

2026

FISCAL CONDITION OF THE CITY CITY OF ATLANTA DEPARTMENT OF FINANCE

MOHAMED BALLA, CFO, LACHANDRA BURKS, COO



City of Atlanta, GA
Andre Dickens, Mayor
Mohamed Balla, CFO

ATL
Moving Atlanta Forward



AGENDA

Introduction

Overall Financial Outlook

Economic Outlook

Forecasting Approach

Operating Budget Development

Revenues

Expenditures

5-year Lookahead

Trust Funds

Impact Fees

Fund Balance

Debt & Investments

O&A



OVERALL FINANCIAL OUTLOOK



GUIDING PRINCIPLES - FY2026



- **Sound Financial Stewardship**

The City of Atlanta manages a multi-billion-dollar budget supported by diverse revenue sources. While the General Fund faces a modest shortfall, the overall budget remains stable and well-managed.

- **Navigating a Challenging Fiscal Environment**

This effort comes as the City responds to broader macroeconomic pressures expected to impact FY2026. Departments have been instructed to maintain service levels while enhancing operational efficiency.

- **Proactive and Strategic Response**

With direct support from the Mayor & guidance from City Council, city departments have been implementing targeted measures to preserve the city's long-term financial health.

- **Efficiency Without Sacrificing Services**

Budget adjustments will focus on streamlining operations, not reducing core services. The City is committed to sustaining essential programs while responsibly preparing for future economic challenges.

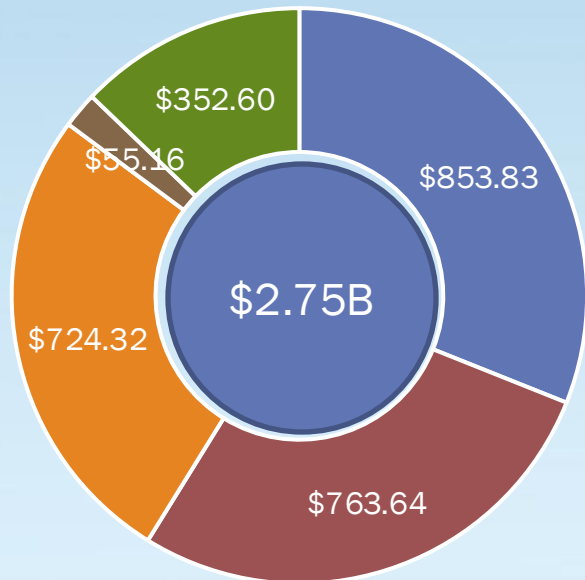
- **Resilience and Equity**

The upcoming budget will reflect our commitment to building a fiscally resilient and equitable future for all Atlantans.

YEAR OVER YEAR OPERATING BUDGET

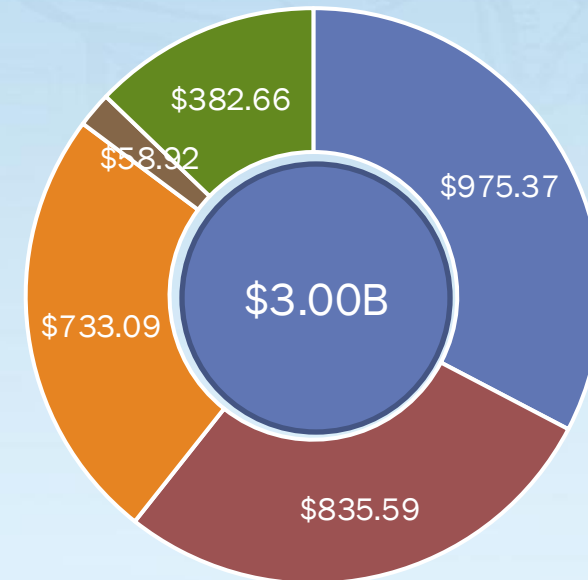


FY25 Adopted Budget



■ General Fund ■ Aviation ■ Watershed ■ Solid Waste ■ Other

FY26 Proposed Budget

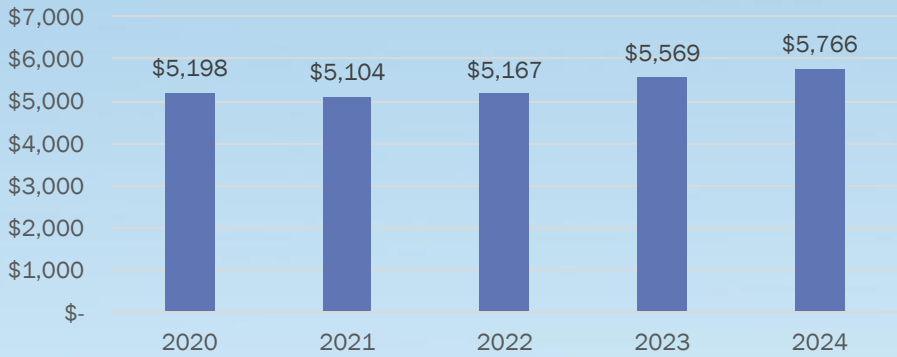


■ General Fund ■ Aviation ■ Watershed ■ Solid Waste ■ Other

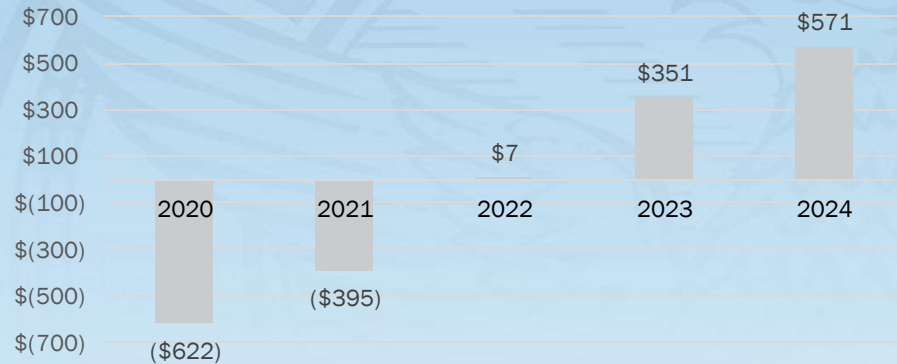
CITY'S NET POSITION FOR GOVERNMENTAL & BUSINESS ACTIVITIES



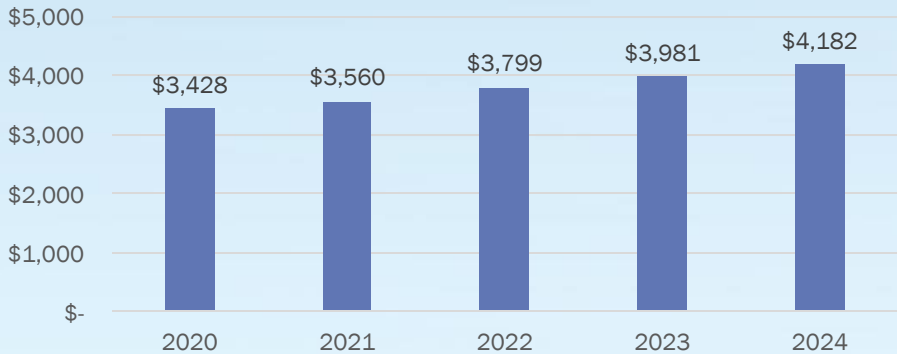
Aviation Net Position



Governmental Activities Net Position



Watershed Management Net Position



Fund Balance (General Fund)



Source: City of Atlanta Department of Finance, Annual Comprehensive Financial Report

HISTORICAL GENERAL FUND EXPENDITURES



ECONOMIC OUTLOOK

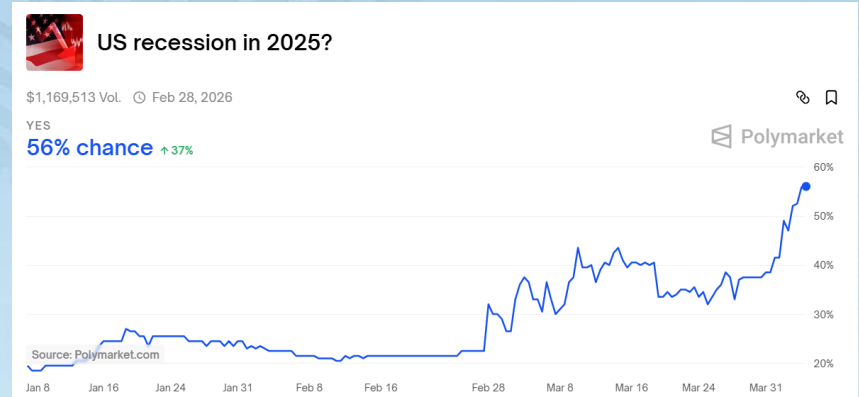


RECESSION RISK IS GROWING - FAST

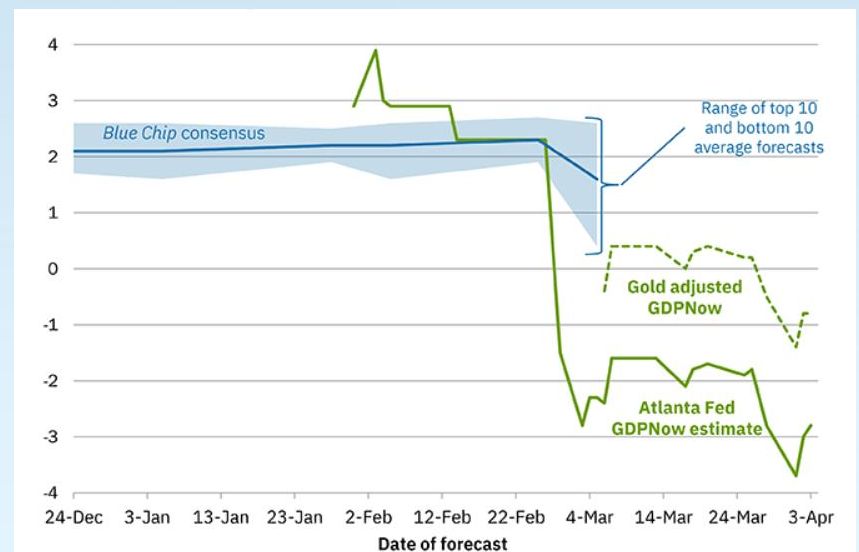


- The chance of a recession happening in 2025 is increasing.
- Polymarket now estimates the risk at 56%, with the rise tied to recent tariff announcements.
- The Federal Reserve Bank of Atlanta’s “GDP Now” model, which tracks economic growth, has shown a sharp drop recently.
- In March, economic models from JPMorgan and Goldman Sachs both raised their recession probabilities—JPMorgan now sees a 40% chance, and Goldman sees 23%.
- After the tariff news, JPMorgan’s top U.S. economist warned clients that the new policies could push the economy very close to a recession.
- Also in March, Moody’s Analytics increased its recession prediction to 35%, calling it “uncomfortably high—and rising.”
- On April 3rd, economist Anirban Basu said the chances of a recession have jumped significantly in recent weeks.
- Consumer spending dropped sharply in January—the biggest decline in nearly four years.

