



CITY OF SOUTH FULTON

PRELIMINARY FINANCIALS FOR THE FISCAL YEAR END

AS OF SEPTEMBER 30, 2020

UNAUDITED

PRESENTED BY

FRANK S. MILAZI, CPFA, CPFIM

CHIEF FINANCIAL OFFICER

GENERAL FUND (GF) FINANCIAL HIGHLIGHT

YTD SEPTEMBER 2020

1. The City of South Fulton's General Fund concludes its fiscal year 2020 operations with an **unaudited \$19.6M** positive net cash flow.
2. To date, the General Fund has generated **\$77.2M** in **Revenues** with nearly **\$57.6M** in **General Fund Expenditures recorded**. Analysis and accrual of unrecorded expenditures is continuing and will likely result in an increase in the year to date expenditures that align more closely with the amended budget.
3. As expected in the close of the fiscal year, revenues inflow have been decreasing while expenditures have been increasing with invoices for the end of the fiscal year being settled and accruals for amounts not recorded are prepared as part of the year end process.
4. **Property and Sales Tax Revenues** represent the City's General Fund (GF) *primary* source of operating resources.
 - Property Tax Revenues of **\$166.5K**, collected Sept. 2020, represents **39% of GF Revenue**
5. The following tax related revenues have been impacted by COVID-19 and are expected to be impacted in FY 2021:
 - Sales Tax
 - Property Tax
 - Hotel/Motel Taxes
 - Business & Occupation Taxes
6. All revenue streams reflect collections of revenue resources that align with the 2020 amended budget projections.

**CITY OF SOUTH
FULTON
GENERAL FUND**

Statement of Revenues

*FOR THE MONTH
ENDING
SEPTEMBER 30, 2020*

ACCOUNT DESCRIPTION	2020 BUDGET	YTD REVENUE
Property Taxes	\$29,759,464	\$30,407,705
Motor Vehicle	\$709,000	\$1,501,772
Franchise	\$3,118,408	\$3,357,633
Local Option Sales Tax	\$18,437,059	\$22,278,081
Business and Occupation	\$1,600,000	\$1,788,167
Other Taxes	\$7,607,908	\$7,645,697
Licenses and Permits	\$2,653,500	\$3,585,306
IGA FID and City of Atlanta	\$4,039,997	\$4,720,023
Charges for Services	\$459,905	\$666,920
Municipal Court	\$360,700	\$409,070
Other Revenue*	\$14,966	\$832,733
TOTAL REVENUES	\$68,760,907	\$77,193,107

*Other Revenue includes Interest Income, Donations from Private Sources, and Miscellaneous Revenue

CITY OF SOUTH FULTON GENERAL FUND

Statement of Expenditures

FOR THE MONTH
ENDING
SEPTEMBER 30, 2020

ACCOUNT DESCRIPTION	2020 BUDGET	YTD EXPENSE
District Total	\$1,361,155	\$1,171,065
City Clerk	\$1,046,544	\$858,956
Mayor	\$306,824	\$211,621
City Manager	\$1,240,842	\$1,102,345
Finance	\$4,300,848	\$1,607,758
Contracts & Procurement	\$437,460	\$324,187
Law / Legal	\$1,600,000	\$1,059,766
Information Technology	\$2,279,357	\$2,153,572
Human Resources	\$645,716	\$708,499
Risk Management	\$128,997	\$25,468
Communications	\$704,133	\$434,405
General Administrative Services	\$4,606,655	\$4,302,240
Municipal Court	\$862,820	\$770,053
Police Services	\$13,433,067	\$13,231,878
Fire Services	\$12,825,589	\$12,354,800
Public Works	\$7,759,058	\$7,177,534
Parks And Recreation	\$4,566,415	\$3,401,107
Cultural Affairs	\$968,799	\$232,661
Community and Regulatory Affairs	\$4,303,297	\$3,965,562
Economic Development	\$644,690	\$317,790
Debt Service/ Interfund Transfers	\$4,738,642	\$2,212,891
GENERAL FUND EXPENDITURES TOTALS	\$68,760,907	\$57,624,159
Excess (Deficit) of Revenues over (under) Expenditures		\$19,568,948

