



DEPARTMENT OF FINANCE  
**FY19 FIRST QUARTER**  
**FINANCIAL STATUS REPORT**

DECEMBER 12, 2018

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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

## CASH POOL REPORT

## DEBT/INVESTMENT PORTFOLIOS





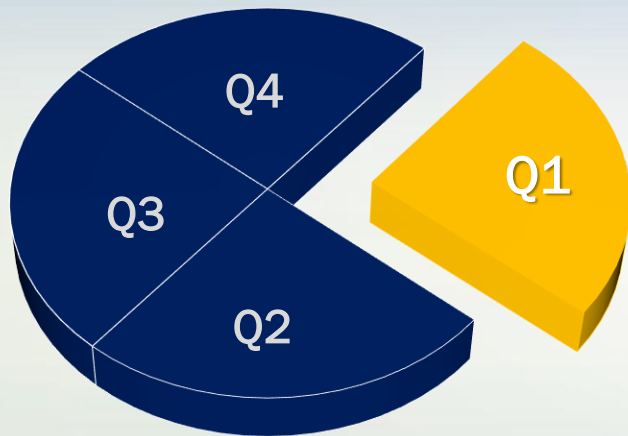
**QUARTERLY FINANCIAL REPORT**

# FY19 FIRST QUARTER FINANCIAL STATUS REPORT

*As of September 30, 2018*



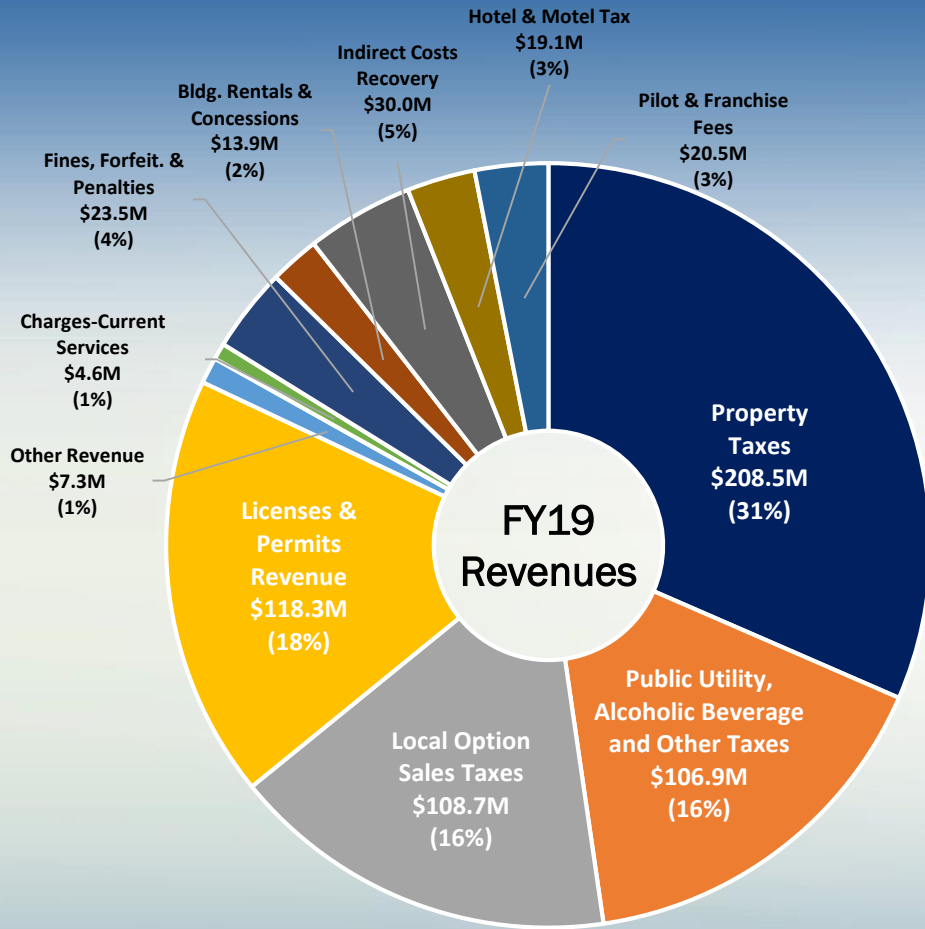
## Quarterly Financial Report



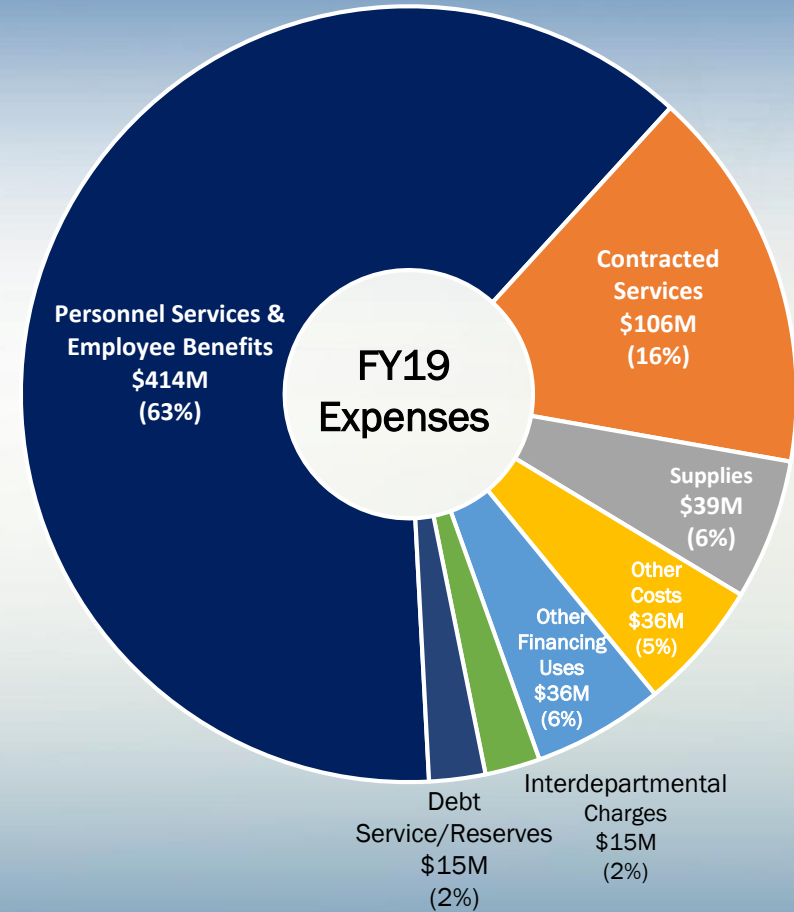
- Q1 Report covers the First Quarter of FY 2019 (Jul-Sep 2018)
- Provides a summary analysis of the City of Atlanta's budget to actual performance
- Forecasts projected revenue and expenditure activity with explanations of variances
- Identifies and addresses significant issues that may impact year-end performance
- Accounts for legislative items adopted and foreseen during the first quarter.

# GENERAL FUND FY 2019 ADOPTED BUDGET

(000's)



FY2019  
Adopted  
Budget  
\$661M



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 REVENUE ACTUAL TREND

## (Q1 2019)



### 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
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
FY17	\$2.2	\$10.3	\$25.8	\$14.1	\$1.3	\$1.3	\$5.8	\$3.9	\$8.3	\$3.1	\$4.9	\$81.1

- 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 October of 2018 compared to December 2017; resulting in revenue collections beginning two months earlier.
  - Immigration and Naturalization Service Revenues have declined compared to the prior year from a change in policy regarding the housing of federal immigration inmates at the city jail.