Polymarket.com Recession Estimate, 2025: Q1



Atlanta Fed’s GDP Now Real GDP Estimate, 2025: Q1

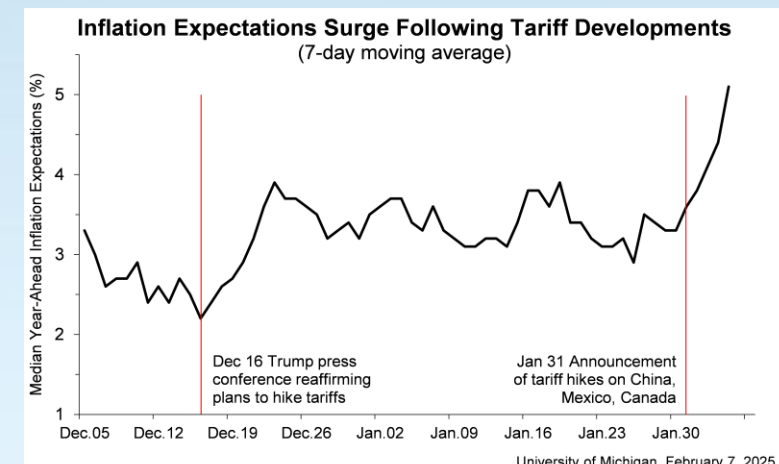
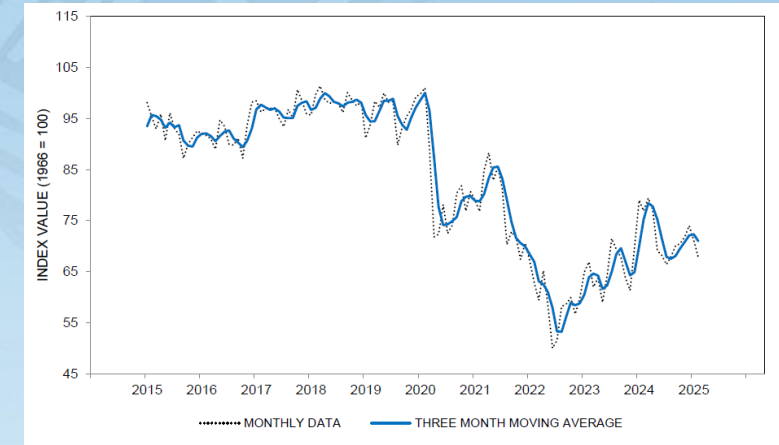


NATIONAL ECONOMY: INFLATION EXPECTATIONS IMPACTING CONSUMER CONFIDENCE



- Recent tariff threats and policies from the Trump Administration seem to be hurting how consumers feel about the economy.
- Inflation has also played a big role in how employees feel about their financial well-being in recent years.
- A recent University of Michigan survey showed a big drop in consumer expectations—this happened right after the tariff announcements.
- The tariffs appear to have made people more worried about rising prices (inflation).
- These concerns could cause businesses to raise prices simply because they think inflation is coming—or because consumers are expecting it.
- Many economists believe tariffs will make inflation worse, which might cause the Federal Reserve to delay cutting interest rates.
- Tariffs can also lead other countries to respond with their own trade restrictions, which could hurt U.S. exports.

Consumer Sentiment, Monthly Data



University of Michigan, February 7, 2025

Sources: 1) [University of Michigan](#), 2) PFMGC analysis

NATIONAL ECONOMY: TARIFF IMPACTS ON EMPLOYMENT, INCOME GENERALLY

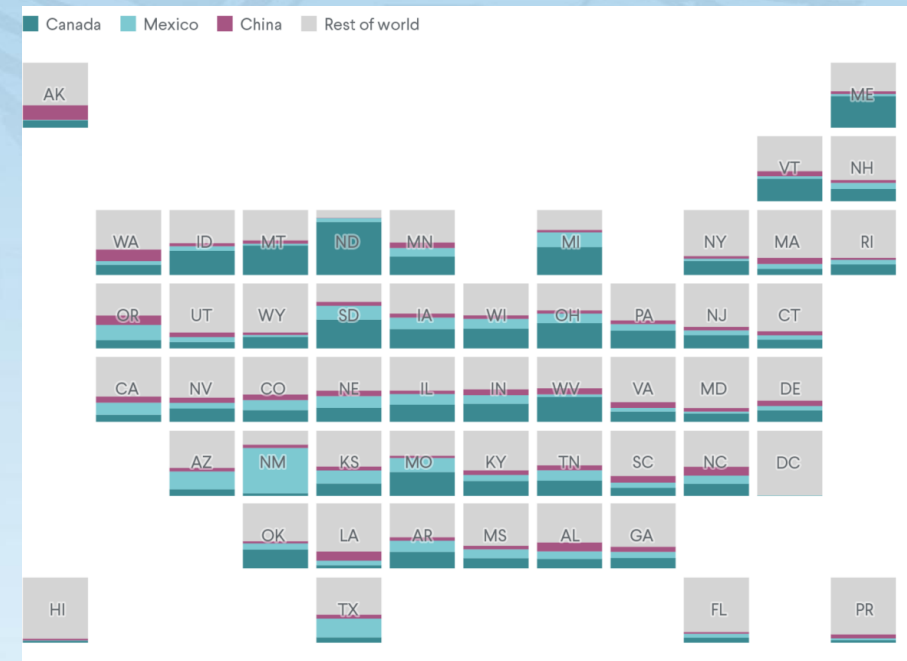


- While some protected industries may see limited job gains, tariffs are widely expected to harm the broader U.S. economy. Jason Miller, a professor of supply chain management at Michigan State University, stated “it's very difficult to see a net positive of this in terms of employment for the U.S.”

- The predictions of economic harm are widespread:
 - Over 550,000 jobs at international car dealerships are at risk if tariffs disrupt the industry (AIADA).
 - Tariffs on Canada, Mexico, and China could cost the average U.S. household over \$1,200 annually (PIIE).
 - **GDP growth could fall by 0.25–0.3 percentage points** due to tariffs and potential retaliation. With 2024 U.S. GDP at \$23.5 trillion, this translates to:
 - ~\$45B in lost output from a 25% tariff on Canadian and Mexican imports.
 - ~\$75B if those countries retaliate (Brookings).
 - Studies show Trump-Biden tariffs increased consumer prices and reduced output and employment (Tax Foundation).

- Georgia’s trade with Mexico, Canada, and China is significant but not as critical as some other states.

U.S. Exports by Destination Country



Source: [Council on Foreign Relations](#)

ATLANTA'S ECONOMY



A Hub for Higher Education

The region has 57 colleges and universities with more than 275,000+ students enrolled each year

- **#1 best Tech Job City in the U.S.** (Coursereport, 16 Best Tech Job Cities 2023)
- **#3 startup ecosystem in the U.S. (#8 globally)** (Business Facilities, 2023)
- **#1 fastest growing talent market in the U.S.** (CBRE Atlanta Report, 2023)
- **#1 most biomedical engineering bachelor's degrees awarded** (CBRE Atlanta Report, 2023)
- **#1 Top HBCU: Spelman College** (US News & World Report, 2024)
- **#1 best nursing program in the U.S.: Emory University** (US News & World Report, 2024)



EMORY
UNIVERSITY



CLARK ATLANTA
UNIVERSITY



Spelman College®
A Choice to Change the World



GEORGIA
STATE



ATLANTA TECHNICAL COLLEGE



MOREHOUSE
SCHOOL OF MEDICINE



Georgia Tech.



ATLANTA
METROPOLITAN
STATE COLLEGE

ATLANTA'S ECONOMY



One of the Fastest Growing and Diverse Cities in the Nation

The current population of the city is 499,000+ and is projected to grow to 7.9 million by 2050 (Metro Atlanta Chamber, 2023)

- #1** busiest airport in the world (Airports Council International, 2024)
- #1** Metropolitan Area for Tech Diversity (CompTIA, 2024)
- #1** largest center for Black entrepreneurs in the U.S. (Rice, 2023)
- #6** job growth among large metropolitan areas (Bureau of Labor Statistics, 2024)
- The City of Atlanta actively promotes full and equal business opportunities with many women and minority-owned businesses enriching the landscape

Metric	City of Atlanta	Metro Atlanta
Population	498,715	6,272,000
Median Age	34.7	36.1
% population +25yo w/Bachelor's	57.3%	42.6%
Foreign-born Population	14%	14%
Labor Force	261,000	3,307,851
Median Household Income	\$67,000	\$86,505

ATLANTA'S ECONOMY



A High-Quality Workforce

Atlanta is home to a highly-skilled and well-educated talent pool

- **#6** market for Tech Degree Completions (*The National Center for Education Statistics (Region), May 2023*)
- **#4** largest Tech Entrepreneurship Center in the U.S. (*Atlanta Tech Village, 2023*)
- **#6** job growth among large metropolitan areas (*Bureau of Labor Statistics, 2024*)

Workforce Data	City of Atlanta
Best Tech Job Cities - 2024	#1 (<i>Coursereport, 16 Best Tech Job Cities 2024</i>)
Tech Talent Growth Among Major Metros (CBRE)	#3 (<i>CBRE Atlanta Report, 2023</i>)
Rank for Educational Attainment (CBRE)	#3 (48.9%) (<i>CBRE Atlanta Report, 2023</i>)
Rank for U.S. metro Tech Diversity	#1 (<i>CompTIA, 2024</i>)
Rank for State's Workforce Training Program	#1 (<i>Area Development, 2023</i>)
Rank for most Biomedical Engineering Degrees Awarded	#1 (<i>CBRE Atlanta Report, 2024</i>)
Projected Growth in Life Sciences Workforce 2022 - 2032	+10% (<i>Niche, 2023</i>)

