



**CITY OF ATLANTA
DEPARTMENT OF FINANCE
FY2019 AUDIT RESULTS**

February 26, 2020

ROOSEVELT COUNCIL, JR., CFO

JOHN GAFFNEY, DCFO

TINA WILSON, DCFO

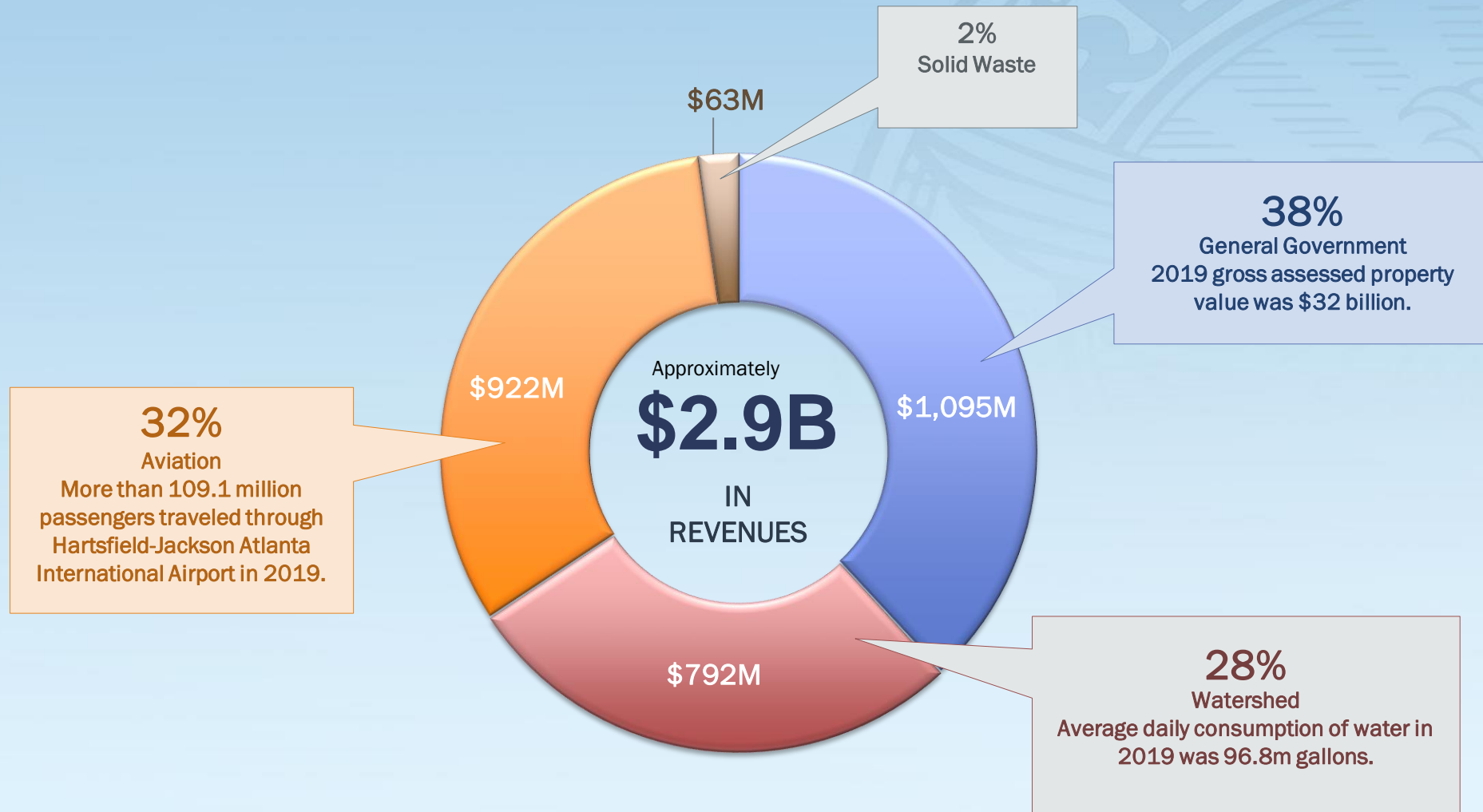
Youlanda Carr, Controller

AUDIT REPORTS

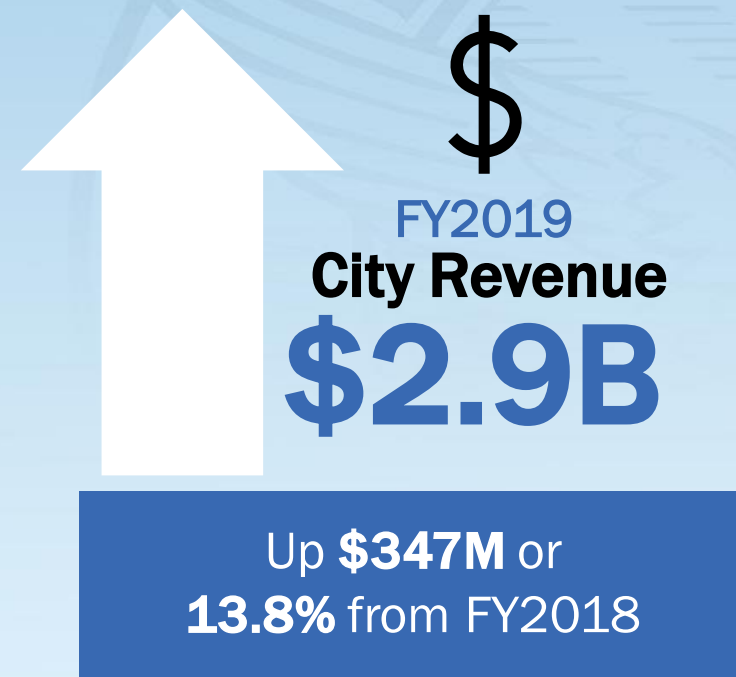
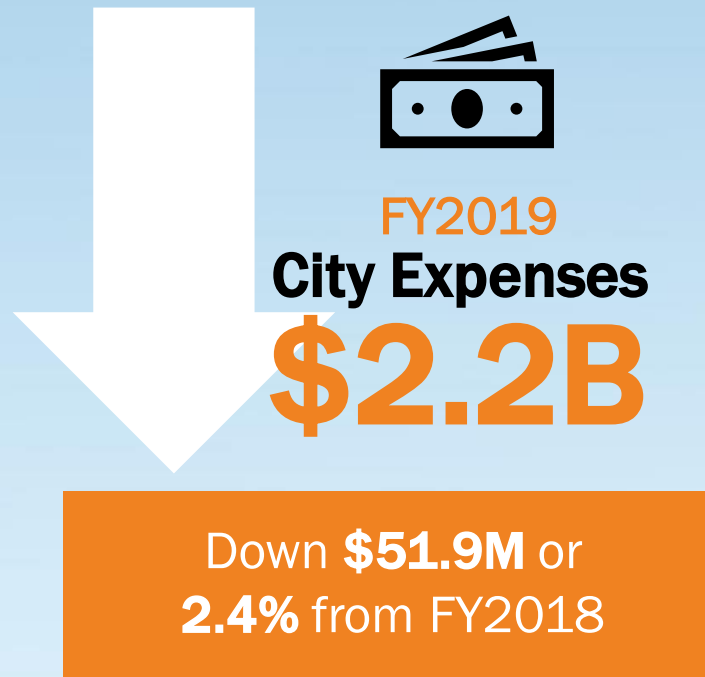


- ❖ Central Comprehensive Annual Financial Report (CAFR)
- ❖ Department of Aviation CAFR
- ❖ Department of Watershed Management CAFR
- ❖ General Employee Pension Plan
- ❖ Police Pension Plan
- ❖ Firefighters Pension Plan
- ❖ Municipal Option Sales Tax (MOST)
- ❖ E911
- ❖ Transportation Special Purpose Local Option Sales Tax (TSPLOST)
- ❖ Hotel/Motel
- ❖ Local Option Sales Taxes (LOST)
- ❖ Landfill
- ❖ Car Rental
- ❖ Report of Local Government Finances (RLGF)
- ❖ Single Audit

