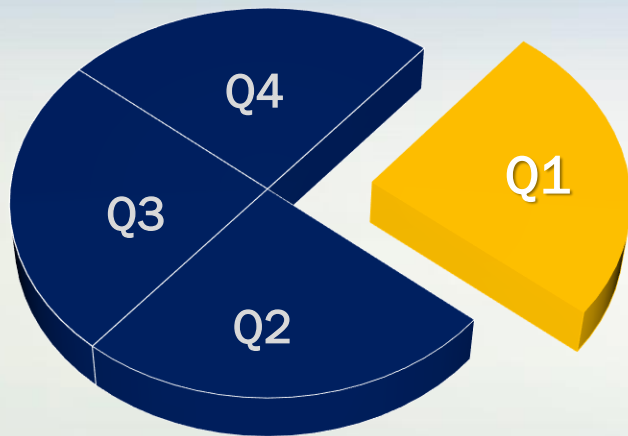
QUARTERLY FINANCIAL REPORT

# FY20 FIRST QUARTER FINANCIAL STATUS REPORT

*As of September 30, 2019*



## Quarterly Financial Report



- Q1 Report covers the First Quarter of FY 2020 (Jul-Sep 2019)
- Provides a summary analysis of the City of Atlanta's budget to actual performance
- Forecasts projected revenue and expenditure activity with explanations of variances
- Identifies and addresses significant issues that may impact year-end performance
- Accounts for legislative items adopted and foreseen during the first quarter.

A blue-tinted cityscape at night, featuring a prominent bridge in the foreground and several tall skyscrapers in the background. The scene is reflected in a body of water. A semi-transparent white text box is centered over the image, containing the title "GOVERNMENTAL FUNDS OVERVIEW".