2026 FIFA WORLD CUP AND 2025 FIFA CLUB WORLD CUP TAX REVENUES BY FY



- Fiscal impacts will affect both fiscal years 2026 and 2027
 - Allocating on a per game basis and assuming all revenues are recorded within the same month as the activity, with 5 games in FY2026 and 3 games in FY2027
 - Estimated World Cup related tax revenue to the City would be: **\$4.1 million in FY2026** and **\$2.4 million in FY2027**
- The 2025 Club World Cup will affect fiscal years 2025 and 2026
 - The 32-team FIFA Club World Cup will spread 63 games over 12 stadiums in a format similar to the World Cup
 - Atlanta is set to host 6 matches over three weeks spanning fiscal years 2025 (4 games) and 2026 (2 games)²
 - Assuming impacts are similar in magnitude to the World Cup as conservatively estimated, the Club World Cup-related tax revenue to the City would be **\$3.3 million in FY2025** and **\$1.6 million in FY2026**

Sources: 1) [FIFA](#) 2) [United 2026](#)

FY2026 FISCAL IMPACT CONSIDERATIONS



- If current national, state, and regional economic trends persist, the City of Atlanta will likely experience:
 - Persisting **inflationary pressures**
 - Strong **employment growth** and job retention.
 - Atlanta region will gain about 2,300 jobs per month, on average, between this year and **2050**.¹
 - Continued **increases** in inflation-adjusted wages for workers.
 - However, the threat of **widespread tariffs** and continued **dismantling of federal agencies** can throw job growth and wage increases into question, especially considering the presence of large research institutions in the Atlanta area.²
- For the City of Atlanta's budget, this economic environment is likely to lead to:
 - Continued revenue increases from **real & personal property taxes**, as well as Atlanta's **local option sales tax**
 - **Continued upward spending pressures for personnel costs.**
 - Continued spending growth for **electricity and utilities**, given current energy prices inflation.³

Sources: 1) [Atlanta Regional Commission](#), PFM Analysis, 2) [Atlanta Journal Constitution](#), 3) [Reuters](#)

FORECASTING APPROACH



STATE TRENDS: STRONG DEMOGRAPHICS SUGGEST GEORGIA WILL OUTPERFORM THE U.S.



- Dr. Jeffrey M. Humphreys, from the Terry College of Business at the University of Georgia, provides an annual national, state, and Atlanta Metro economic outlook. The following are key points from the outlook for the State of Georgia from January 2025:
 - **The 2025 baseline forecast for Georgia’s economy calls for a mild economic slowdown, but the state is very well positioned to weather an economic slowdown.**
 - Strong performance from the state’s transportation industry, especially deep-water ports.
 - Demographic trends that are very supportive of economic growth.
 - Georgia’s population will grow more than twice as fast as the U.S. population.
 - Above average population growth means above-average labor force growth, key in tight labor markets.
- Georgia’s unemployment rate for 2025 will average 4.0 percent – up only 0.3 percentage points from its 2024 unemployment rate of 3.7 percent, but up 0.8 percentage points from 2023.
- The increase in the labor force will be mainly due to labor force growth that exceeds job growth rather than mass layoffs.

GEORGIA BASELINE FORECAST, 2025-2030

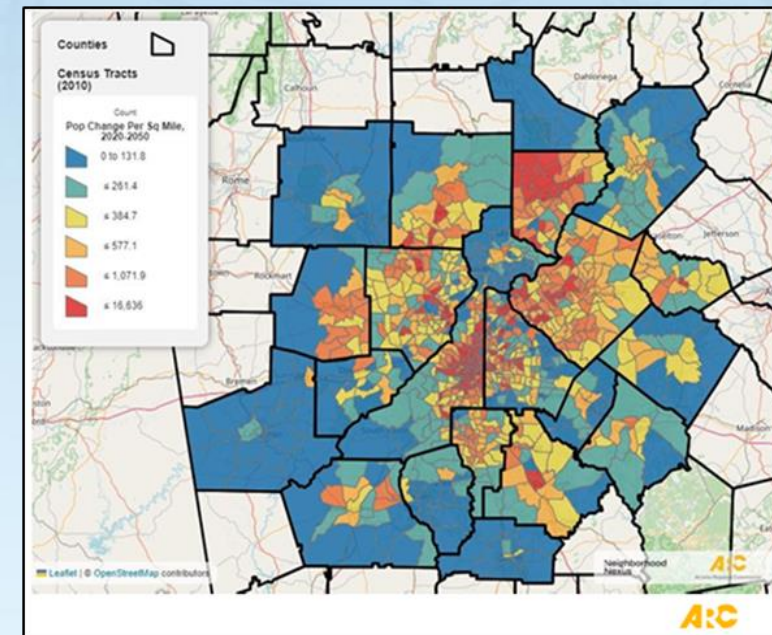
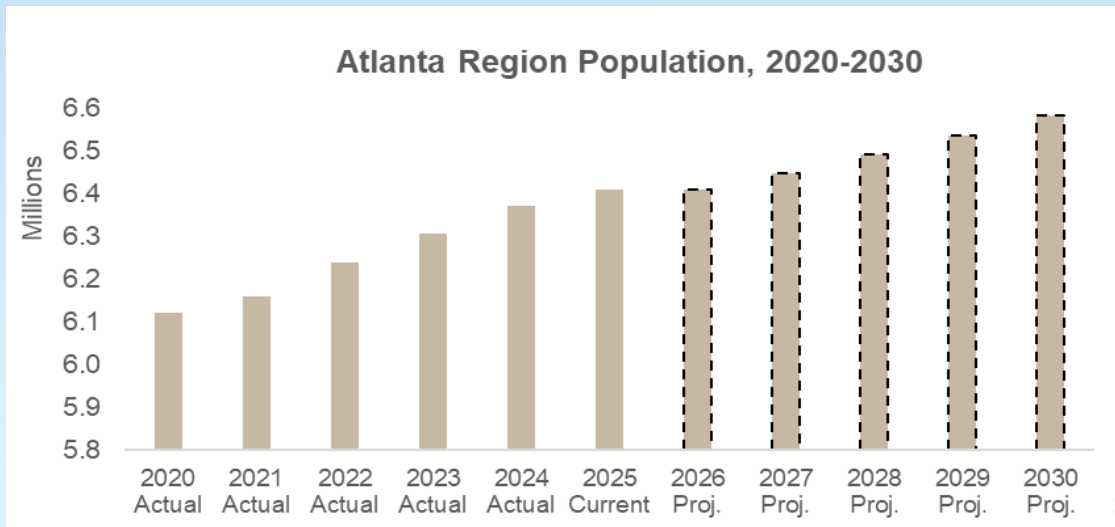
Georgia	2025	2026	2027	2028	2029	2030
Gross Domestic Product, Bil of 2017\$	698.0	715.4	733.3	751.6	770.4	789.7
Percent change	2.4	2.5	2.5	2.5	2.5	2.5
Nonfarm Employment (thousands)	5,027.5	5,057.6	5,088.0	5,118.5	5,149.2	5,180.1
Percent change	1.0	0.6	0.6	0.6	0.6	0.6
Personal Income, Bil of \$	709.6	745.1	782.4	821.5	862.6	905.7
Percent change	4.7	5.0	5.0	5.0	5.0	5.0
Housing Permits, Total	70,428	73,634	76,992	80,508	84,189	88,045
Percent change	4.7	4.6	4.6	4.6	4.6	4.6
Unemployment Rate (percent)	4.0	4.1	4.0	4.0	4.0	4.0

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

ATLANTA REGION: DEMOGRAPHICS & WORKFORCE TRENDS



- According to the Atlanta Regional Commission’s 2050 forecasts, the 21-county Atlanta region is gaining the following numbers of people and workers every year:
 - On average, adding about 61,000 people every year – or about 5,000 people every month – between now and 2050.
 - On average, adding about 28,500 workers every year – or about 2,300 people every month – between now and 2050.
- In addition, according to Dr. Humphrey’s report on projected economic conditions for Atlanta MSA, the City of Atlanta is likely to see consistent population increase every year between now and 2029 due to regional population increase.
 - Population increase, per square mile, is likely to be concentrated in the urban core and some growing suburban areas.
 - Average year-over-year population change: **2.8%**



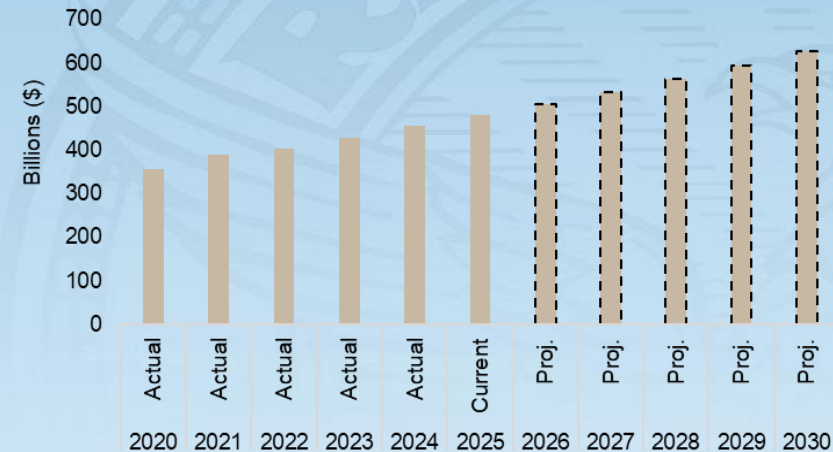
Source: Atlanta Regional Commission, Population & Employment Forecasts (February 2024 update).

ATLANTA REGION: INCOME & EMPLOYMENT



- Also, according to Dr. Humphrey's report from the Selig Center, the Atlanta MSA's levels of **personal income** and **real gross product** are increasing considerably.
- From 2024 to 2029, personal income for Atlanta MSA is projected increase by **5.5 percent from year to year**.
- 2025 Federal Government Restructuring:
 - “Federal, state, and local government jobs combined account for only about **11 percent** of total employment in metro Atlanta versus **14 percent** for the state and **15 percent** for the nation.
 - “Thus, eventual restructuring of the public-sector should be less problematic for Atlanta’s overall economic growth than for growth elsewhere in Georgia or the nation.”