# GENERAL FUND REVENUE BUDGET PROJECTION

(Q1 2019)



Revenue Category	FY19 Anticipations	Actual Y-T-D (Sep)	Projected Revenues	Total Projected Revenues	Variance \$	Variance %
Property Taxes	208,451,068	19,168,719	191,117,356	210,286,075	1,835,007	0.88%
Public Utility, Alcohol Beverage & Taxes	106,923,683	9,238,915	96,690,219	105,929,134	(994,549)	(0.93%)
Local Option Sales Taxes	108,730,000	28,264,621	81,788,060	110,052,681	1,322,681	1.22%
Licenses and Permits	118,275,545	13,623,882	102,674,841	116,298,723	(1,976,822)	(1.67%)
Other Revenues	7,332,494	1,730,968	4,689,572	6,420,540	(911,954)	12.44%
Charges For Services	4,582,825	1,137,568	2,795,402	3,932,970	(649,855)	(14.18%)
Fines, Forfeitures and Penalties	23,472,056	5,855,983	17,713,629	23,569,612	97,556	0.42%
Building Rentals and Concessions	13,990,662	3,061,575	6,354,944	9,416,519	(4,574,143)	(32.69%)
Indirect Cost Recovery	30,000,000	8,678,287	26,034,858	34,713,145	4,713,145	15.71%
Hotel & Motel Tax	19,151,183	5,070,578	15,628,644	20,699,222	1,548,039	8.08%
PILOT & Franchise Fees	20,483,276	5,133,551	14,940,620	20,074,171	(409,105)	(2.00%)
<b>Total Revenues</b>	<b>661,392,792</b>	<b>100,964,647</b>	<b>560,428,145</b>	<b>661,392,792</b>	-	-

- General Fund Revenues as of Q1 are projected to be on target with the budget by fiscal year end.
- The Q1 FY19 projections reflect adjustments from the FY19 budget to better align with current trends in the revenues.
- The Revenue Outlook remains favorable but potential fiscal and legislative policy changes will be closely monitored for impact to revenues.