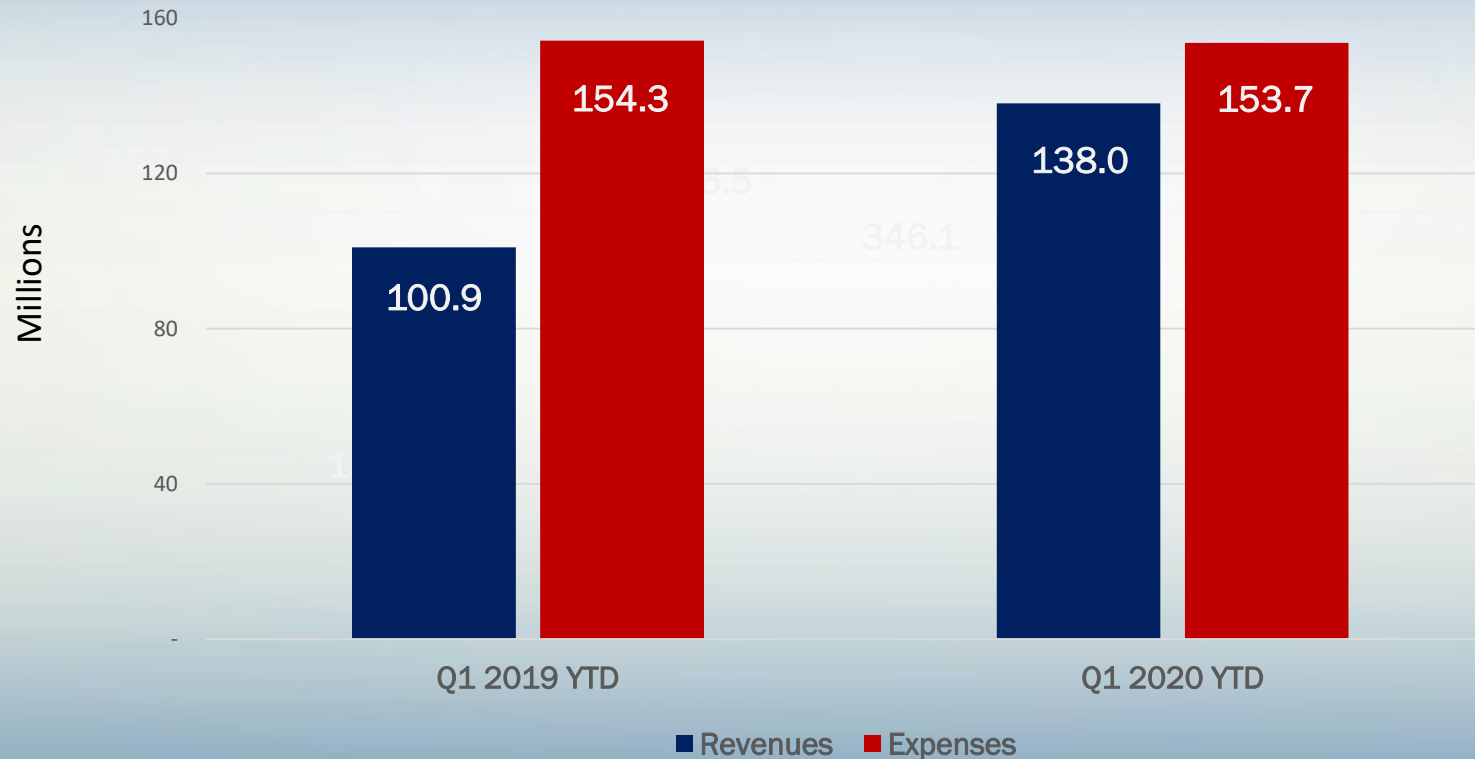
# GOVERNMENTAL FUNDS OVERVIEW

# GENERAL FUND YEAR TO DATE – REVENUES VS EXPENSES

(Q1 2020)



## REVENUES VS EXPENSES



# GENERAL FUND REVENUE ACTUAL TREND

## (Q1 2020)



### REVENUES



	Property Taxes	Public Utility Alc. Bev. & Taxes	Local Option Sales Taxes	Licenses & Permits	Other Revenue	Charges For Services	Fines, Forfeitures & Penalties	Bldg Rentals & Concessions	Indirect Cost Recovery	Hotel & Motel Tax	PILOT & Franchise	Total
FY20	\$53.8	\$10.0	\$29.1	\$13.4	\$2.8	\$0.9	\$5.3	\$2.3	\$10.3	\$4.9	\$5.2	\$138.0
FY19	\$19.2	\$9.2	\$28.3	\$13.6	\$1.7	\$1.1	\$5.9	\$3.1	\$8.7	\$5.1	\$5.1	\$100.9
FY18	\$4.4	\$10.7	\$26.7	\$11.5	\$1.9	\$1.5	\$5.3	\$6.1	\$9.1	\$3.5	\$5.1	\$85.9

- As of the first quarter, General Fund Revenues are trending above the prior years and is due primarily to the timing of when property tax revenues were received.
- Key Q1 Drivers Impacting Revenues:
  - Property Tax Bills were due in September of 2019 compared to October of 2018; resulting in revenue collections beginning one month earlier.
  - Sales & Title Ad valorem (TAVT) tax revenues have increased due to changes to state law which allowed sales taxes to be charged to online retailers and a change to the distribution methodology for Title Ad valorem taxes.

# GENERAL FUND REVENUE BUDGET PROJECTION

(Q1 2020)



Revenue Category	FY20 Anticipations	Actual Y-T-D (Sep)	Projected Revenues	Total Projected Revenues	Variance \$	Variance %
Property Taxes	219,141,924	53,751,430	165,390,493	219,141,924	-	0.00%
Public Utility, Alcohol Beverage & Taxes	107,712,019	10,029,394	97,700,955	107,730,349	18,331	0.02%
Local Option Sales Taxes	115,427,417	29,109,448	86,317,970	115,427,417	-	0.00%
Licenses and Permits	121,770,548	13,420,407	108,350,141	121,770,549	-	0.00%
Other Revenues	6,287,547	2,791,735	3,755,308	6,547,043	259,496	4.13%
Charges For Services	4,561,607	932,542	3,828,604	4,761,146	199,539	4.37%
Fines, Forfeitures and Penalties	22,212,306	5,306,334	17,039,615	22,345,950	133,644	0.60%
Building Rentals and Concessions	3,726,871	2,344,794	1,426,990	3,771,784	44,913	1.21%
Indirect Cost Recovery	34,311,311	10,255,613	24,711,622	34,967,234	655,923	1.91%
Hotel & Motel Tax	21,800,045	4,893,759	16,906,287	21,800,045	-	0.00%
PILOT & Franchise Fees	20,677,178	5,247,541	15,429,637	20,677,178	-	0.00%
<b>Total Revenues</b>	<b>677,628,773</b>	<b>138,082,996</b>	<b>540,857,623</b>	<b>678,940,619</b>	<b>1,311,846</b>	<b>0.19%</b>