Atlanta MSA Personal Income, 2020 - 2030



Atlanta MSA Real Gross Metro Product, 2020 - 2030



ATLANTA ECONOMY: DOWNSIDE RISKS



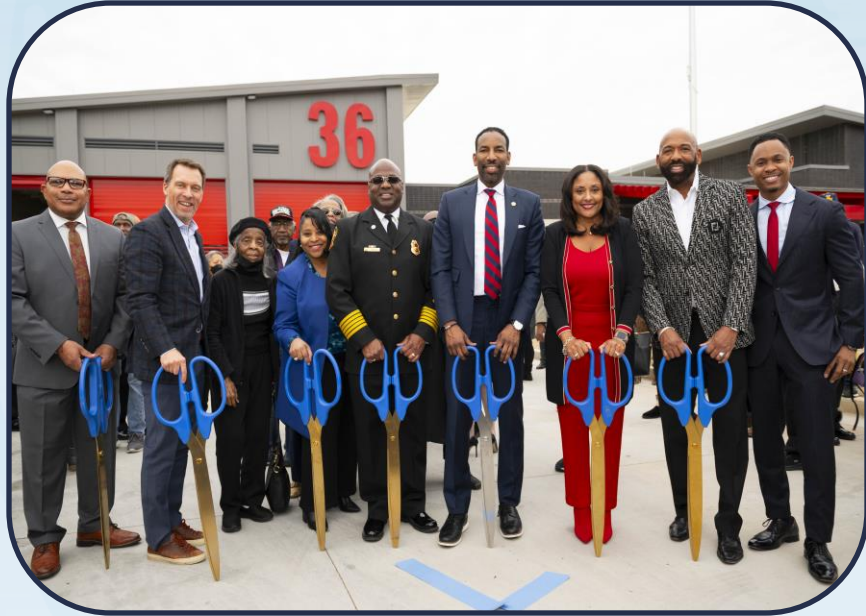
- ◆ While Dr. Humphreys' Atlanta Outlook identifies factors that suggest positive trends for 2025 and beyond, there are mitigating factors that should also be considered:
 - President Trump's Department of Government Efficiency (DOGE) has begun the process of making **significant reductions in the federal workforce**. While Atlanta is not very dependent on federal government jobs, the CDC has approximately 8,400 employees in its Atlanta headquarters, and it is likely that there will be significant reductions there.
 - There is also an expectation that there will be **significant reductions in federal research and development (R&D) expenditures**. Georgia Tech University is a major recipient of federal R&D funding. According to the National Science Foundation, Georgia Tech ranked as the 16th largest recipient of this funding among U.S. colleges and universities in 2023 – over \$1.4 billion. A reduction in funding would likely lead to a reduction in Georgia Tech research scientists and support staff and also threaten an inventions and innovation pipeline that indirectly benefits the region and state.
 - President Trump's **tariffs** could directly impact on key industries, such as new construction. Tariffs on timber, steel, and aluminum will increase prices and hinder an industry already facing headwinds from high interest rates and a scarcity of construction workers.
 - As Dr. Humphreys notes, Atlanta depends primarily on domestic rather than global markets – exports account for 5.9 percent of the area's GDP, which mitigates the downside risk.
 - Immigrants account for 14.3 of the Atlanta MSA's population, and more restrictive immigration laws and/or enforcement of existing immigration laws will hinder economic expansion.

OPERATING BUDGET DEVELOPMENT





FY25 HIGHLIGHTS



ADMINISTRATION PRIORITIES



One Safe City



A City of Opportunity for All



A City Built for The Future



Effective & Ethical Government

FY26 BUDGET DEVELOPMENT OBJECTIVES



Employee Compensation, Benefits, Premium Pay

Key Investments in infrastructure, public safety and city service delivery

Key Investments in personnel to attract and retain top talent

Strategic Partnerships to Support Year of the Youth

Target investments to catalyze affordable housing and economic mobility

Diversion Services

World Cup Preparation

Year of the Youth Investments

Affordable Housing

Technology and Innovation

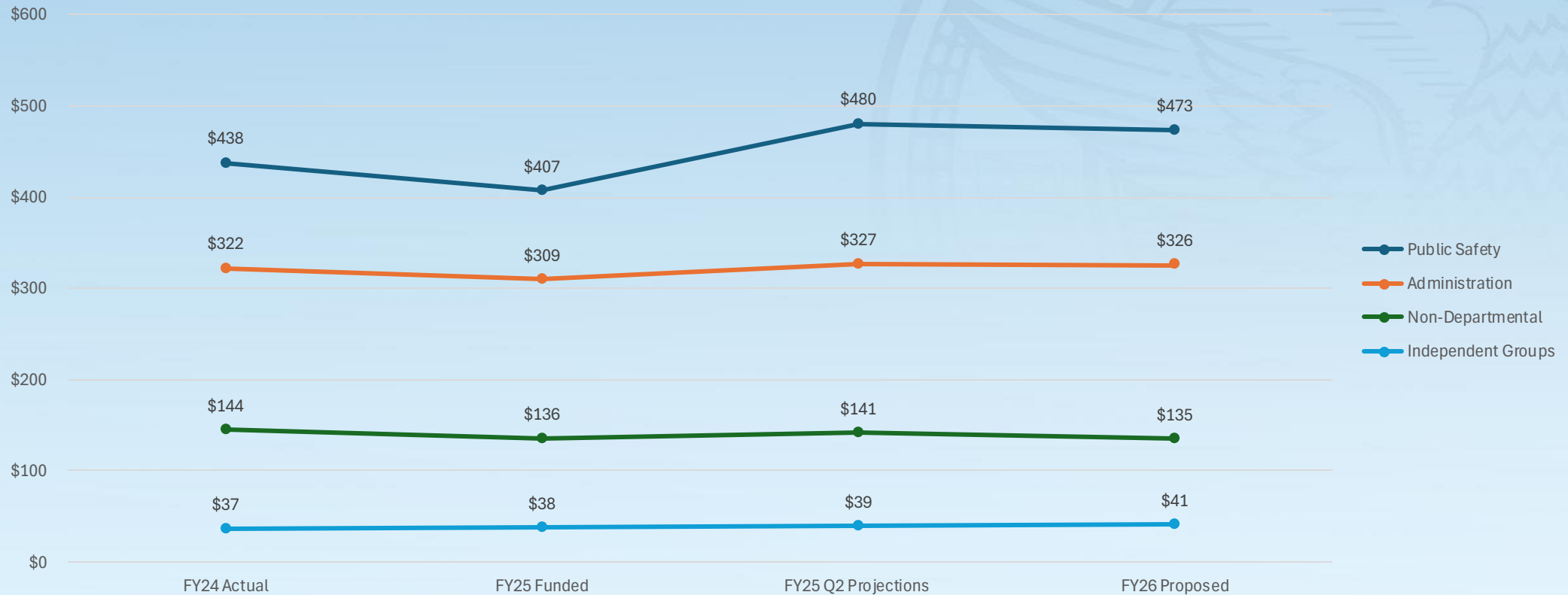
Infrastructure Improvements

Homeless Opportunity Initiatives

FY26 BUDGET EXPENSE BREAKOUT BY FUNCTION



Expense Budget Breakout (General Fund)
In Millions



REVENUES



CITY REVENUE BUDGET DEVELOPMENT RESOURCES



EXAMPLES OF SOME OF THE RESOURCES USED IN PREPARING BUDGETS



FY26 GENERAL FUND REVENUE ASSUMPTIONS



Property Tax, the primary source of revenue for the City, is anticipated to rise due to increasing property values. The Atlanta housing market demonstrates greater strength compared to most other major US cities, bolstered by above-average population and job growth.

Local Option Sales Tax, revenue is expected to trend upward due to rising cost of goods sold and the positive impact of upcoming sporting events.

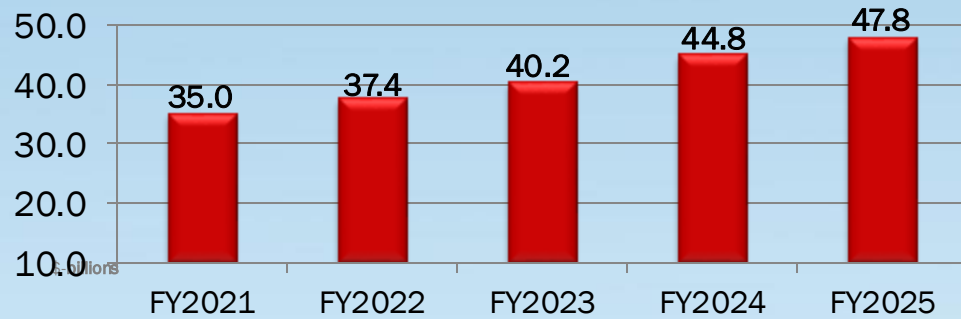
Public Utility, Alcohol Beverage & Other Taxes, another key source are expected to increase due to higher revenue from utility franchise taxes and alcohol excise taxes from upcoming sporting events.

Licenses and Permits, generate substantial revenues primarily from occupation and excise taxes which are expected to increase due to enhanced collection efforts.

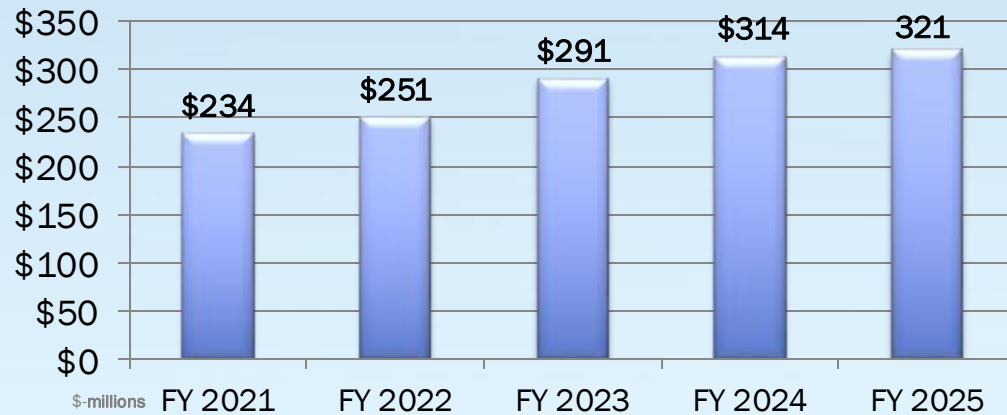


TAXABLE PROPERTY VALUES

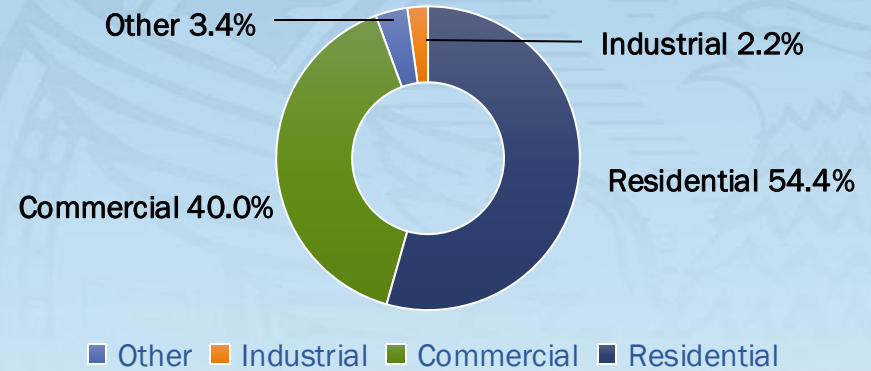
TAXABLE ASSESSED VALUE (FY 2021 – FY 2025)