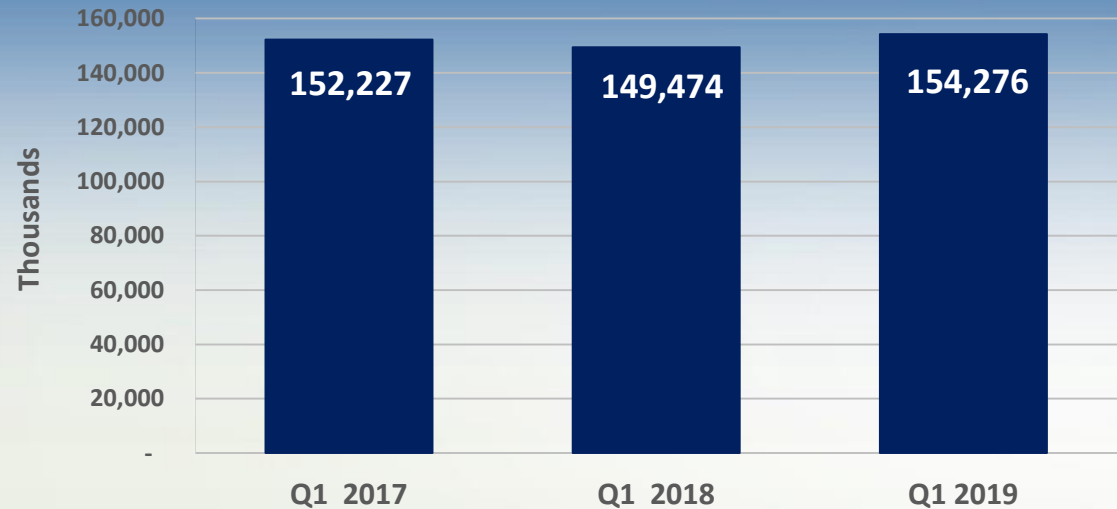


# GENERAL FUND EXPENDITURE ACTUAL TREND

## (Q1 2019)



### EXPENSES



- Q1 2019 percentage of budget spent was 23.3% compared to 23.1% in Q1 2018.
- Salary adjustments and the timing of filling vacancies only at 50% of the mid-point salary will attribute to budget pressure on personnel and employee benefits.

	Personnel Services & Employee Benefits	Purchased/ Contracted Services	Supplies	Capital Outlays	Interfund/ Interdepartmental Charges	Other Costs	Debt Service	Other Financing Uses	Total
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
FY17	\$103.2	\$25.1	\$9.1	(\$.4)	\$4.2	\$7.4	\$2.6	\$1.1	\$152.2

# GENERAL FUND EXPENDITURE BUDGET PROJECTION (Q1 2019)



Department	FY19 Funded Budget	Actual Y-T-D (Sep)	Projected Expenses	Total Projected Expenses	Variance \$	Variance %
City Council	10,588,536	1,902,904	7,738,819	9,641,724	946,812	8.94%
Executive Offices	36,391,517	8,383,395	29,132,875	37,516,270	(1,124,753)	(3.09%)
Department Of Atlanta Information Mgmt.	31,068,959	7,899,076	25,853,801	33,752,877	(2,683,918)	(8.64%)
Department Of Law	7,016,100	1,152,335	5,845,945	6,998,281	17,819	0.25%
Department Of Corrections	32,344,154	8,569,086	23,173,802	31,742,887	601,267	1.86%
Department Of Finance	16,466,261	3,128,978	12,559,751	15,688,729	777,532	4.72%
Department Of Procurement	2,405,138	600,888	2,125,280	2,726,169	(321,031)	(13.35%)
Department Of Public Works	48,371,098	7,034,710	44,741,951	51,776,661	(3,405,563)	(7.04%)
Dept Of Parks & Recreation	38,935,125	9,647,302	29,258,729	38,906,031	29,094	0.07%
Judicial Agencies	13,219,269	2,940,661	10,038,384	12,979,045	240,224	1.82%
Non-Departmental	93,809,051	25,847,455	59,636,273	85,483,728	8,325,323	8.87%
Department Of Human Resources	6,010,618	1,648,815	6,107,631	7,756,446	(1,745,828)	(29.05)
Department Of Fire Services	87,874,684	22,734,818	66,626,259	89,361,077	(1,486,393)	(1.69%)
Department Of Police Services	199,495,624	44,774,597	155,188,164	199,962,762	(467,138)	(.23%)
Department of City Planning	23,176,147	4,630,150	17,411,416	22,041,566	1,134,581	4.90%
Department Of The Solicitor	6,587,997	1,890,268	5,322,682	7,212,950	(624,953)	(9.49%)
Department Of Ethics	877,864	113,463	739,376	852,839	25,025	2.85%
Atlanta Citizens Review Board	879,919	186,883	690,556	877,439	2,480	0.28%
Department Of Audit	1,976,552	322,774	1,628,141	1,950,915	25,637	1.30%
Department Of Public Defender	3,898,179	867,395	2,941,796	3,809,192	88,987	2.28%
<b>Total Expenses</b>	<b>661,392,792</b>	<b>154,275,955</b>	<b>506,761,632</b>	<b>661,037,586</b>	<b>355,206</b>	<b>0.05%</b>

- General Fund Expenses as of Q1 are projected to be under budget by \$355K or .05% by fiscal year end.
- Key Q1 Forecast Considerations:
  - Personnel Adjustments
  - Super Bowl LIII
  - APD Compensation
  - Post Cyber Security Incident
  - Facility Maintenance
  - Roadway Materials
  - Legislation adopted and foreseen during the first quarter