CITY OF SOUTH FULTON GENERAL FUND

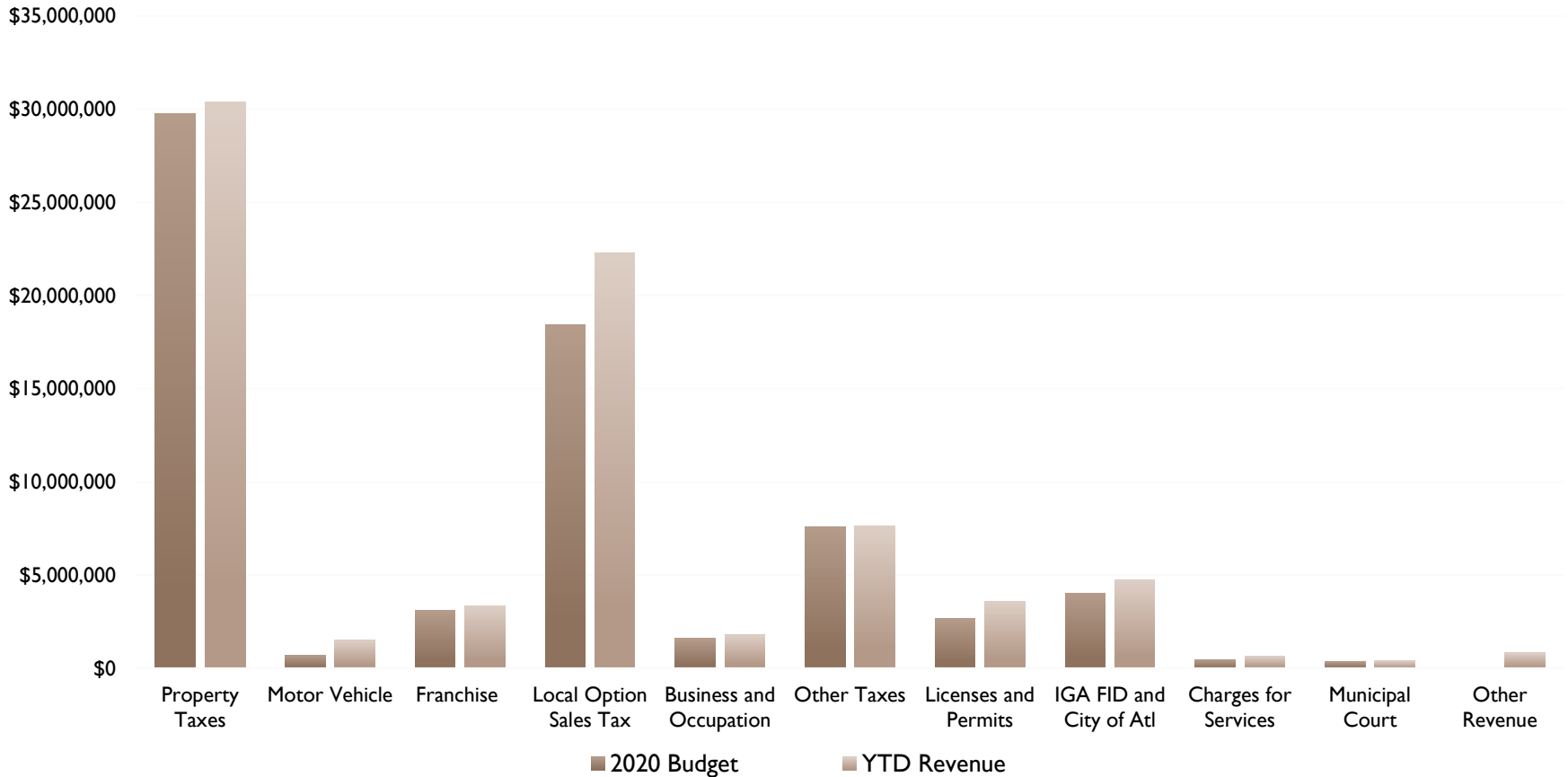
Summary of Revenues

*FOR THE MONTH ENDING
SEPTEMBER 30, 2020*

REVENUE	AMENDED 2020 BUDGET	SEPT-20	YTD REVENUE	% OF YTD REVENUE
Property Taxes	\$29,759,464	\$166,492	\$30,407,705	39%
Motor Vehicle	\$709,000	\$163,753	\$1,501,772	2%
Franchise	\$3,118,408	\$0	\$3,357,633	4%
Local Option Sales Tax	\$18,437,059	\$2,134,752	\$22,278,081	29%
Business and Occupation	\$1,600,000	\$29,990	\$1,788,167	2%
Other Taxes	\$7,607,908	\$19,089	\$7,645,697	10%
Licenses and Permits	\$2,653,500	\$447,922	\$3,585,306	5%
IGA FID and City of Atl	\$4,039,997	\$308,333	\$4,720,023	6%
Charges for Services	\$459,905	\$24,516	\$666,920	1%
Municipal Court	\$360,700	\$23,709	\$409,070	1%
Other Revenue	\$14,966	\$541,149	\$832,733	1%
TOTAL REVENUES	\$68,760,907	\$3,859,705	\$77,193,107	100%