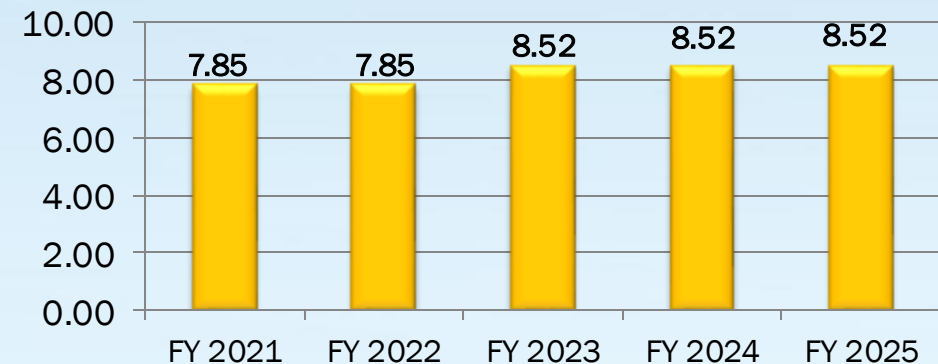
ACTUAL TAXES COLLECTED (FY 2021– FY 2025)



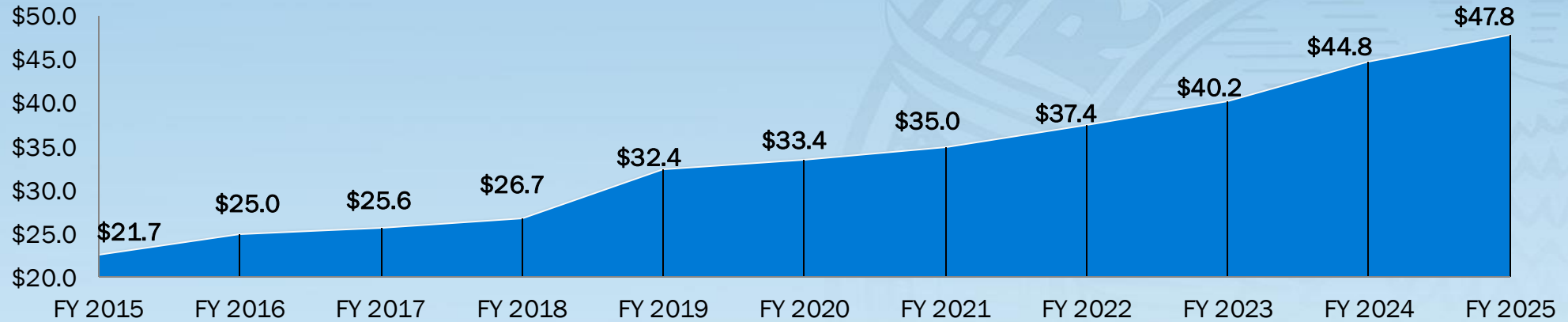
TAX BASE BY LAND USE (FY 2025)



OPERATING MILLAGE RATES (FY 2021– FY 2025)



NET TAX DIGEST & MILLAGE VALUES



Year	Assessed Value	Mill Rate	CY Property Tax Revenue	Dollar Value of One Mill
FY 2025	\$47.8 Billion	8.52	\$321.3 Million (Projected)	\$37.7 Million
FY 2024	\$44.8 Billion	8.52	\$300.0 Million (Audited)	\$35.2 Million
FY 2023	\$40.2 Billion	8.52	\$272.0 Million (Audited)	\$31.9 Million
FY 2022	\$37.4 Billion	7.85	\$233.7 Million (Audited)	\$29.8 Million
FY 2021	\$35.0 Billion	7.85	\$221.3 Million (Audited)	\$28.2 Million
FY 2020	\$33.4 Billion	7.85	\$208.8 Million (Audited)	\$26.6 Million
FY 2019	\$32.4 Billion	7.85	\$207.6 Million (Audited)	\$26.4 Million
FY 2018	\$26.7 Billion	8.84	\$192.4 Million (Audited)	\$21.8 Million
FY 2017	\$25.6 Billion	8.88	\$187.5 Million (Audited)	\$21.1 Million
FY 2016	\$25.0 Billion	8.89	\$180.9 Million (Audited)	\$20.3 Million
FY 2015	\$21.7 Billion	9.75	\$179.4 Million (Audited)	\$18.4 Million

REVENUE COMPARISON BY CATEGORY



REVENUE CATEGORIES	FY24 ACTUALS	FY25 ADOPTED BUDGET	FY25 YEAR-END PROJECTED	FY26 PROPOSED BUDGET	PROPOSED FY26 vs. ADOPTED FY25
PROPERTY TAXES	\$313.03	\$315.67	\$334.30	\$388.64	\$72.97
PUBLIC UTILITY, ALCOHOLIC BEVERAGE, AND OTHER TAXES	\$143.69	\$135.70	\$145.14	\$147.12	\$11.42
LOCAL OPTION SALES TAX	\$152.37	\$148.89	\$153.62	\$154.72	\$5.83
LICENSES AND PERMITS	\$134.62	\$130.41	\$135.94	\$137.55	\$7.14
OTHER REVENUE	\$6.67	\$7.67	\$13.00	\$16.45	\$8.78
<i>NONRECURRING REVENUES</i>	\$67.56	–	\$47.26	–	–
CHARGES FOR CURRENT SERVICES	\$10.28	\$4.18	\$6.53	\$6.46	\$2.28
FINES/FORFEITURES & PENALTIES	\$19.19	\$16.90	\$20.46	\$20.25	\$3.35
BUILDING RENTALS & CONCESSIONS	\$15.35	\$13.61	\$13.23	\$13.10	(\$0.51)
INDIRECT COSTS	\$25.91	\$30.71	\$40.15	\$39.75	\$9.04
HOTEL/MOTEL	\$26.08	\$24.74	\$25.53	\$25.98	\$1.24
PILOT & FRANCHISE FEES	\$25.83	\$25.35	\$25.60	\$25.34	(\$0.01)
OPERATING REVENUE	\$940.58	\$853.83	\$960.76	\$975.37	\$121.53
INTRAFUND TRANSFERS	–	–	\$35.47	–	–
OPERATING TRANSFERS FROM 3503	–	–	\$0.32	–	–
GRAND TOTAL	\$940.58	\$853.83	\$996.55	\$975.37	\$121.53

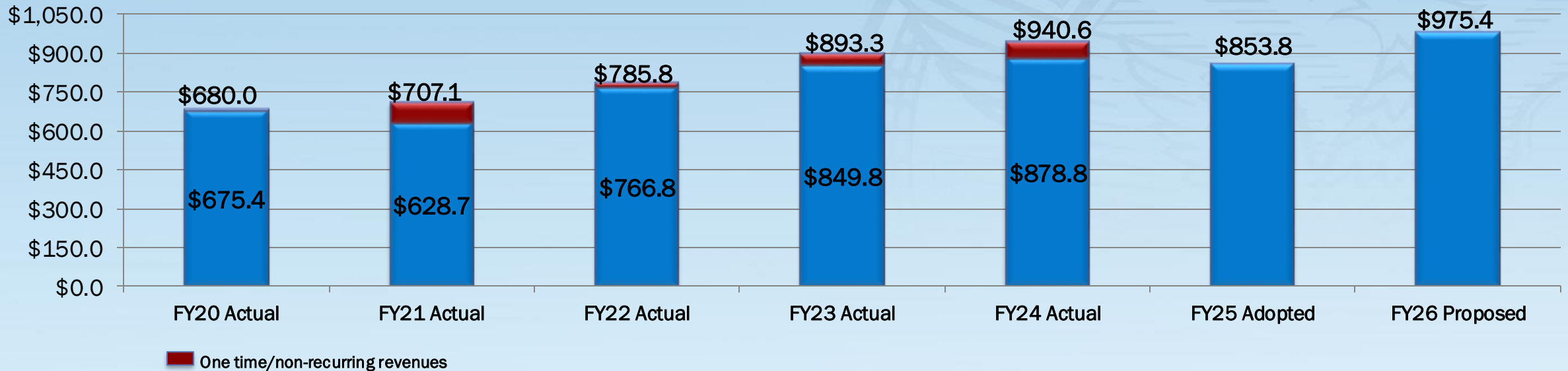
FY26 PROPOSED MILLAGE RATE



LEVY	PURPOSE	FY25 MILL RATES	FY26 PROPOSED MILL RATES
Bonds	Debt service payments on General Obligation Bond issues	1.88	0.85
Operating	General operating expenses of the City	8.52	9.52
Parks	Expenses related to City of Atlanta Parks	1.00	1.00
ALL	City of Atlanta Total	11.40	11.37
*Special Service District	Atlanta Beltline Commercial Projects	2.00	2.00
*Special Service District	Atlanta Stich	-	2.00

*Note - This levy applies to specific taxpayers

REVENUE ACTUAL & ANTICIPATIONS OVERVIEW



NOTE: FY 2020 Includes proceeds from federal subsidies and other non-recurring revenue.
 FY 2021 Includes proceeds from federal subsidies (American Rescue Plan), other non-recurring revenues & negative impacts to revenues from the pandemic.
 FY 2022 Included proceeds from federal subsidies and other non-recurring revenue.
 FY 2023 Includes proceeds from fund balance transfers, lease proceeds and other non-recurring revenue.
 FY 2024 Includes proceeds from fund balance transfers, bond proceeds, and other non-recurring revenue.
 FY 2025 Adopted budget balanced without fund balance.
 FY 2026 Proposed budget balanced without fund balance.