# GENERAL FUND EXPENDITURE BUDGET PROJECTION (Q1 2019)



Expenditure Category	FY19 Funded Budget	Actual Y-T-D (Sep)	Projected Expenses	Total Projected Expenses	Variance \$	Variance %
Personnel Services And Employee Benefits	419,006,554	105,815,555	319,486,526	425,302,081	(6,295,527)	(1.50%)
Purchased / Contracted Services	99,292,747	24,858,762	72,047,548	96,906,308	2,386,439	2.40%
Supplies	39,530,460	9,163,060	34,209,663	43,372,724	(3,842,264)	(9.72%)
Capital Outlays	1,944,796	(73,519)	1,166,005	1,092,486	852,310	43.83%
Interfund / Interdepartmental Charges	15,165,318	4,186,046	10,883,961	15,070,007	95,311	0.63%
Other Costs	35,061,348	7,804,904	27,338,741	35,143,645	(82,297)	(.23%)
Debt Service	9,826,876	2,521,147	7,271,707	9,792,854	34,022	0.35%
Conversion / Summary	5,505,576	-	(1,256,236)	(1,256,236)	6,761,812	122.82%
Other Financing Uses	36,059,117	-	35,613,717	35,613,717	445,400	1.24%
<b>Total Expenses</b>	<b>661,392,792</b>	<b>154,275,955</b>	<b>506,761,632</b>	<b>661,037,586</b>	<b>355,206</b>	<b>0.05%</b>

Personnel and Employee Benefits projected to be over budget:

- Salaries, Regular – (\$3.8M)
- Extra Help – (\$3.7M)
- Overtime – (\$5.2M)
- Salaries, Sworn - \$5.9M

Supplies projected to be over budget:

- DPW and Police *uniforms* – (\$1.5M)
- DPW *roadway materials* – (\$1M)
- Police – *equipment maintenance* (\$1.3M)



# PROPRIETARY FUNDS OVERVIEW

# FY19 ENTERPRISE FUND PROJECTION

(000's)



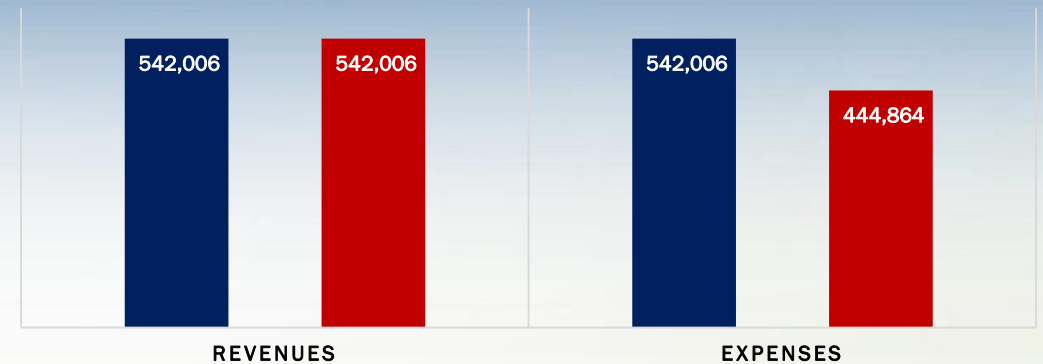
Major Category	FY19 Funded Budget	Actuals Y-T-D (Sep)	Projected Revenues	Total Projected Revenues	Variance (\$)	Variance (%)
<b>Revenues</b>						
<b>Aeronautical Revenues</b>						
Airport Landing Fees	288,898,557	75,456,679	216,673,918	292,130,597	3,232,040	1.12%
Central Passenger Term. Complex Rentals	14,572,168	3,831,779	10,929,126	14,760,905	188,737	1.30%
Airside Rentals	31,011,543	7,513,758	23,258,657	30,772,415	(239,128)	(0.77%)
Cost Recoveries: Airline	1,888,725	480,646	1,416,544	1,897,190	8,465	0.45%
<b>Sub Total Aeronautical Revenues</b>	<b>336,370,993</b>	<b>87,282,862</b>	<b>252,278,245</b>	<b>339,561,106</b>	<b>3,190,113</b>	<b>0.95%</b>
<b>Non Aeronautical Revenues</b>						
Landside Rentals	10,066,932	2,108,765	7,707,827	9,816,592	(250,340)	(2.49%)
Parking	145,376,736	37,821,080	108,661,997	146,483,077	1,106,341	0.76%
Concessions	108,815,716	27,844,946	79,811,699	107,656,645	(1,159,071)	(1.07%)
Concessions Credit	(121,043,037)	(29,818,740)	(90,782,278)	(120,601,018)	442,019	(0.37%)
Rental Car	40,760,176	11,391,810	29,625,756	41,017,565	257,389	0.63%
Other Commercial Revenue	1,280,000	-	1,280,000	1,280,000	-	0.00%
Airport Ground Transportation	1,708,661	403,497	1,267,836	1,671,332	(37,329)	(2.18%)
Cost Recoveries: Non Airlines	11,384,000	5,369,635	8,054,322	13,423,957	2,039,957	17.92%
Interest Income	-	856,912	-	856,912	856,912	100.00%
Airport Other Revenue	7,286,217	2,136,219	(1,295,994)	840,225	(6,445,992)	(88.47%)
<b>Sub Total Non Aeronautical Revenues</b>	<b>205,635,401</b>	<b>58,114,122</b>	<b>144,331,166</b>	<b>202,445,288</b>	<b>(3,190,113)</b>	<b>(1.55%)</b>
<b>Total Revenues</b>	<b>542,006,394</b>	<b>145,396,984</b>	<b>396,609,410</b>	<b>542,006,394</b>	<b>0</b>	<b>0.00%</b>