AMENDED BUDGET VS YTD REVENUE

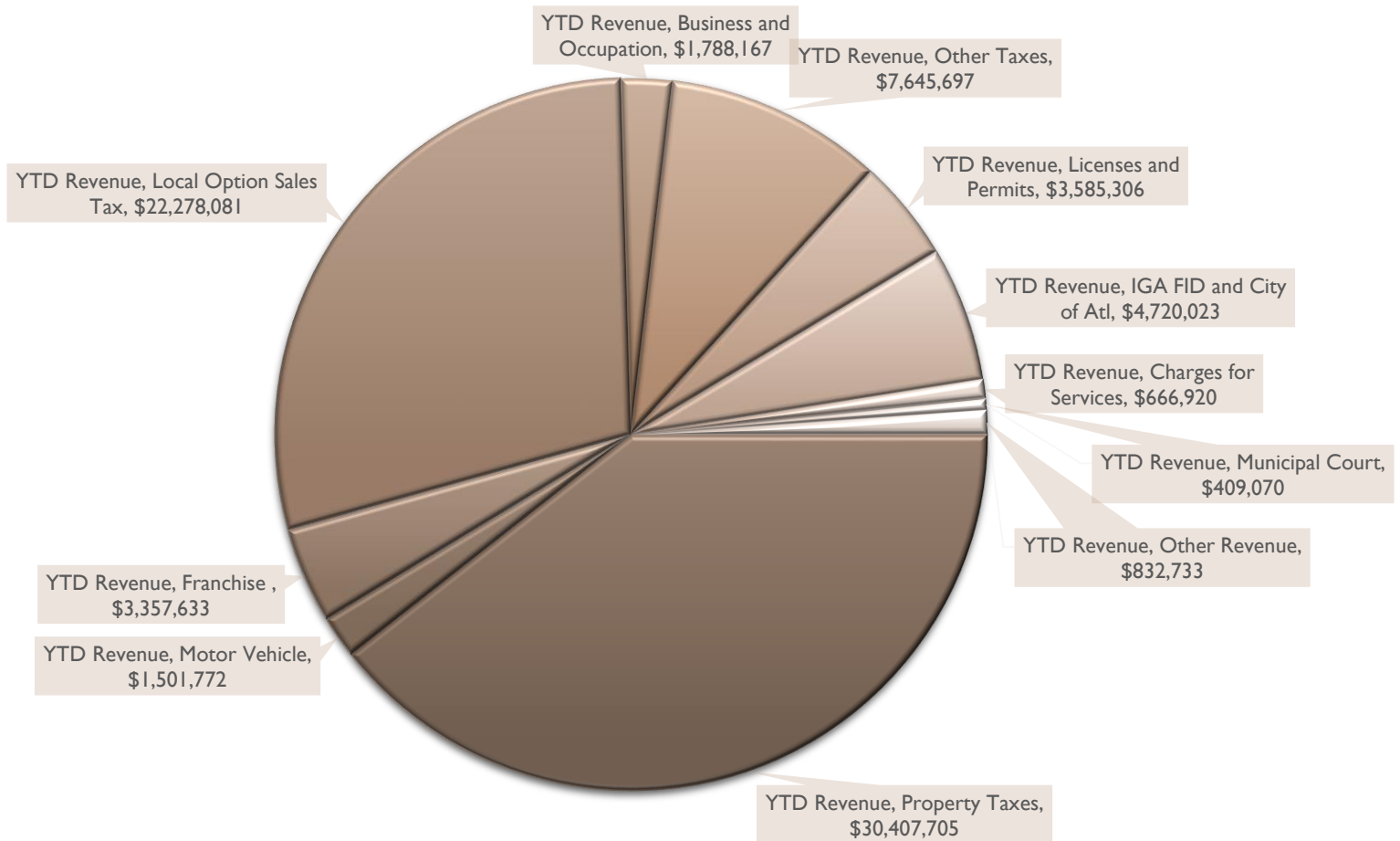
In Primary Categories



Property Taxes and Local Option Sales Tax make up 41% and 27% of our budget, respectively.