EXPENDITURES



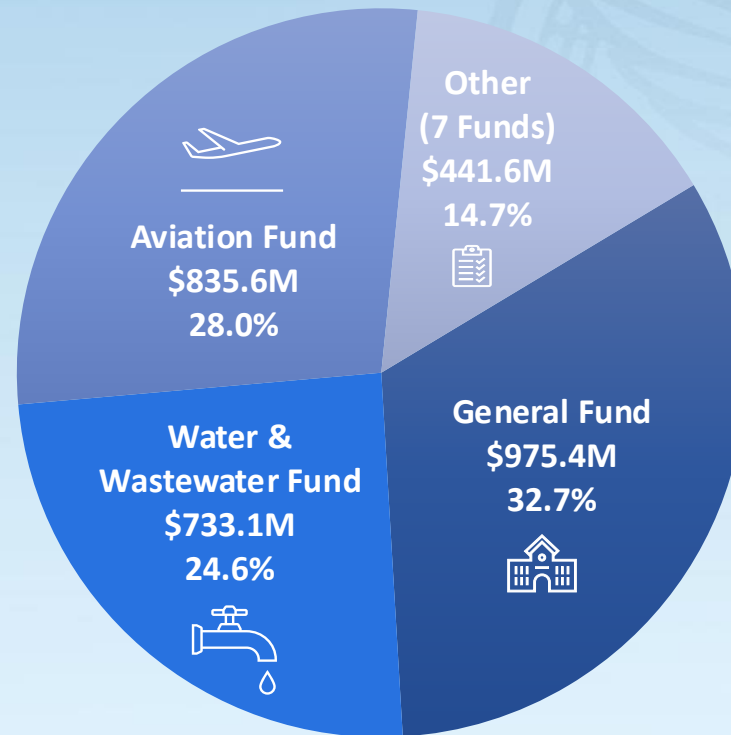
FY26 OPERATING BUDGET



The City of Atlanta's Total Proposed FY26 Operating Budget is \$3.0B

The Airport is funded by gate fees, concessions & parking revenues, PFC's and CFC's. Funding uses are strictly controlled by the FAA.

Waste and Wastewater are funded by charges for services and the MOST; residual revenue is directed to its Capital Program.



Other Funds include Group Insurance, E911, Solid Waste, Fleet Service, Hotel/Motel, Rental/Motor Vehicle & City Plaza.

The City's main operating fund accounts for all general government functions.

FY26 GENERAL FUND BUDGET EXPENDITURE COMPARISON BY MAJOR CATEGORY (\$MIL)



Major Category	FY24 Actuals	FY25 Adopted Budget	FY25 Year End Projection	FY26 Proposed Budget	FY25 vs FY26 Budgets
Personnel Services and Employee Benefits	\$588.97	\$533.89	\$632.84	\$617.85	\$83.97
Purchased/Contracted Services	\$149.86	\$114.32	\$128.08	\$135.32	\$20.99
Supplies	\$53.20	\$40.59	\$48.86	\$47.88	\$7.30
Capital Outlays	\$1.81	\$10.71	\$17.56	\$1.19	(\$9.52)
Interfund/Interdepartmental Charges	\$25.06	\$19.41	\$25.18	\$24.21	\$4.80
Other Costs	\$42.45	\$39.14	\$42.94	\$38.32	(\$0.82)
Debt Service	\$16.46	\$32.31	\$28.74	\$33.74	\$1.43
Conversation Summary	\$0.00	\$4.00	\$0.00	\$4.00	\$0.00
Other Financing Uses	\$63.22	\$59.46	\$63.46	\$72.85	\$13.39
Total Expenditures	\$941.04	\$853.83	\$987.52	\$975.37	\$121.54

FY26 GENERAL FUND BUDGET

PERCENT OF EXPENDITURE COMPARISON BY CATEGORY



Major Category	FY25 Adopted Budget	% Of FY25 Budget	FY26 Proposed Budget	% Of FY26 Budget
Personnel Services and Employee Benefits	\$533.89	62.5%	\$617.85	63.3%
Purchased / Contracted Services	\$114.32	13.4%	\$135.32	13.9%
Supplies	\$40.59	4.8%	\$47.88	4.9%
Capital Outlays	\$10.71	1.3%	\$1.19	0.1%
Interfund / Interdepartmental Charges	\$19.41	2.3%	\$24.21	2.5%
Other Costs	\$39.14	4.6%	\$38.32	3.9%
Debt Service	\$32.31	3.8%	\$33.74	3.5%
Conversion / Summary	\$4.00	0.5%	\$4.00	0.4%
Other Financing Uses	\$59.46	7.0%	\$72.85	7.5%
Total Expenditures	\$853.83	100%	\$975.37	100%

FY26 GENERAL FUND BUDGET EXPENDITURE COMPARISON BY DEPARTMENT (\$MIL)

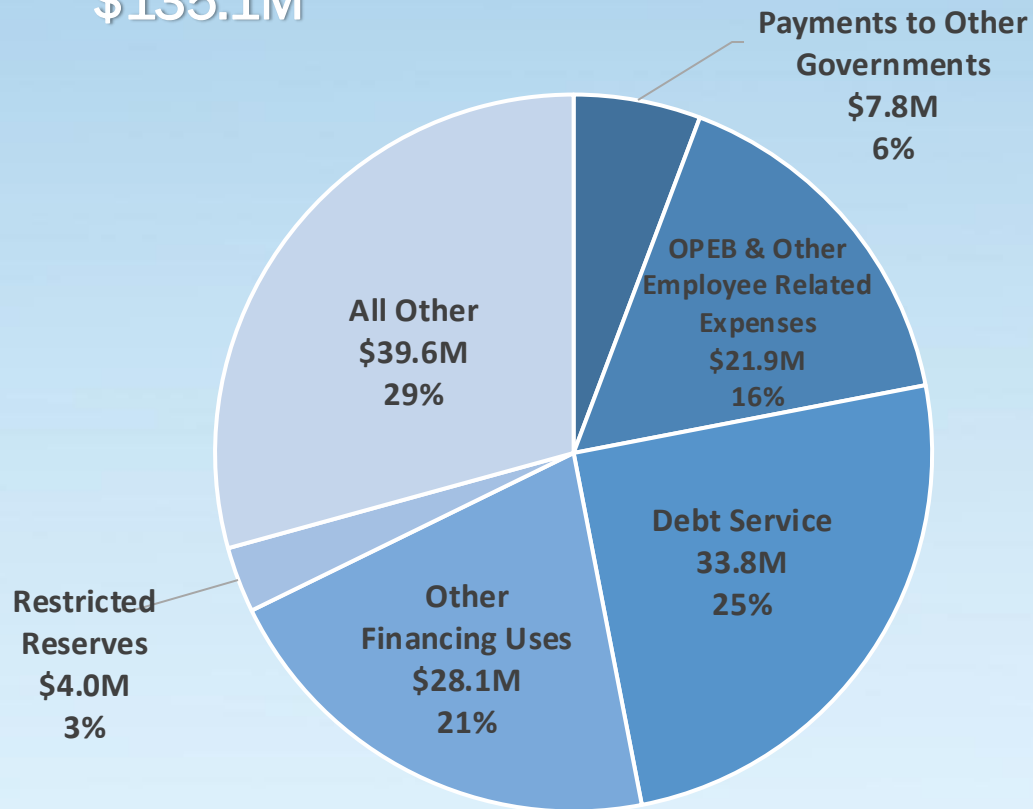


Department	FY24 Actuals	FY25 Adopted Budget	FY25 Year End Projection	FY26 Proposed Budget	FY25 vs FY26 Budgets
City Council	\$10.78	\$13.07	\$10.93	\$12.33	(\$0.74)
Executive Offices	\$32.24	\$26.67	\$30.20	\$27.81	\$1.15
Department of Atlanta Information Management	\$34.87	\$35.74	\$36.98	\$35.47	(\$0.28)
Department Of Law	\$14.58	\$11.29	\$13.90	\$13.58	\$2.29
Department Of Corrections	\$22.72	\$20.27	\$26.81	\$27.91	\$7.64
Department Of Finance	\$19.76	\$19.03	\$18.07	\$24.44	\$5.41
Department Of Procurement	\$5.64	\$3.19	\$4.51	\$5.52	\$2.32
Department Of Public Works	\$21.11	\$21.11	\$24.19	\$24.12	\$3.00
Dept of Parks & Recreation	\$59.88	\$51.88	\$58.87	\$57.40	\$5.51
Judicial Agencies	\$14.38	\$14.70	\$15.58	\$15.90	\$1.20
Non-Departmental	\$144.40	\$122.88	\$141.33	\$135.07	\$12.19
Department Of Human Resources	\$10.37	\$9.54	\$11.49	\$10.38	\$0.83
Department Of Fire Services	\$130.57	\$118.31	\$137.43	\$137.33	\$19.02
Department Of Police Services	\$284.30	\$257.77	\$316.19	\$307.87	\$50.09
Department of City Planning	\$27.86	\$26.57	\$32.55	\$26.92	\$0.35
Department Of The Solicitor	\$11.35	\$10.15	\$10.77	\$12.09	\$1.95
Department of Ethics	\$1.64	\$1.71	\$1.56	\$1.72	\$0.01
Atlanta Citizens Review Board	\$1.38	\$1.66	\$1.40	\$1.74	\$0.07
Department Of Audit	\$1.86	\$2.04	\$1.90	\$2.13	\$0.09
Department Of Public Defender	\$5.27	\$5.48	\$6.30	\$6.06	\$0.57
Department Of Enterprise Asset Management	\$22.25	\$19.97	\$21.67	\$21.00	\$1.03
Department Of Customer Service	\$3.58	\$4.34	\$4.16	\$4.38	\$0.04
Atlanta Department of Transportation	\$56.39	\$51.72	\$55.92	\$58.64	\$6.92
Department of Grants and Community Development	\$2.69	\$2.25	\$2.58	\$3.11	\$0.86
Department of Labor and Employment Services	\$0.44	\$1.00	\$0.92	\$1.02	\$0.02
Department of the Inspector General	\$0.73	\$1.46	\$1.31	\$1.47	\$0.01
Total City Wide	\$941.04	\$853.83	\$987.52	\$975.37	\$121.54

FY26 GENERAL FUND BUDGET NON-DEPARTMENTAL HIGHLIGHTS



Proposed Budget
\$135.1M



Non-Departmental Categories

Restricted Reserves

Debt Service:

- Housing Opportunity
- Homeless Opportunity
- Municipal Improvement Projects
- Surface Transportation Projects
- Public Safety
- Other Debt (Zoo Atlanta, Downtown Parking etc.)