- General Fund Revenues as of Q1 are projected to be on course to meet budgetary obligations by fiscal year end.
- The Q1 FY20 projections reflect adjustments from the FY20 budget to better align with current trends in the revenues.
- The Revenue Outlook remains favorable but potential fiscal, economic, or legislative policy changes will be closely monitored for impact to revenues.

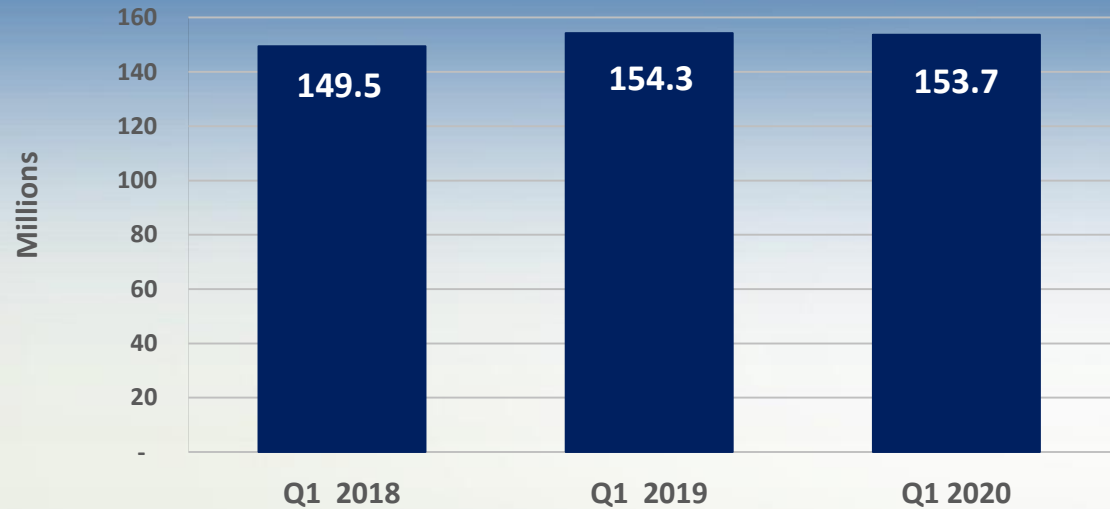


# GENERAL FUND EXPENDITURE ACTUAL TREND

## (Q1 2020)



### EXPENSES



- Q1 Expenses have grown less than 3% over the past three years.

	Personnel Services & Employee Benefits	Purchased/ Contracted Services	Supplies	Capital Outlays	Interfund/ Interdepartmental Charges	Other Costs	Debt Service	Other Financing Uses	Total
FY20	\$106.7	\$18.3	\$9.5	\$4.6	\$4.6	\$7.4	\$2.4	\$0.1	\$153.7
FY19	\$105.8	\$24.9	\$9.2	(\$.7)	\$4.2	\$7.8	\$2.5	-	\$154.3
FY18	\$102.3	\$22.0	\$8.5	(\$.3)	\$4.0	\$9.2	\$2.5	\$1.2	\$149.5

# GENERAL FUND EXPENDITURE BUDGET PROJECTION

(Q1 2020)