GENERAL FUND YTD REVENUE

In Primary Categories



CITY OF SOUTH FULTON GENERAL FUND

Summary of Revenues

FOR THE MONTH ENDING
SEPTEMBER 30, 2020

ACCOUNT DESCRIPTION	AMENDED 2020 BUDGET	SEPT-2020	YTD REVENUE
General Fund (includes Court Operations)	\$68,760,907	\$3,859,711	\$77,193,107
Confiscated Assets	\$0	\$0	\$4,237
E-911 Fund	\$0	\$0	\$0
Restricted Grants	\$5,064,602	\$165,541	\$251,996
Hotel Motel	\$240,000	\$9,741	\$113,023
T-SPLOST	\$17,592,330	\$1,402,803	\$14,921,769
Capital Grants	\$1,222,516	\$0	\$1,222,517
Capital	\$10,499,348	\$0	\$17,020,000
Solid Waste	\$520,000	\$0	\$400,402
TOTAL REVENUES	\$103,899,703	\$5,437,797	\$111,127,050

GENERAL FUND (GF) FINANCIAL HIGHLIGHT

YTD
SEPTEMBER 2020

1. As of September 30, 2020, **YTD expenditures are at 84%** of the 2020 amended budget.
 - Spending precautions have been implemented
 - Agreeance to freeze unfilled non-essential positions, delay filling in essential positions (Public Safety), and to cancel contracts to keep expenditures below budgeted for the remainder of the calendar year
 - A notice was sent to all departments regarding the cut off dates for purchases for the FY 2020 fiscal year. All invoices should be sent to Accounts Payable for processing.
2. Until the end of the 2020 fiscal year, payroll and benefit expenditures for all employees, all general obligations, debt service payments, and other monthly bills payment will be met.
 - Effects of revenue shortfall will continue beyond 2021 fiscal year and further expenditure limitations may be imposed as the situation deems necessary. The Adopted FY 2021 budget reflects these recommendations.

CITY OF SOUTH FULTON GENERAL FUND (GF)

Summary of Expenditures

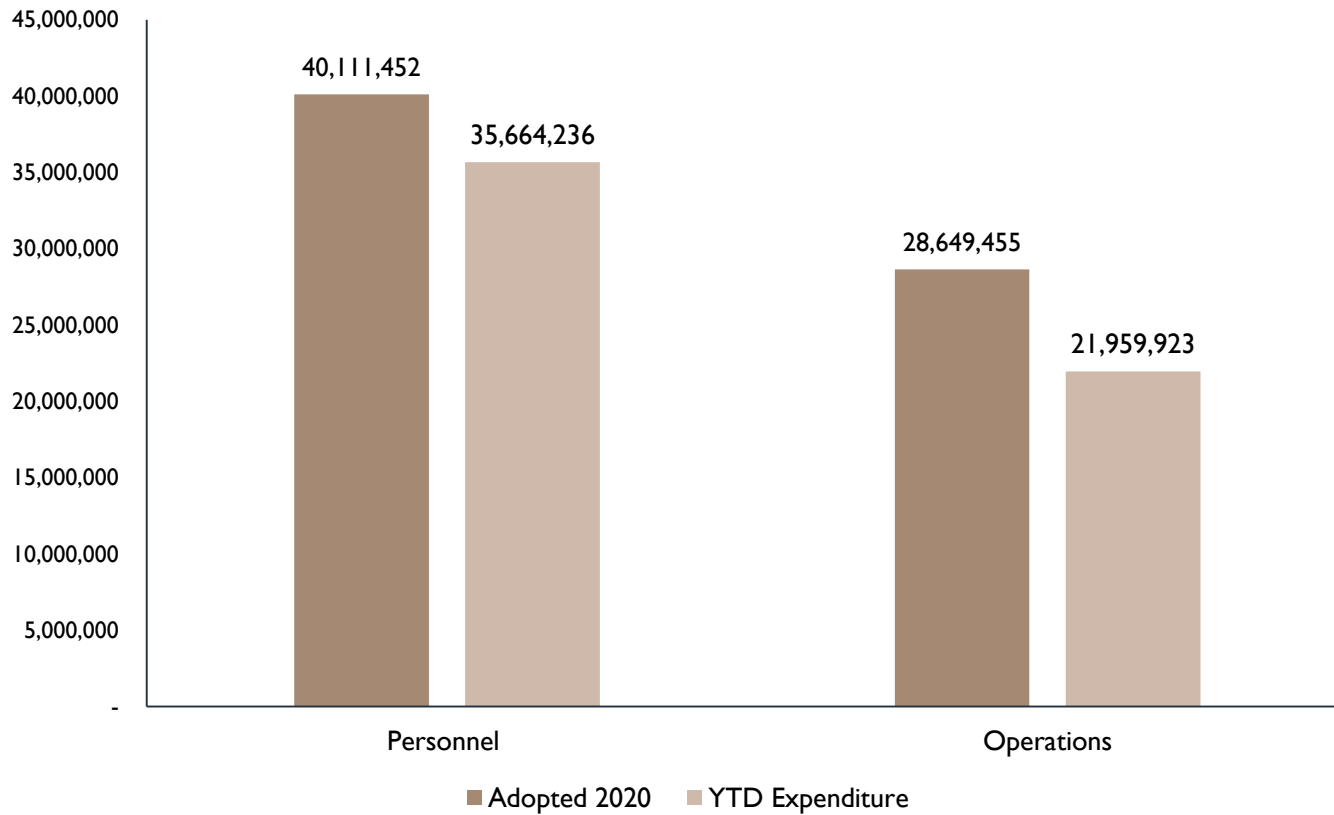
*FOR THE MONTH
ENDING
SEPTEMBER 30, 2020*