GOVERNMENT-WIDE CITY REVENUES



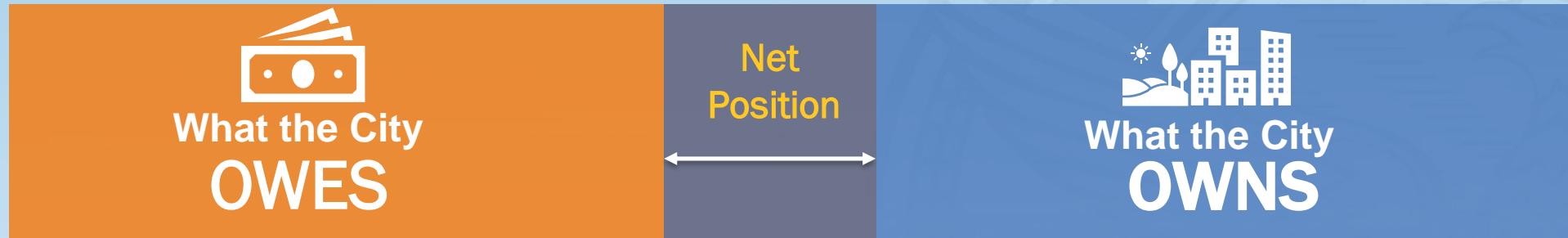
GOVERNMENT-WIDE CHANGES IN NET POSITION



GOVERNMENT-WIDE STATEMENT OF NET POSITION



In 2019, the City's Net Position increased



A positive Net Position balance indicates a measure of financial stability

Gov't Funds: (\$0.9)B
Enterprise Funds: \$8.2B

FINANCIAL HIGHLIGHTS BY FUND



Fiscal 2019 Financial Summary

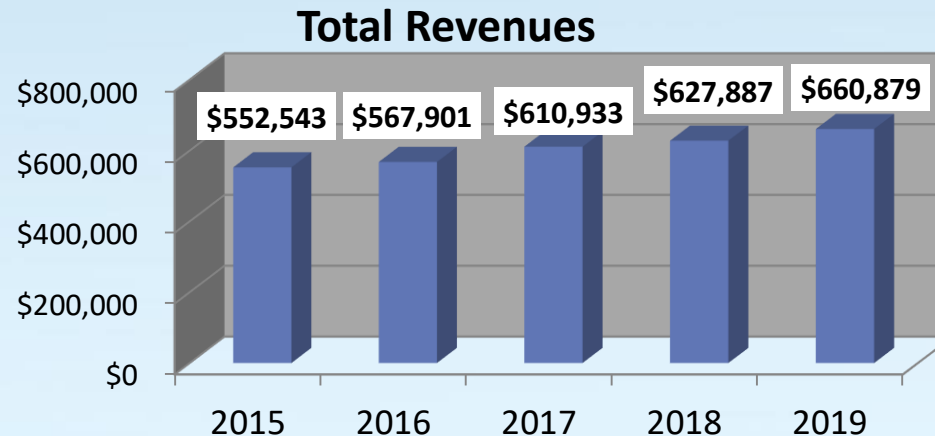
Fund (\$-Millions)	Beginning Fund Balance	Change in Fund Balance/Net Position	Ending Fund Balance/Net Position
Governmental Funds:			
General Fund	\$179	\$15	\$194
Capital Project	\$291	(\$74)	\$217
Fleet Service Funds	(\$4)	\$8	\$4
Group Insurance	(\$8)	(\$16)	(\$24)
Enterprise Funds:			
Non-Major Governmental	\$483	\$65	\$548
Department of Watershed	\$2,920	\$286	\$3,206
Department of Aviation	\$4,887	\$233	\$5,120
Non-Major Enterprise	(\$122)	\$9	(\$113)

GENERAL FUND FINANCIALS: TRENDING REVENUES



REVENUES (\$ in Thousands)	2015	2016	2017	2018	2019
Property Taxes	\$191,015	\$193,217	\$198,105	\$206,523	\$218,936
Local and Municipal Option Taxes	102,224	103,515	103,354	110,184	116,720
Public Utility, Alcohol, and Other Taxes	105,197	108,686	101,005	106,443	108,021
Licenses and Permits	69,681	78,447	116,965	117,251	123,263
Charges for Current Services	10,087	10,230	6,563	6,874	4,705
Fines, Forfeitures and Penalties	26,670	24,392	22,788	19,546	24,180
Investment Income	2,030	2,311	(671)	1,555	10,623
Building Rentals and Concessions	7,808	7,411	11,369	13,865	5,130
Pilot and Franchise Fees*	19,401	19,394	19,887	20,483	20,534
Hotel-Motel Excise Tax*	16,076	18,197	18,138	19,593	21,336
Other	2,354	2,101	13,430	5,570	7,431
TOTAL	\$552,543	\$567,901	\$610,933	\$627,887	\$660,879