Expenses	Funded Budget	Y-T-D (Sep)	Expenses	Expenses	(\$)	(%)
Personnel Services And Employee Benefits	100,174,303	23,721,519	73,687,821	97,409,340	2,764,964	2.76%
Purchased / Contracted Services	172,160,070	36,499,481	131,350,348	167,849,829	4,310,241	2.50%
Supplies	18,280,372	2,904,949	14,715,787	17,620,736	659,636	3.61%
Capital Outlays	1,328,865	(24,248)	1,413,022	1,388,774	(59,909)	(4.51%)
Interfund / Interdepartmental Charges	12,474,792	3,646,959	8,906,147	12,553,106	(78,313)	(0.63%)
Other Costs	6,584,597	1,220,555	5,727,000	6,947,555	(362,958)	(5.51%)
Conversion / Summary	89,908,388	-	-	-	89,908,388	100.00%
Other Financing Uses	141,095,006	27,178,067	113,916,940	141,095,006	-	0.00%
<b>Total Expenses</b>	<b>542,006,394</b>	<b>95,147,282</b>	<b>349,717,064</b>	<b>444,864,346</b>	<b>97,142,048</b>	<b>17.92%</b>

Variance 50,249,702 46,892,346 97,142,048 97,142,048

## AVIATION REVENUE FUND

■ FY19 Funded Budget ■ Q1 Projection



- Revenues are anticipated to be on target
- Expenses are projected to be under budget by \$97M
  - \$90M Fund Wide Reserves
  - \$ 4M Contractual Services
  - \$ 3M Personnel Savings

# FY19 ENTERPRISE FUND PROJECTION

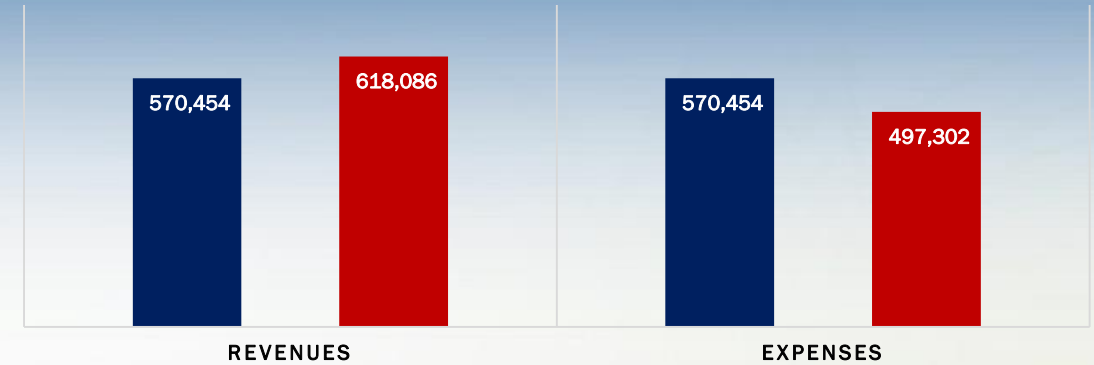
## (000's)



Major Category	FY19	Actuals	Projected	Total Projected	Variance	Variance
Revenues	Funded Budget	Y-T-D (Sep)	Revenues	Revenues	(\$)	(%)
Water/Sewer Service Revenue	459,973,640	123,097,479	342,696,837	465,794,316	5,820,676	1.27%
Water/Sewer Charges for Services	19,905,000	1,716,084	17,229,995	18,946,080	(958,920)	(4.82%)
Water/Sewer Intergovernmental Revenues	87,500,000	36,643,152	93,356,848	130,000,000	42,500,000	48.57%
Water/Sewer Investment Income	455,000	629,543	6,486	636,029	181,029	39.79%
Water/Sewer Other Financing Sources	2,500,000	775,660	1,808,978	2,584,639	84,639	3.39%
Water/Sewer Fines & Forfeitures	-	-	-	-	-	0.00%
Water/Sewer Miscellaneous Revenues	120,000	22,760	102,500	125,260	5,260	4.38%
<b>Total Revenues</b>	<b>570,453,640</b>	<b>162,884,678</b>	<b>455,201,644</b>	<b>618,086,322</b>	<b>47,632,682</b>	<b>8.35%</b>

## WATER & WASTEWATER REVENUE FUND

■ FY19 Funded Budget ■ Q1 Projection



Major Category	FY19	Actuals	Projected	Total Projected	Variance	Variance
Expenses	Funded Budget	Y-T-D (Sep)	Expenses	Expenses	(\$)	(%)
Personnel Services And Employee Benefits	100,870,794	25,361,912	74,216,052	99,577,964	1,292,830	1.28%
Purchased / Contracted Services	76,266,225	15,943,075	50,960,091	66,903,166	9,363,059	12.28%
Supplies	46,318,683	8,376,504	37,099,668	45,476,172	842,511	1.82%
Capital Outlays	618,000	106,805	508,798	615,603	2,397	0.39%
Interfund / Interdepartmental Charges	17,409,265	3,039,844	9,534,942	12,574,786	4,834,479	27.77%
Other Costs	30,424,440	2,253,515	7,196,818	9,450,333	20,974,107	68.94%
Debt Service	29,079,499	3,894,621	11,275,455	15,170,077	13,909,422	47.83%
Conversion / Summary	21,545,510	-	-	-	21,545,510	100.00%
Other Financing Uses	247,921,224	8,842,750	238,691,454	247,534,205	387,019	0.16%
<b>Total Expenses</b>	<b>570,453,640</b>	<b>67,819,027</b>	<b>429,483,280</b>	<b>497,302,306</b>	<b>73,151,334</b>	<b>12.82%</b>