ACCOUNT DESCRIPTION	AMENDED 2020 BUDGET	SEPT-20	YTD EXPENDITURE	% YTD EXPENDITURES	% USED
District Total	\$1,361,155	\$184,115	\$1,171,065	2.03%	86%
City Clerk	\$1,046,544	\$43,383	\$858,956	1.49%	82%
Mayor	\$306,824	\$27,064	\$211,621	0.37%	69%
City Manager	\$1,240,842	\$215,844	\$1,102,345	1.91%	89%
Finance & Administrative Services	\$4,300,848	\$174,246	\$1,607,758	2.79%	37%
Contracts & Procurement	\$437,460	\$54,441	\$324,187	0.56%	74%
Law	\$1,600,000	\$71,426	\$1,059,766	1.84%	66%
Information Technology	\$2,279,357	\$228,283	\$2,153,572	3.74%	94%
Human Resources	\$645,716	\$99,472	\$708,499	1.23%	110%
Risk Management	\$128,997	\$744	\$25,468	0.04%	20%
Communications	\$704,133	\$28,651	\$434,405	0.75%	62%
General Administrative Services	\$4,606,655	\$1,021,840	\$4,302,240	7.47%	93%
Municipal Court	\$862,820	\$54,453	\$770,053	1.34%	89%
Police Administration	\$13,433,067	\$1,357,402	\$13,231,878	22.96%	99%
Fire Administration	\$12,825,589	\$1,313,625	\$12,354,800	21.44%	96%
Public Works	\$7,759,058	\$660,105	\$7,177,534	12.46%	93%
Parks and Recreation	\$4,566,415	\$344,338	\$3,401,107	5.90%	74%
Cultural Affairs	\$968,799	\$56,889	\$232,661	0.40%	24%
Community & Regulatory Affairs	\$4,303,297	\$648,842	\$3,965,562	6.88%	92%
Economic Development	\$644,690	\$42,044	\$317,790	0.55%	49%
Debt Service/ Interfund Transfers	\$4,738,642	\$0	\$2,212,891	3.84%	47%
GENERAL FUND EXPENDITURES TOTALS	\$68,760,907	\$6,627,208	\$57,624,159	100%	84%