Notes: 1) Pilot and Franchise Fees and Hotel-Motel Revenue are shown in Other Financing Sources and Uses as Transfers In in the CAFR
2) This excludes indirect costs recovery which are shown as net reduction in expenses



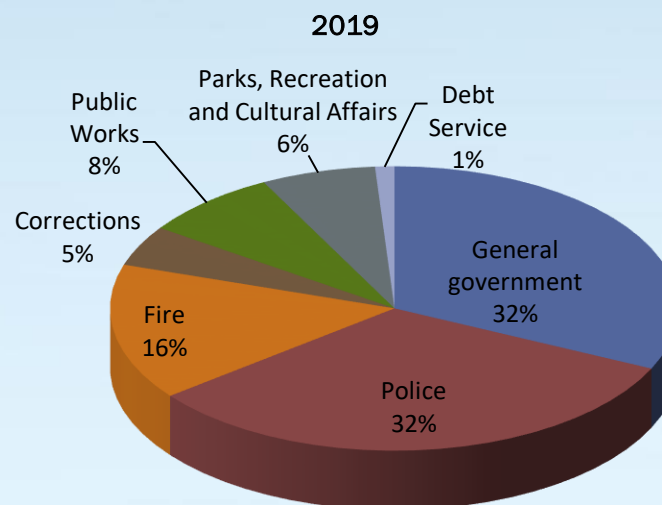
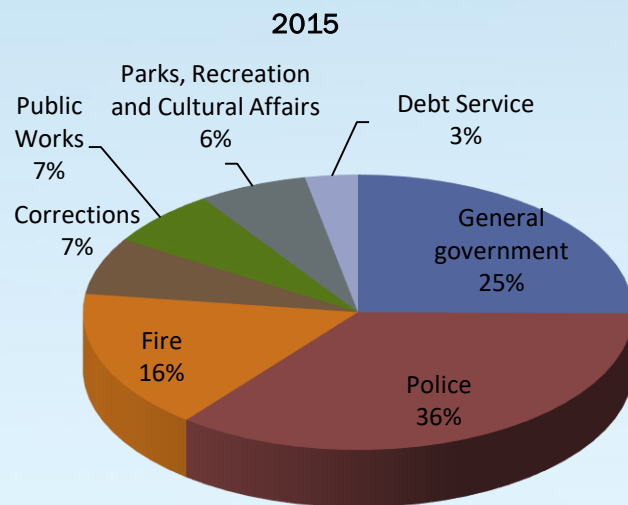
- ❖ Overall revenue growth of 20% since 2015.
- ❖ Licenses and Permits revenue increase due mainly to building permits.
- ❖ Property Taxes increased due to growth in property value from new construction.
- ❖ Public Utility, Alcohol and other taxes contributes to 3% increase in revenue.
- ❖ Hotel-Motel taxes have grown by \$5.3M compared to 2015.

GENERAL FUND FINANCIALS: TRENDING EXPENDITURES



EXPENDITURES (\$ in Thousands)	2015	2016	2017	2018	2019
General Government	\$125,658	\$153,949	\$179,931	\$194,841	\$194,393
Police	177,971	187,437	195,601	197,856	197,673
Fire	82,104	78,521	80,688	86,936	94,414
Corrections	33,457	34,756	34,597	35,096	27,984
Public Works	33,328	39,939	57,531	51,064	47,534
Parks and Recreation	32,103	35,689	37,531	38,549	39,626
Debt Service	15,503	15,531	11,301	11,168	6,672
TOTAL	\$500,124	\$545,822	\$597,180	\$615,510	\$608,296

Notes: Other Financing Sources and Uses is not shown and includes Transfers Out to deficit funds; additionally certain debt service payments are reflected as Transfers Out