Department	FY20 Funded Budget	FY20 Actuals (Jul - Sep)	FY20 % Variance	Projected Expenses (Oct - Jun)	Total Projected Expenses (Year-End)	FY20 Variance (Year-End)	FY20 Variance (Year-End)
City Council	12,336,055	2,021,737	16.4%	8,853,641	10,875,378	1,460,677	11.8%
Executive Offices	19,850,488	3,797,759	19.1%	16,693,317	20,491,076	(640,588)	(3.2%)
Dept. of Atlanta Information Management	30,944,933	5,820,467	18.8%	25,997,717	31,818,184	(873,251)	(2.8%)
Department Of Law	6,635,692	1,346,846	20.3%	6,496,001	7,842,847	(1,207,155)	(18.2%)
Department Of Corrections	20,125,320	5,054,027	25.1%	15,033,077	20,087,104	38,216	0.2%
Department Of Finance	17,153,613	3,385,986	19.7%	13,570,909	16,956,895	196,718	1.1%
Department Of Procurement	3,232,746	476,275	14.7%	2,159,213	2,635,488	597,258	18.5%
Department Of Public Works	51,727,267	10,644,195	20.6%	44,274,184	54,918,379	(3,191,112)	(6.2%)
Dept of Parks & Recreation	41,799,261	10,356,348	24.8%	31,395,235	41,751,582	47,679	0.1%
Judicial Agencies	13,383,657	2,796,934	20.9%	10,409,900	13,206,834	176,823	1.3%
Non-Departmental	97,067,078	20,876,880	21.5%	70,187,636	91,064,516	6,002,562	6.2%
Department Of Human Resources	7,028,978	1,535,475	21.8%	5,460,306	6,995,781	33,197	0.5%
Department Of Fire Services	91,213,948	22,684,398	24.9%	73,711,423	96,395,820	(5,181,872)	(5.7%)
Department Of Police Services	205,450,904	50,334,042	24.5%	157,024,678	207,358,720	(1,907,816)	(0.9%)
Department of City Planning	22,506,406	4,596,153	20.4%	17,783,957	22,380,110	126,296	0.6%
Department Of The Solicitor	6,703,400	1,792,306	26.7%	5,121,023	6,913,330	(209,930)	(3.1%)
Board of Ethics & Independent Compliance	1,477,864	145,575	9.9%	659,044	804,619	673,245	45.6%
Atlanta Citizens Review Board	917,649	184,790	20.1%	654,775	839,565	78,084	8.5%
Department Of Audit	2,016,044	473,339	23.5%	1,463,383	1,936,722	79,322	3.9%
Department Of Public Defender	3,898,181	844,997	21.7%	2,868,537	3,713,535	184,646	4.7%
Dept. Of Enterprise Assets Management	18,623,071	4,278,967	23.0%	14,080,364	18,359,330	263,741	1.4%
Department Of Customer Service	2,786,218	219,188	7.9%	1,718,846	1,938,034	848,184	30.4%
Atlanta Department of Transportation	750,000	-	0.0%	190,000	190,000	560,000	74.7%
<b>Total City Wide</b>	<b>677,628,773</b>	<b>153,666,684</b>	<b>22.7%</b>	<b>525,807,165</b>	<b>679,473,849</b>	<b>(1,845,076)</b>	<b>(0.3%)</b>

General Fund Expenses as of Q1 are projected to be over budget by \$1.8M or 0.3% by fiscal year end.

- Key Forecast Considerations:
  - Personnel Adjustments & Auditing of Positions (i.e. AFR Pay Increase)
  - Overtime & Extra Help
  - Outside Counsel (Litigation Expenses)
  - IT Software Subscriptions
  - Utilities (Water Expenses)
  - Operating Lease Agreements
  - Fleet Services Repair and Maintenance

# GENERAL FUND EXPENDITURE BUDGET PROJECTION (Q1 2020)



Major Category	FY20 Funded Budget	FY20 Actuals (Jul - Sep)	FY20 % Variance	Projected Expenses (Oct - Jun)	Total Projected Expenses (Year -End)	FY20 Variance (Year-End)	FY20 Variance (Year-End)
Personnel Services and Employee Benefits	435,477,976	106,675,295	24.5%	330,052,757	436,728,052	(1,250,076)	(0.3%)
Purchased / Contracted Services	97,195,616	18,328,859	18.9%	78,763,985	97,092,844	102,772	0.1%
Supplies	42,220,629	9,532,206	22.6%	34,250,752	43,782,958	(1,562,329)	(3.7%)
Capital Outlays	1,708,137	4,578,442	268.0%	649,430	5,227,871	(3,519,734)	(206.1%)
Interfund / Interdepartmental Charges	15,198,451	4,580,351	30.1%	12,120,763	16,701,114	(1,502,663)	(9.9%)
Other Costs	38,241,002	7,431,156	19.4%	29,221,014	36,652,170	1,588,832	4.2%
Debt Service	33,922,266	2,424,256	7.1%	31,310,145	33,734,400	187,866	0.6%
Conversion / Summary	4,110,257	-	0.0%	-	-	4,110,257	100.0%
Other Financing Uses	9,554,439	116,120	1.2%	9,438,319	9,554,439	(0)	(0.0%)
<b>Expenses</b>	<b>677,628,773</b>	<b>153,666,684</b>	<b>22.7%</b>	<b>525,807,165</b>	<b>679,473,849</b>	<b>(1,845,076)</b>	<b>(0.3%)</b>