Variance 95,065,652 25,718,365 120,784,016 120,784,016

- Revenues are projected to exceed anticipations by \$47M due to increased usage and collection efforts.
- Expenses are projected to be under budget by \$73M
  - \$22M Fund Wide Reserves
  - \$21M Bad Debt Reserves
  - \$14M GEFA Loan Reserves
  - \$10M Contractual Services
  - \$ 6M Supplies & Other

# FY19 ENTERPRISE FUND PROJECTION

(000's)



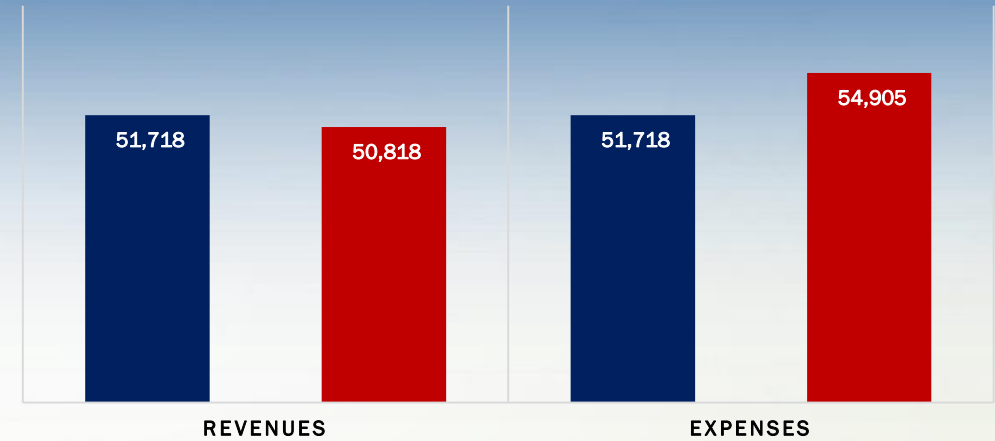
Major Category	FY19	Actuals	Projected	Total Projected	Variance	Variance
Revenues	Funded Budget	Y-T-D (Sep)	Revenues	Revenues	(\$)	(%)
Taxes	-	284,411	-	284,411	284,411	100.00%
Intergovernmental Revenues	-	16,736	-	16,736	16,736	100.00%
Charges For Services	51,717,571	50,909	50,560,873	50,611,782	(1,105,789)	(2.14%)
Investment Income	-	(95,358)	-	(95,358)	(95,358)	(100.00%)
<b>Total Revenues</b>	<b>51,717,571</b>	<b>256,698</b>	<b>50,560,873</b>	<b>50,817,571</b>	<b>(900,000)</b>	<b>(1.74%)</b>

Major Category	FY19	Actuals	Projected	Total Projected	Variance	Variance
Expenses	Funded Budget	Y-T-D (Sep)	Expenses	Expenses	(\$)	(%)
Personnel Services And Employee Benefits	29,958,331	6,857,656	22,267,704	29,125,360	832,971	2.78%
Purchased / Contracted Services	5,194,176	3,291,135	3,794,440	7,085,575	(1,891,399)	(36.41%)
Supplies	1,091,178	187,755	903,084	1,090,840	338	0.03%
Capital Outlays	692,316	5,203,645	(4,511,330)	692,316	-	0.00%
Interfund / Interdepartmental Charges	12,491,142	4,260,943	8,862,459	13,123,401	(632,259)	(5.06%)
Other Costs	1,398,392	327,592	1,074,774	1,402,366	(3,974)	(0.28%)
Debt Service	-	73,247	219,741	292,988	(292,988)	(100.00%)
Conversion / Summary	-	-	-	-	-	-
Other Financing Uses	892,036	-	2,092,037	2,092,037	(1,200,001)	(134.52%)
<b>Total Expenses</b>	<b>51,717,571</b>	<b>20,201,973</b>	<b>34,702,909</b>	<b>54,904,882</b>	<b>(3,187,311)</b>	<b>(6.16%)</b>

Variance (19,945,275) 15,857,964 (4,087,311) (4,087,311)

## SOLID WASTE SERVICES FUND

■ FY19 Funded Budget ■ Q1 Projection



- Revenues are projected to come in under budget due to delay in billing.
- Expenses are projected to be over budget by \$3.2M due to wage compression, contracted services for yard trimming, refuse disposal, debris removal and purchases for solid waste fleet trucks.