AMENDED BUDGET VS YTD EXPENSES

Personnel & Operating Expenses

YTD SEPTEMBER 2020

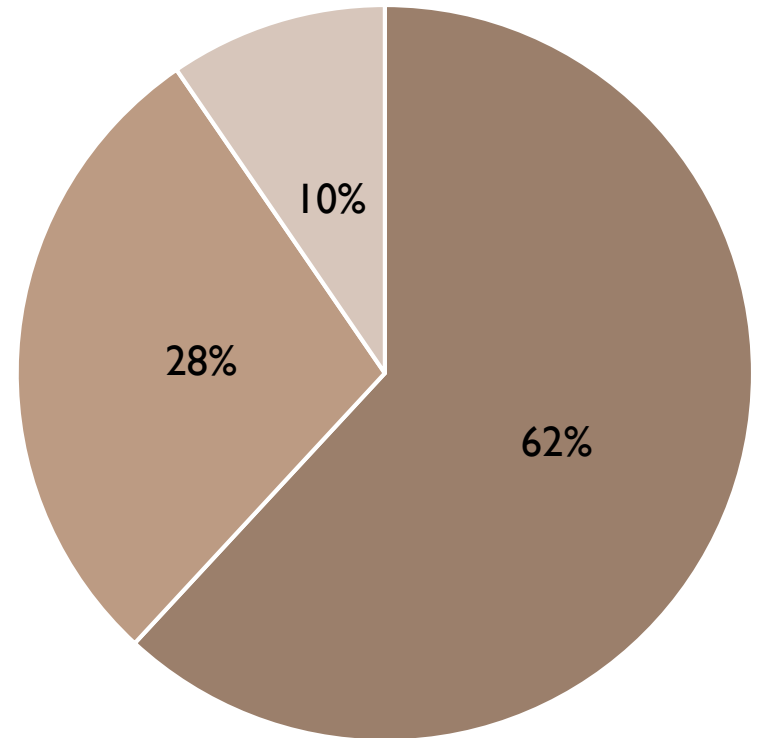


Personnel and Operational Expenditures are operating under budgeted expenditure amounts at 89% and 77% respectively.

GENERAL FUND YTD EXPENSES

*Personnel & Operating Expenses
YTD SEPTEMBER 2020*

TYPE	EXPENDED YTD
Personnel	35,664,236
Contracted/ Professional Services	16,442,925
Supplies/Other	5,516,998
Total Expenditures	57,624,159



■ Personnel ■ Contracted/ Professional Services ■ Supplies/Other

CITY OF SOUTH FULTON GENERAL FUND

Summary of Expenditures

*FOR THE MONTH ENDING
SEPTMEBER 30, 2020*

ACCOUNT DESCRIPTION	AMENDED 2020 BUDGET	SEPT-20	YTD EXPENSE
General Fund (includes Court Operations)	\$68,760,907	\$6,627,208	\$57,624,159
Confiscated Assets	\$60,000	\$0	\$50,626
E-911 Fund	\$0	\$0	\$1,976,323
Restricted Grants	\$5,064,602	\$113,958	\$488,244
Hotel Motel	\$240,000	\$0	\$101,391
T-SPLOST	\$17,592,330	\$2,317,704	\$6,020,302
Capital Grant	\$1,222,516	\$42,563	\$42,563
Capital	\$10,439,348	\$565,762	\$5,632,108
Solid Waste	\$520,000	\$53,666	\$354,518
TOTAL EXPENDITURES	\$103,899,703	\$9,720,861	\$72,290,234

SUMMARY

REVENUES

1. City of South Fulton's revenue shortfall is comparable to neighboring municipalities in the Atlanta Metro area, across the State and around the country. COSF revenues shortfall impact has been minimized as result of:
 - Good Municipal Financial Policies
 - Good Financial Reserves
 - Good Internal Controls
2. City of South Fulton started fiscal year 2020 with sufficient cash reserves from 2019, which:
 - Helped the City meet its financial obligations during the pandemic
 - Through continued good financial planning, the City has met all expenditures including payroll through September 30, 2020 without laying off any employee.
3. The projected positive 2020 fiscal year end must not make the City relax in its good financial management as the COVID-19 effects on economy will take more than one fiscal year for full recover to pre-pandemic time.

SUMMARY

REVENUES

5. **Business and Occupation License Renewal** is based on previous year's revenues receipts.
 - 2021 Budget for Business License Revenue will be expected to decrease as businesses will be reporting their receipts for 2020.
6. **Hotel/Motel Revenues** have been affected by travel and tourism decline. Improvements are slowly taking place.
7. The closure of Court Services Parks and Recreation, PD Service Fees, Southwest Art Center Service Fees, Fire and Rescue Service Fees Community and Regulatory Affairs Service Fees have led to low revenue collection this fiscal year but slowly improving.
8. Increase in revenues inflow is largely dependent on full reopening of City facilities and services.
9. Please note that majority in increase of other revenues is attributed to our one-time revenues in form of COVID-19 receipts and other miscellaneous. These revenues have corresponding expenses also related to COVID-19.



QUESTIONS AND COMMENTS

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