OPEB and Other Employee Related Expenses:

- OPEB
- Worker's Compensation

Payments to Other Governments:

- DeKalb and Fulton County IGAs
- Fire Department IGAs

Other Financing Uses

- Affordable Housing Trust Fund
- Group Insurance Fund Allocation

All Other:

- Invest Atlanta
- Insurance Expenses
- Audit Fees
- Atlanta Land Bank
- Water Utility for Grady Hospital
- Litigation
- Atlanta Jazz Festival
- Pre-Arrest Diversion Services

5-YEAR LOOK AHEAD

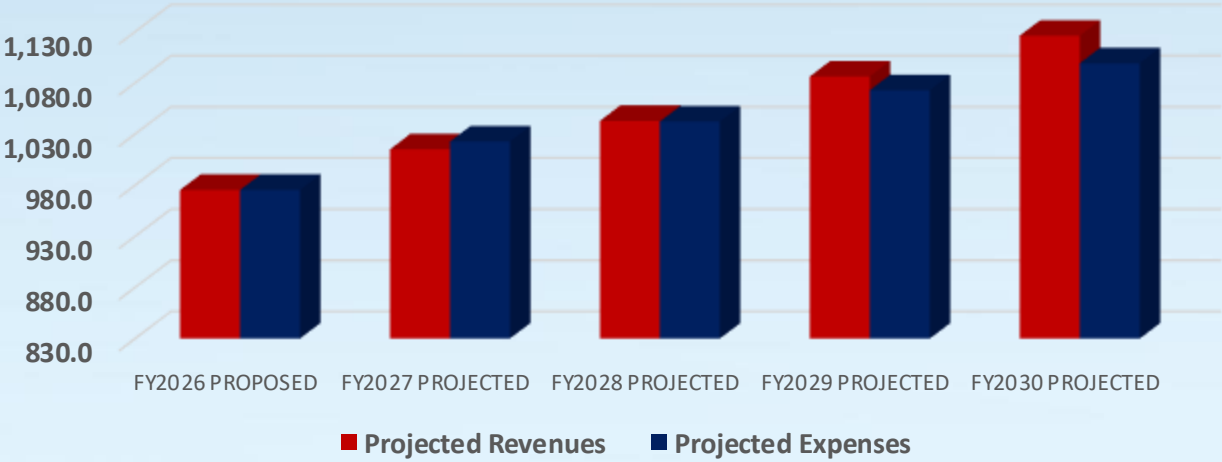


EXECUTIVE SUMMARY



Summary of General Fund – Five Year Forecast

	FY2026 PROPOSED	FY2027 PROJECTED	FY2028 PROJECTED	FY2029 PROJECTED	FY2030 PROJECTED
Projected Revenues	975.4	1,015.1	1,042.9	1,086.3	1,126.0
Projected Expenses	975.4	\$1,022.73	\$1,042.23	\$1,072.75	\$1,099.05
Net General Fund Impact	0.0	(7.7)	0.6	13.6	27.0



GENERAL FUND REVENUE COMPARISON BY MAJOR CATEGORY FIVE-YEAR FORECAST



REVENUE CATEGORY	FY26 PROPOSED	FY27 PROJECTED	FY28 PROJECTED	FY29 PROJECTED	FY30 PROJECTED
Property Taxes	\$388.64	\$433.17	\$457.79	\$497.37	\$533.38
Public Utility, Alcoholic Beverage and Other Taxes	\$147.12	\$147.68	\$148.08	\$149.73	\$150.00
Local Option Sales Taxes	\$154.72	\$156.27	\$157.83	\$159.41	\$161.00
Licenses and Permits Revenue	\$137.55	\$138.65	\$139.86	\$140.22	\$141.76
Other Revenue	\$16.45	\$16.65	\$16.79	\$16.96	\$17.03
Charges For Current Services	\$6.46	\$6.46	\$6.52	\$6.59	\$6.67
Fines, Forfeitures and Penalties	\$20.25	\$20.56	\$20.56	\$20.61	\$20.98
Building Rentals and Concessions	\$13.10	\$12.52	\$11.75	\$10.98	\$9.88
Indirect Costs Recovery	\$39.75	\$30.85	\$30.95	\$31.00	\$31.27
Hotel & Motel Tax Revenue	\$25.98	\$26.72	\$27.08	\$27.58	\$28.08
Pilot & Franchise Fees	\$25.34	\$25.54	\$25.64	\$25.86	\$25.98
Grand Total	\$975.37	\$1,015.07	\$1,042.86	\$1,086.32	\$1,126.04

GENERAL FUND EXPENDITURE COMPARISON BY MAJOR CATEGORY FIVE YEAR FORECAST



EXPENSE CATEGORY	FY26	FY27	FY28	FY29	FY30
	PROPOSED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
Personnel Services and Employee Benefits	\$617.85	\$634.39	\$649.50	\$667.03	\$684.79
Purchased / Contracted Services	\$135.32	\$148.95	\$153.09	\$159.88	\$167.87
Supplies	\$47.88	\$50.76	\$51.68	\$54.65	\$55.67
Capital Outlays	\$1.19	\$0.76	\$0.78	\$0.80	\$0.79
Interfund / Interdepartmental Charges	\$24.21	\$24.98	\$25.78	\$26.60	\$27.93
Other Cost	\$38.32	\$40.84	\$41.93	\$43.09	\$44.30
Debt Service	\$33.74	\$38.87	\$38.92	\$34.43	\$34.44
Conversion/Summary	\$4.00	\$10.15	\$10.43	\$17.38	\$22.52
Other Financing Uses	\$72.85	\$73.02	\$70.13	\$68.88	\$60.72
Grand Total	\$975.37	\$1,022.73	\$1,042.23	\$1,072.75	\$1,099.05

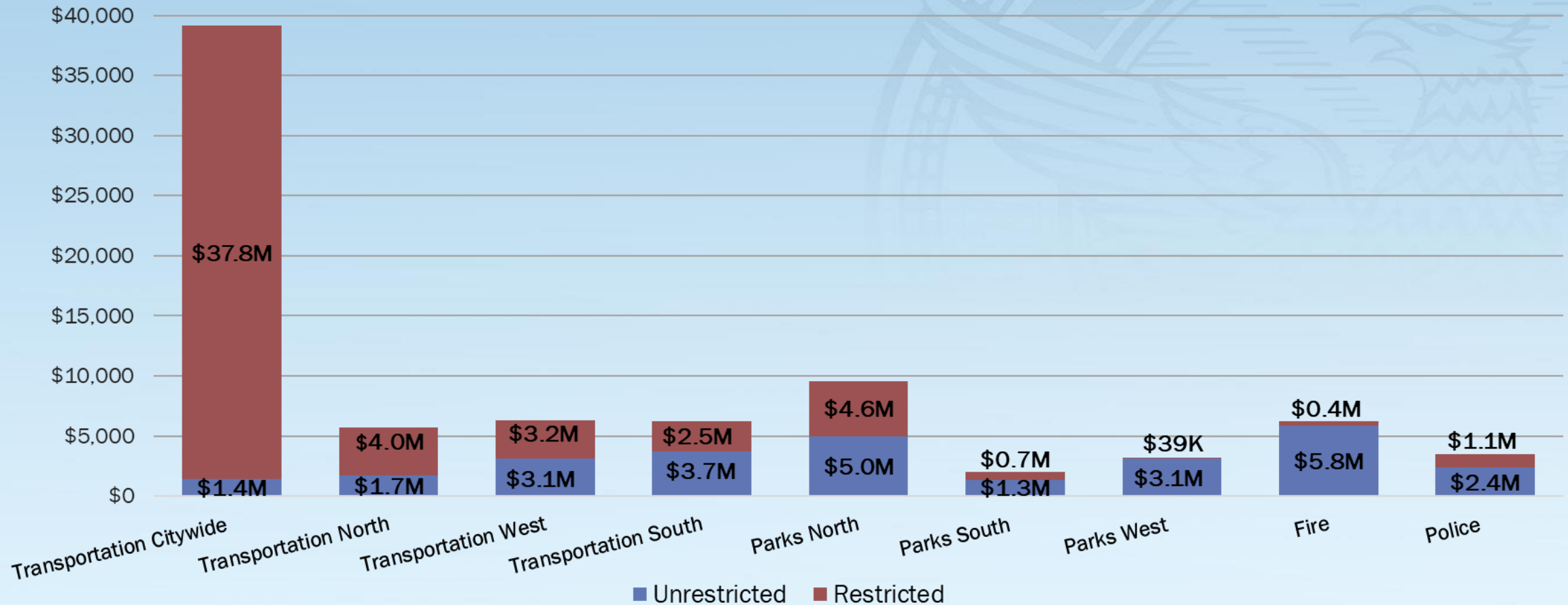
IMPACT FEES



IMPACT FEES



Impact Fee Fund Balances as of March 2025 - \$81.9M



**TRUST FUND
FUND BALANCE**



TRUST FUND – TOP 10 PROJECTS



March-2025 has 197 Trusts totaling \$63.9M



Top 10 Trusts total \$36.5M and make up 57% of the Trust Balances



The other 187 Trusts total \$27.4M and make up the remaining 23% of the Trust Balances