Personnel Services and Employee Benefits projected to be over budget:

- Salaries (Regular & Sworn) - \$13.7M
- Other Employee Benefits - \$1M
- Overtime - (\$9.6M)
  - AFR (\$7.1M) DPW (\$1.4M) COR (\$1M)
- Extra Help - (\$6.3M)
  - EXE (\$2.1M) APD (\$2.7M) Others (\$1.6M)

Supplies projected to be over budget:

- Parks utility/water - (\$800K )
- AIM software subscriptions - (\$795K)

Capital Outlays projected to be over budget:

- APD body worn cameras - (\$4.6M)

Interfund/Interdepartmental Charges projected to be over budget:

- Fleet repair and maintenance - (\$1.5M)



# PROPRIETARY FUNDS OVERVIEW

# FY20 ENTERPRISE FUND PROJECTION

(000's)



Enterprise Funds	FY20 Funded Budget	Actuals Y-T-D (Sep)	Projected Revenues/Expenses	Total Projected Revenues/Expenses	Variance (\$)	Variance (%)
<b>Aviation Revenue Fund</b>						
Revenues	587,685,824	150,746,851	437,642,116	588,388,967	703,143	0.12%
Expenses	587,685,824	94,480,300	373,671,438	468,151,738	119,534,086	20.34%
<b>Water &amp; Wastewater Revenue Fund</b>						
Revenues	592,853,534	169,100,229	423,753,305	592,853,534	-	0.00%
Expenses	592,853,534	73,575,678	428,977,130	502,552,808	90,300,726	15.23%
<b>Solid Waste Service Fund</b>						
Revenues	62,955,593	35,522,255	27,433,338	62,955,593	-	0.00%
Expenses	62,955,593	14,150,578	50,367,484	64,518,063	(1,562,470)	(2.48%)

### Aviation Revenue Fund

- **Revenues** are projected to come in over anticipations by \$700K or .12%
- **Expenses** are projected to be under budget by \$120M
  - \$104M Fund Wide Reserves
  - \$ 13M Personnel Services
  - \$ 3M Contractual Services & Supplies

### Water & Wastewater Revenue Fund

- **Revenues** are projected to meet budget expectations
- **Expenses** are projected to be under budget by \$90M
  - \$40M Fund Wide Reserves
  - \$17M Bad Debt Reserves
  - \$13M GEFA Loan Reserves
  - \$14M Contractual Services
  - \$ 6M Personnel Services

### Solid Waste Services Revenue Fund

- **Revenues** are projected to meet budget expectations
- **Expenses** are projected to be over budget by \$1.5M due to overages in contractual services. Personnel Services savings are offset by Fleet Repair and Maintenance costs
  - \$3.5M Personnel Services
  - (\$3.5M) Fleet Repairs/Maintenance and Supplies
  - (\$1.5M) Contractual Services