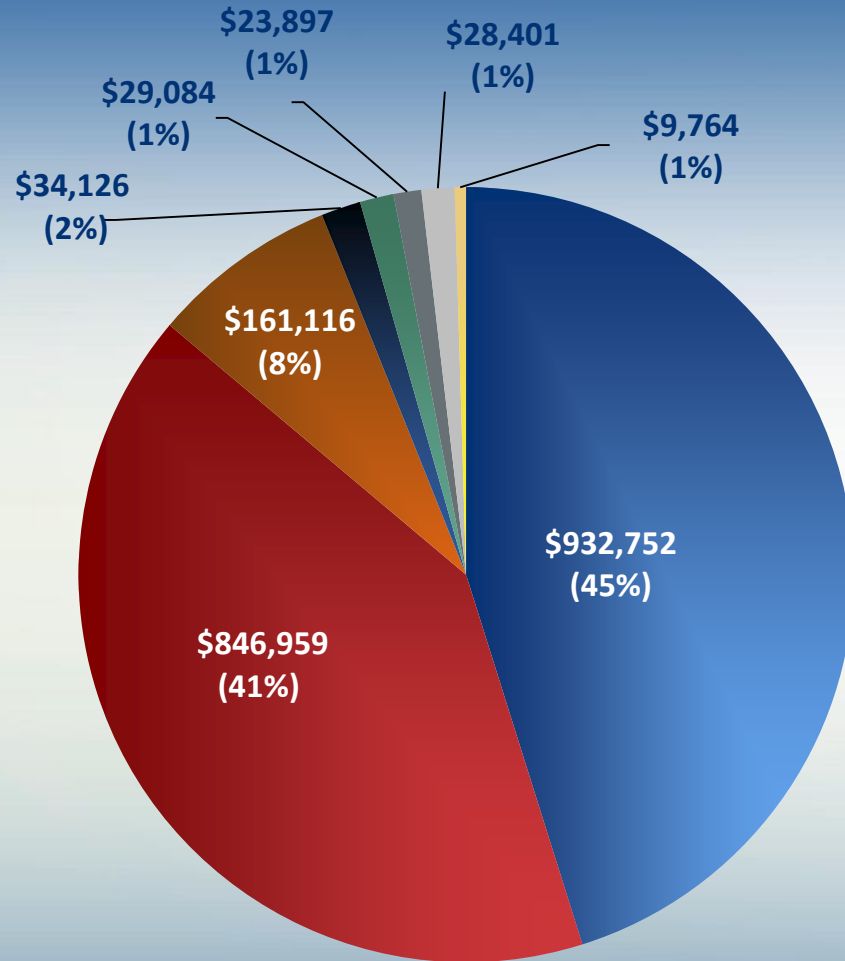


# CASH POOL REPORT



# INVESTMENT IN THE CASH POOL

As of September 30, 2018 (000's)



Funds with Positive Balances  
Total \$2.1B

- Water & Wastewater
- Airport
- General Fund
- Trust
- TSPLOST Capital Project
- Agency
- Capital Finance
- Other



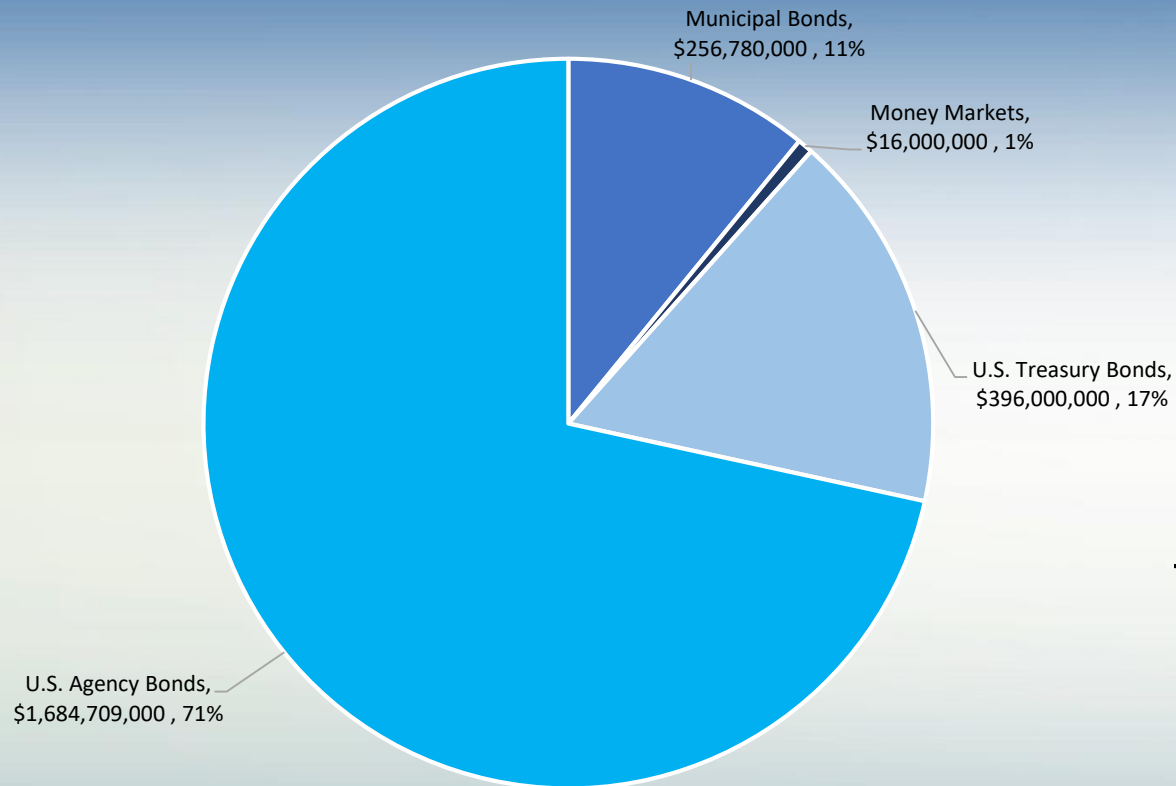
**DEBT/INVESTMENT PORTFOLIOS**

# INVESTMENT PORTFOLIO

## As of September 30, 2018



**Investment Portfolio**  
**\$2.35B**



### 3 Year Interest Rates

Treasuries Agencies Taxable Muni

2.85%

2.99%

3.50%

# INVESTMENT PORTFOLIO

## As of September 30, 2018



Net Interest Earnings:

\$7.7 mm

\$6.20 mm

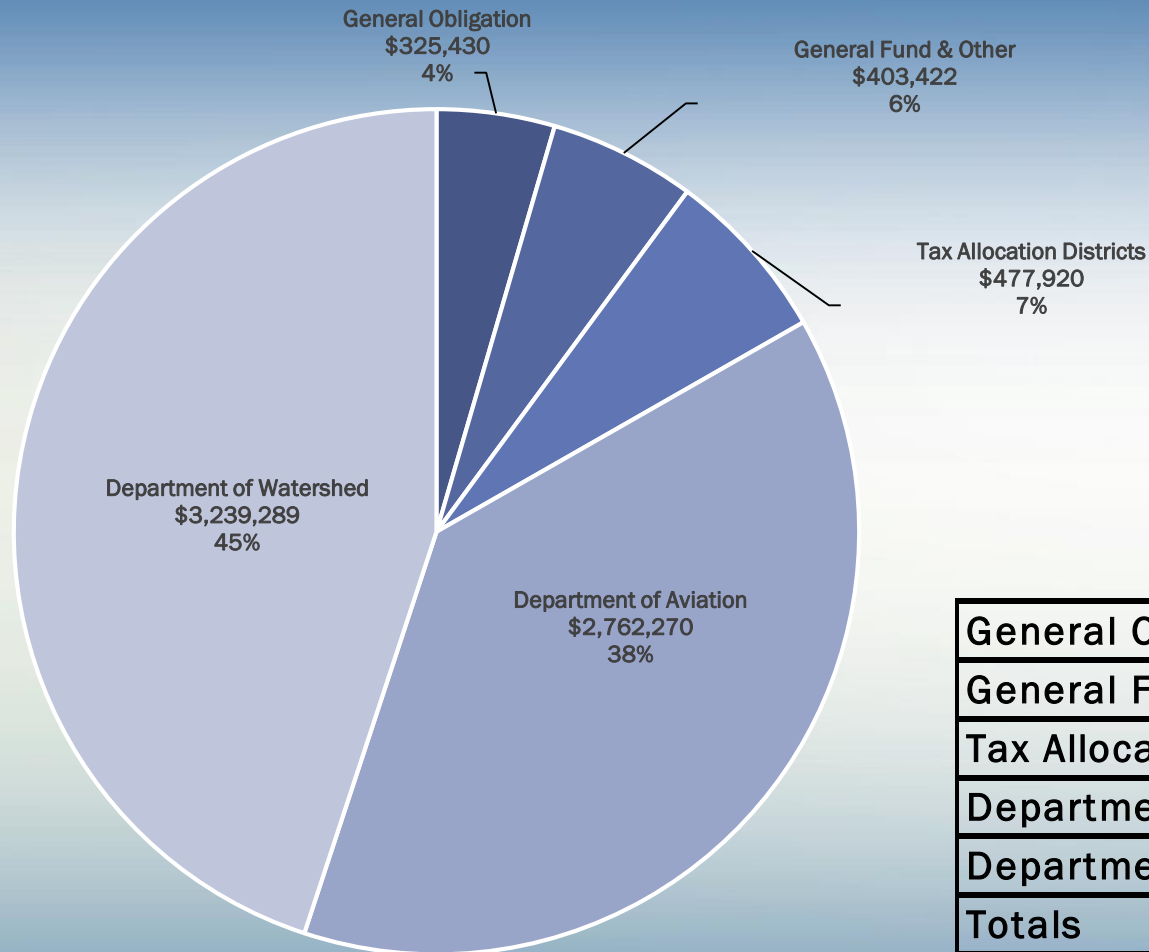
\$9.0 mm

\$9.0 mm

\$9.2 mm

# DEBT PORTFOLIO – TOTAL DEBT OUTSTANDING

## As of September 30, 2018 (000's)



**Total Debt Outstanding is \$7.21 billion (net increase \$234 million)**

	Q1 FY19	Q1 FY18	Difference
General Obligation	\$325,430	\$350,285	(\$24,855)
General Fund & Other	\$403,422	\$313,552	\$89,870
Tax Allocation Districts	\$477,920	\$498,430	(\$20,510)
Department of Aviation	\$2,762,270	\$2,880,645	(\$118,375)
Department of Watershed	\$3,239,289	\$2,931,111	\$308,178
<b>Totals</b>	<b>\$7,208,331</b>	<b>\$6,974,023</b>	<b>\$234,308</b>



# QUESTIONS/ANSWERS SESSION