25 of the 187 Trust Accounts are under \$1K and total only \$13,365.66



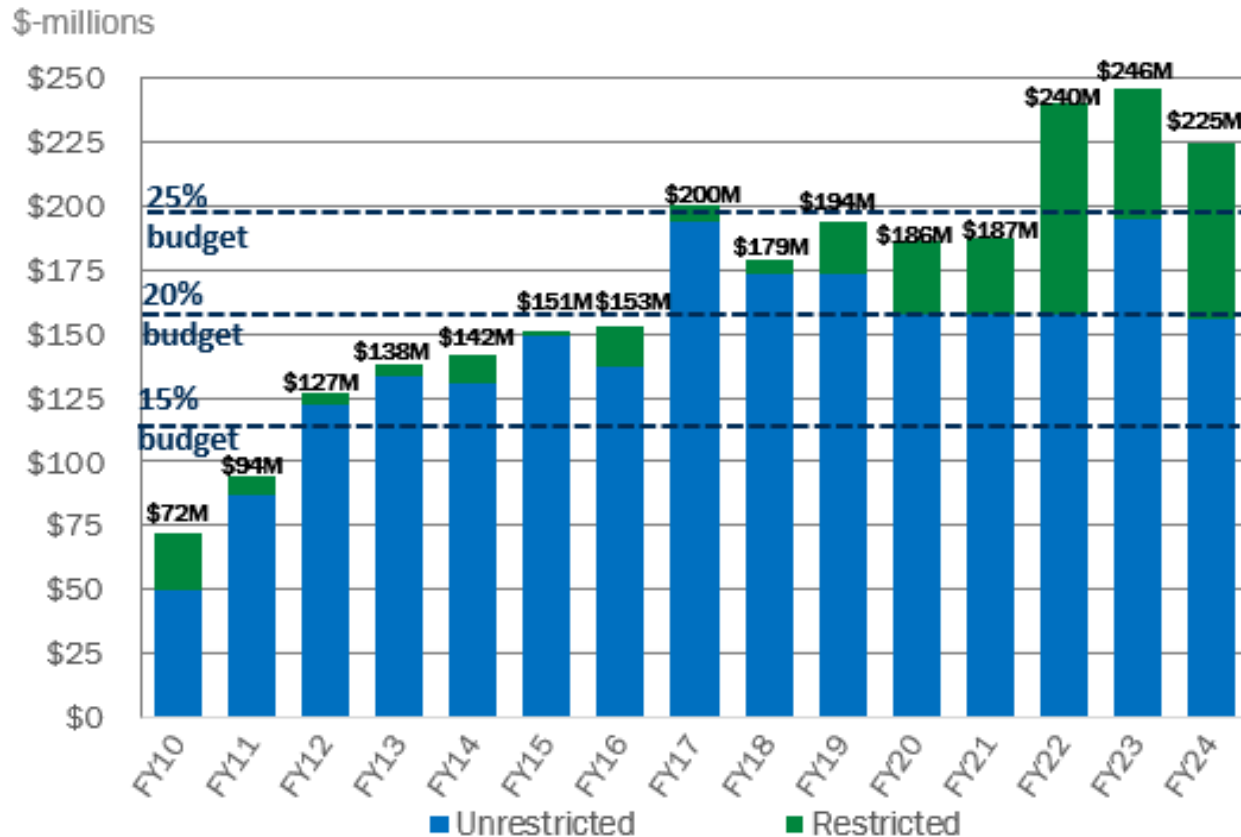
13,281,544.56	Tree Removal Protection
6,680,527.14	Economic Development Trust
5,697,179.72	Care & Conserve Trust Fund
2,350,798.33	Smart ATL Trust Fund
1,776,431.08	Technology Surcharge
1,677,531.14	Donation For Parks, Rec. & Cultural Aff.
1,550,801.27	Shelter Options and Vaccination Equity Campaign
1,216,751.18	Jail Admin Fund
1,137,847.48	Car Rental Tax- Philips Arena Imp.
1,112,321.62	Streetscape Improv. & Maintenance Prog.

FY2024 AUDITED GENERAL FUND BALANCE



SINCE FISCAL YEAR 2014 TOTAL FUND BALANCE HAS GROWN BY **\$83M**

Budgeted reserves, strong cost control, and conservative revenue projections were key factors in improving fund balance



\$21 Million decrease in fund balance in fiscal year 2024 due to increased personnel costs and strategic initiatives which will yield long term benefits for the City.

Unrestricted fund balance above

20%

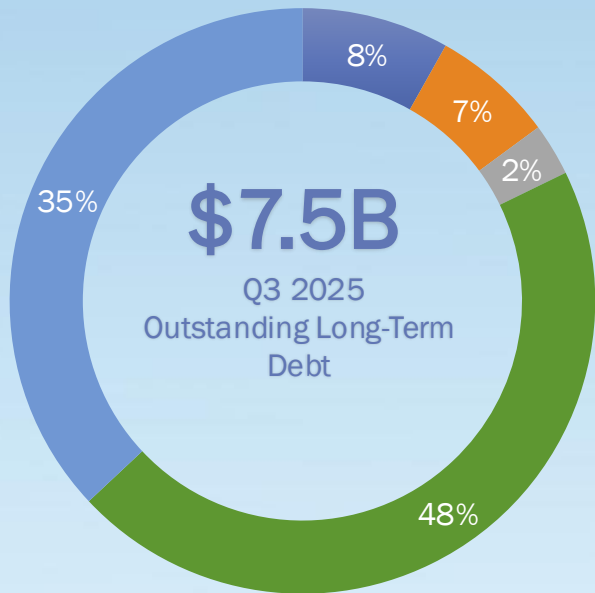
is available for one-time, nonrecurring purchases as long as a portion goes toward reducing any remaining deficit funds

DEBT AND INVESTMENTS





DEBT PORTFOLIO OVERVIEW



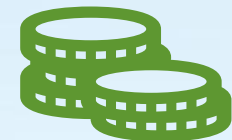
- General Obligation
- General Fund
- Tax Allocation Districts
- Aviation
- Water & Wastewater

	General Obligation	General Fund & Other	Tax Allocation Districts	Dept of Aviation	Dept of Watershed
Q3 FY24	\$570,915	\$482,101	\$139,315	\$3,349,925	\$2,739,988
Q3 FY25	\$574,915	\$537,761	\$149,920	\$3,621,025	2,607,655
\$	\$4,000	\$55,660	\$10,605	\$271,100	(\$132,334)
%	0.70%	11.54%	7.61%	8.09%	(4.83%)

Net Increase
\$209M
Outstanding Debt

\$M
Cumulative NPV Savings
On Refunded Debt during
FY25

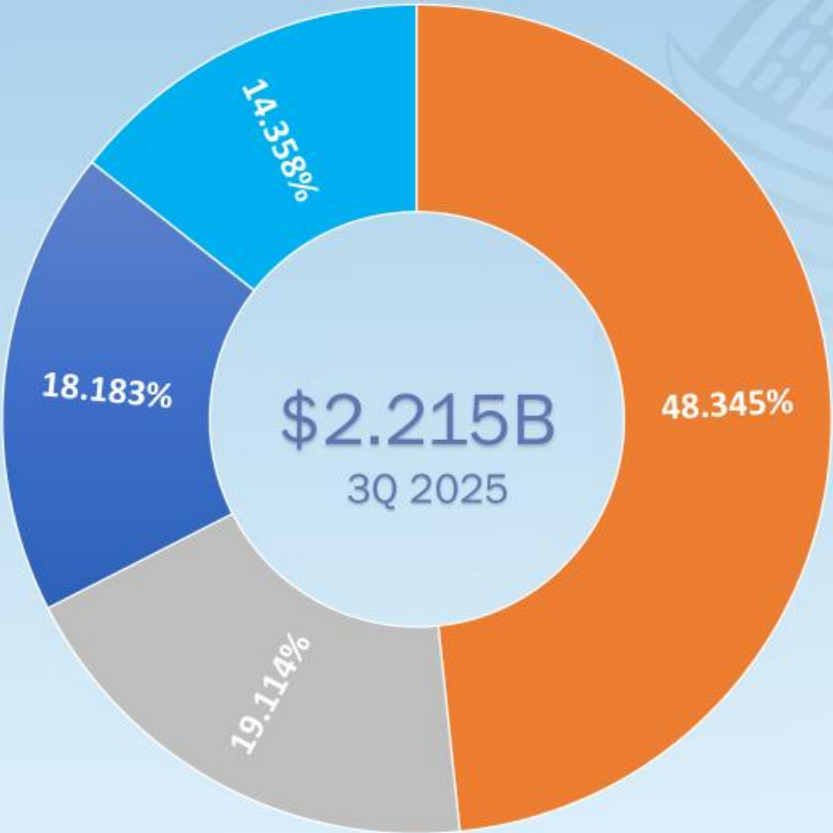
\$101.1M
Energy Savings
Performance
Contracts



INVESTMENT PORTFOLIO OVERVIEW



Portfolio Objectives



■ US Agencies ■ Muni's ■ GF1 ■ US Treasuries ■ CD's ■ Currency*

Portfolio Yield



Net decrease
\$934.8 M
 Compared to 3Q 2024

ATLANTA CREDIT RATINGS



CITY OF ATLANTA MUNICIPAL BOND RATINGS

	Moody's	Standard & Poor's	Fitch	Kroll
General Obligation Bonds	Aa1	AA+	AAA*	
Water and Wastewater Revenue Bonds	Aa2	AA-	AA	
Airport Revenue Bonds - Senior Lien GARBs	Aa3	AA	AA-	AA+
Airport Revenue Bonds- PFC/Subordinate Lien GARBs	Aa3	AA	AA-	AA+
Airport Revenue Bonds Senior Lien Customer Facility Charge	A2	A	A	

**Achieved AAA Rating Sept 5, 2024*



QUESTIONS
&
ANSWERS

APPENDIX



FY2026 EXPENDITURE PROJECTIONS



- The City of Atlanta’s expenditures have **steadily increased from 2019 and 2024**, increasing by about 5.5 percent, on average, year to year.
- The City’s expenditures jumped grew significantly from FY2022 to FY2023, increasing by 21 percent over levels from the previous year
 - This increase in FY2023 was driven by large increases in the following major categories:
 - **Salaries & Personnel** (10.3 percent)
 - **Purchased/Contracted Services** (35.7 percent)
 - **Supplies** (23.9 percent)
 - **Debt Service** (148.4 percent).
 - **Large transfers** out to the City’s Capital Finance Fund and Fund 5401 also contributed to this increase.
- **For FY2024**, year-end spending levels continued this upward trend but increased by only 9 percent from the previous year.
- **In FY2025**, the City’s year-end financial projections based on Q1 results show that total expenditures are on track to decrease by about 2.5 percent from FY2024 year-end levels.
- **Then, for FY2026**, familiar expenditure drivers – such as salaries, employee health insurance, and consulting services – will likely continue to drive up spending.

FY2026 EXPENDITURES: GROWTH RATE RISKS AND THREATS



- **Growth rate risks** relate to the inherent volatility or unpredictability of an expenditure category related to city policies or procedures.
 - For example, lack of a full complement of sworn officers requires higher expenditures for overtime pay.
- **Growth rate threats** relate to external factors that are outside the city's control.
 - For example, high inflation within the regional, state, and national economy may lead to significant increases in employee compensation costs.
 - Risks and threats are often interconnected.
- **Expenditure risks**
 - Overtime costs continue to be a risk. The city faces hiring challenges given the low unemployment in the metro area and the difficulty with competing with the private sector on wages. This is exacerbated by other labor market factors.
 - Salary pressures are also a continued risk in light of resource constraints. Even with significant pay increases in recent years, worker expectations for increases are generally high. In a national survey of local government leaders, 51 percent of respondents say too few staff due to limited resources is an obstacle. Given that approximately two-thirds of the budget is comprised of personnel costs, this is a significant concern.
- **Expenditure threats**
 - Continued tight labor markets. In a national survey of local government leaders, 52% of respondents say hiring challenges is their greatest challenge.
 - Energy cost increases – according to the U.S. Energy Information Administration retail gasoline prices will increase 3.1 percent in 2024 and 3.8 percent in 2025.