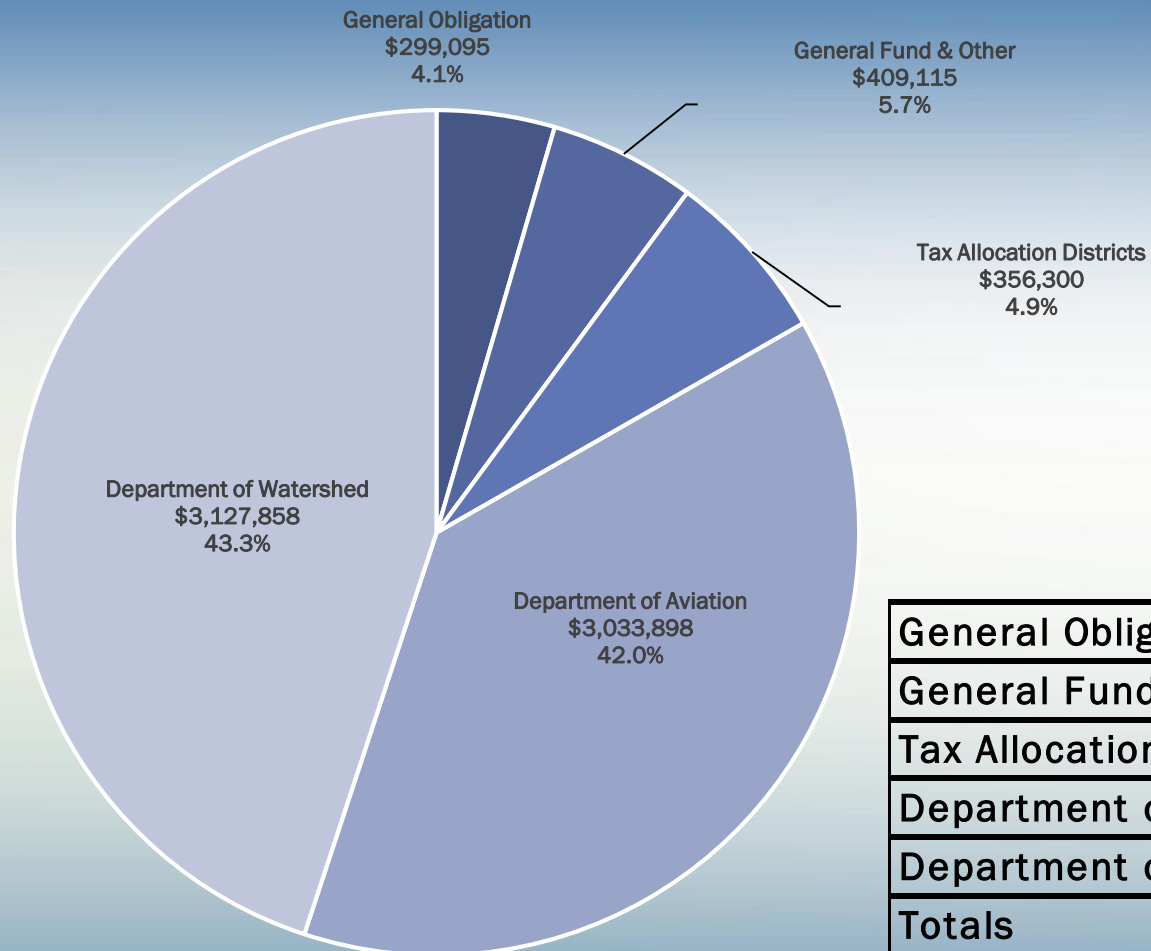
**DEBT/INVESTMENT PORTFOLIOS**

# DEBT PORTFOLIO – TOTAL DEBT OUTSTANDING

As of September 30, 2019 (000's)



**Total Debt Outstanding is  
\$7.23 billion  
(net increase \$17.9 million)**



	Q1 FY19	Q1 FY20	Difference
General Obligation	\$325,430	\$299,095	(\$26,335)
General Fund & Other	\$403,422	\$409,115	\$5,693
Tax Allocation Districts	\$477,920	\$356,300	(\$121,620)
Department of Aviation	\$2,762,270	\$3,033,898	\$271,628
Department of Watershed	\$3,239,289	\$3,127,858	(\$111,431)
<b>Totals</b>	<b>\$7,208,331</b>	<b>\$7,226,266</b>	<b>\$17,935</b>

# INVESTMENT PORTFOLIO

As of September 30, 2019 (000's)



Net Interest  
Earnings:

\$9.66 mm

\$10.09 mm

\$11.12 mm

\$11.08 mm

\$11.37 mm





# QUESTIONS/ANSWERS SESSION