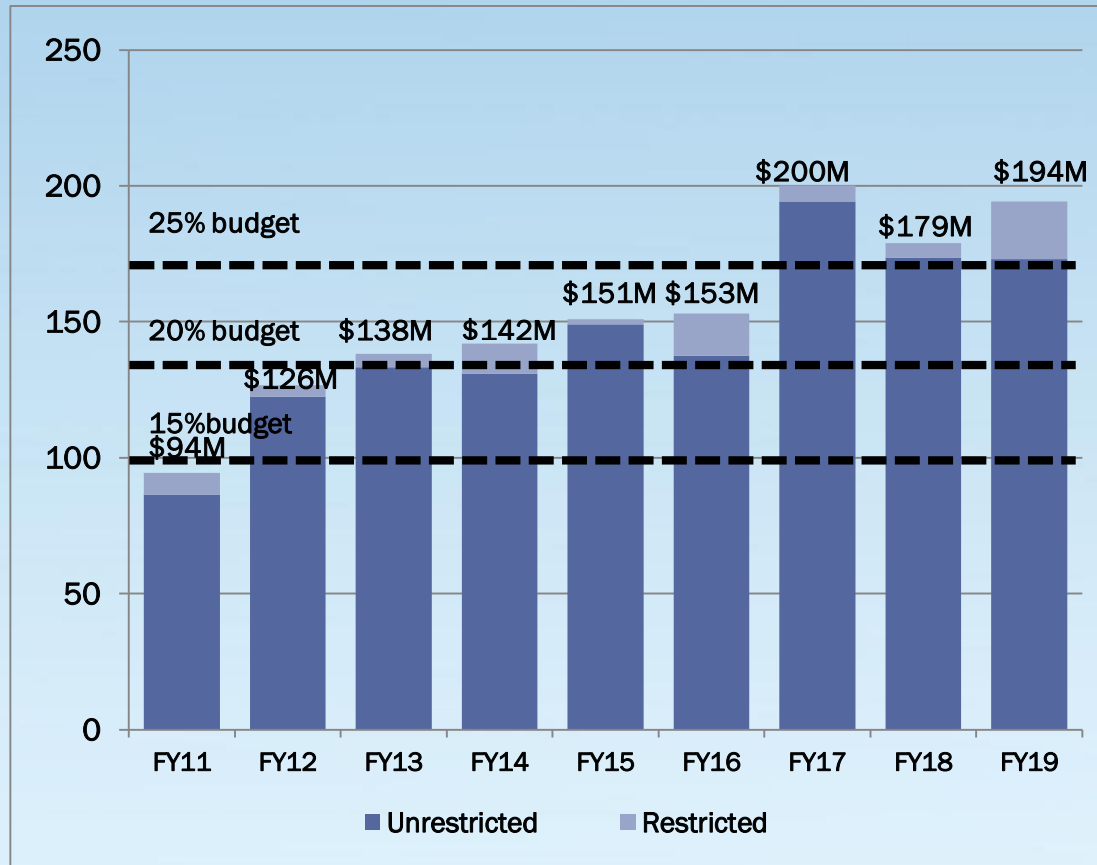


- ❖ Overall expense growth of 22% since 2015.
- ❖ About 64% of the increase was for General Government activities.
- ❖ Fire expenditures increased due to personnel increases.
- ❖ Corrections expenditures decreased due to repurpose of the jail.
- ❖ About 25% of the increase was due to Public Safety expenditures.

FY2019 GENERAL FUND BALANCE



Unrestricted Fund Balance & Restricted Fund Balance



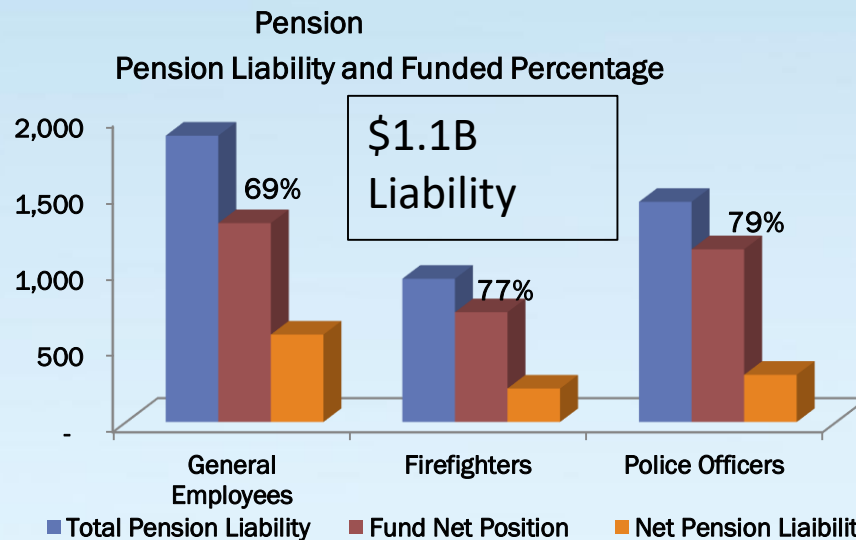
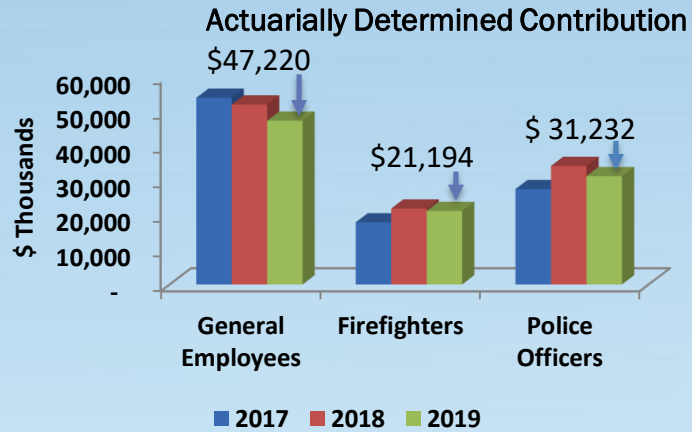
- ❖ Total Fund Balance has grown by \$100 million since the beginning of FY2011.
- ❖ Budgeted reserves and strong cost control were key factors in restoring fund balance.
- ❖ Unrestricted fund balance above 20% is available for one-time, nonrecurring purchases as long as a portion goes toward reducing any remaining deficit funds.

FY2019 CASH DEFICIT FUNDS

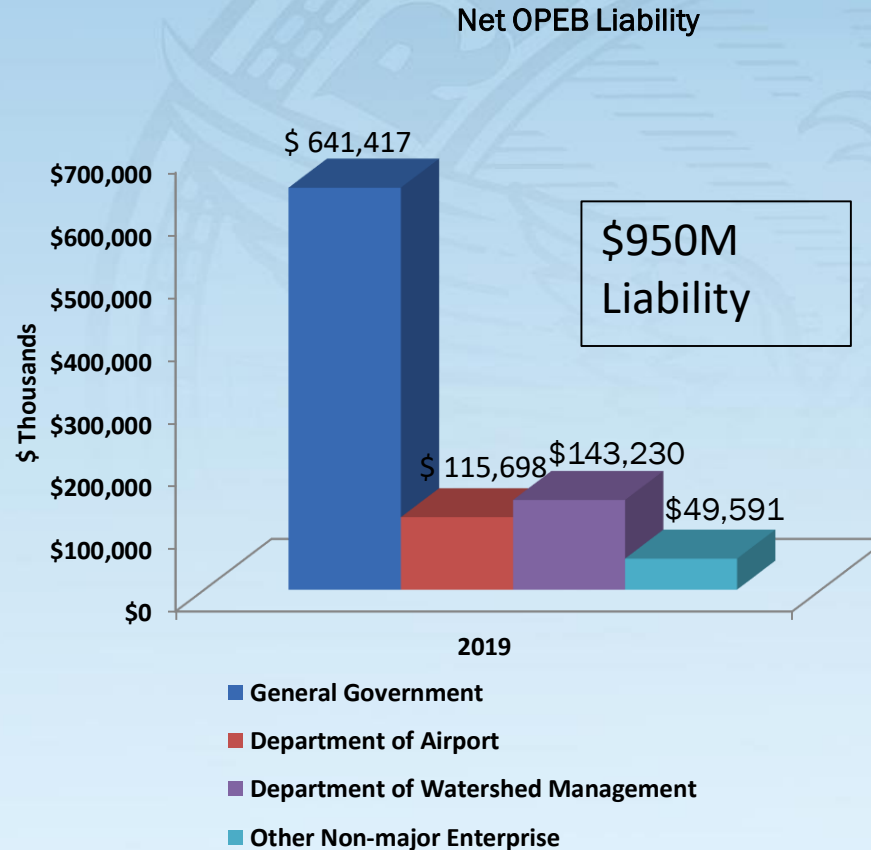


Deficit Funds – Cash basis	2018	2019
E911	2.3M	0
Internal Service Fund – Fleet Services	2.0M	0
Internal Service Fund - Group Insurance	7.7M	21.6M
Solid Waste Service	29.2M	38.8M
Total	\$41.8M	\$69.1M

PENSIONS AND OTHER POST EMPLOYMENT BENEFITS



The FY18 actuarial assessment determined the City was at 21.1% well within the 35% cap placed by 2011 pension reforms.



FISCAL YEAR 2019 RESULTS



Questions/Comments