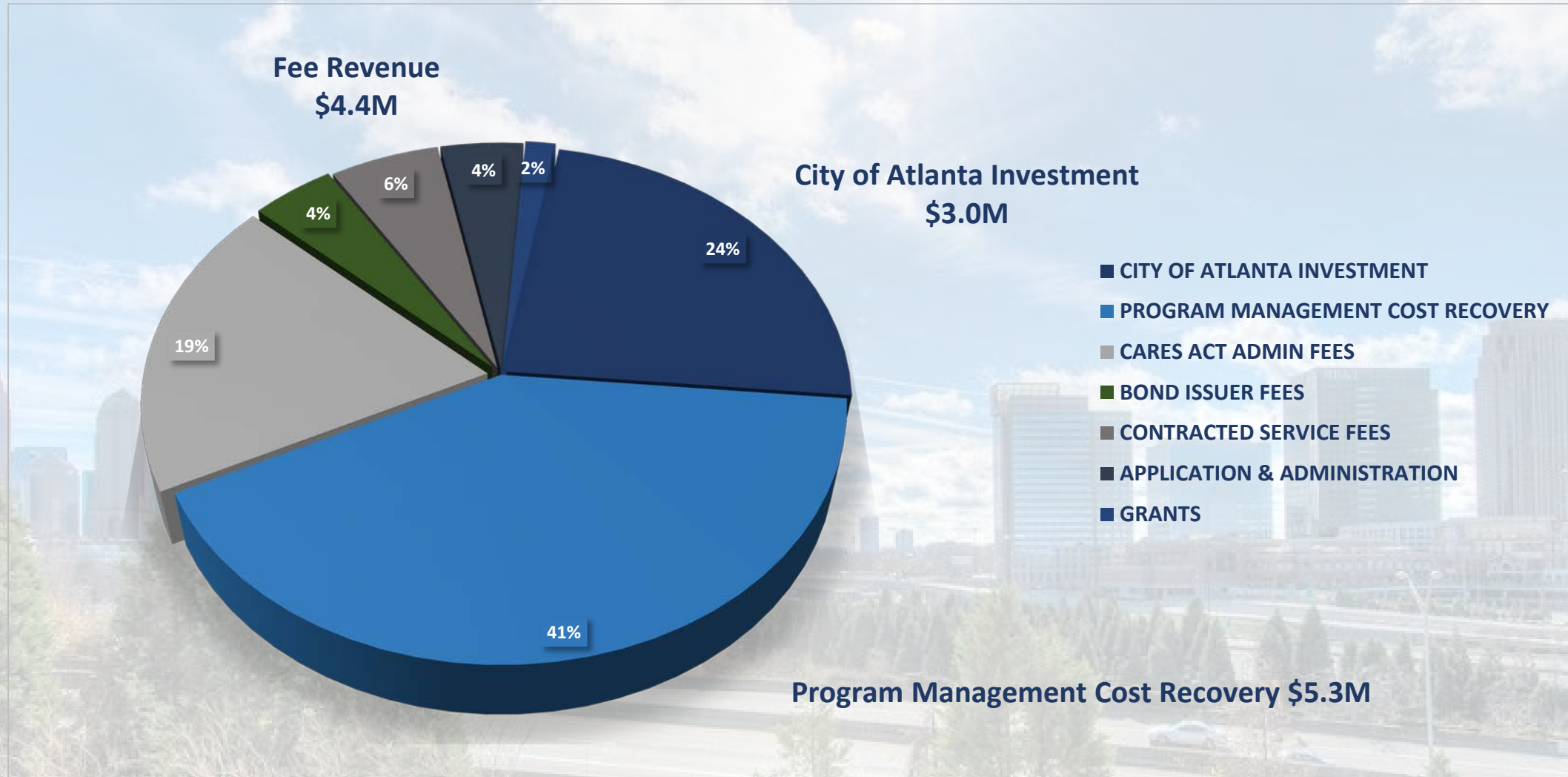


FY 2021 IA Budget Presentation

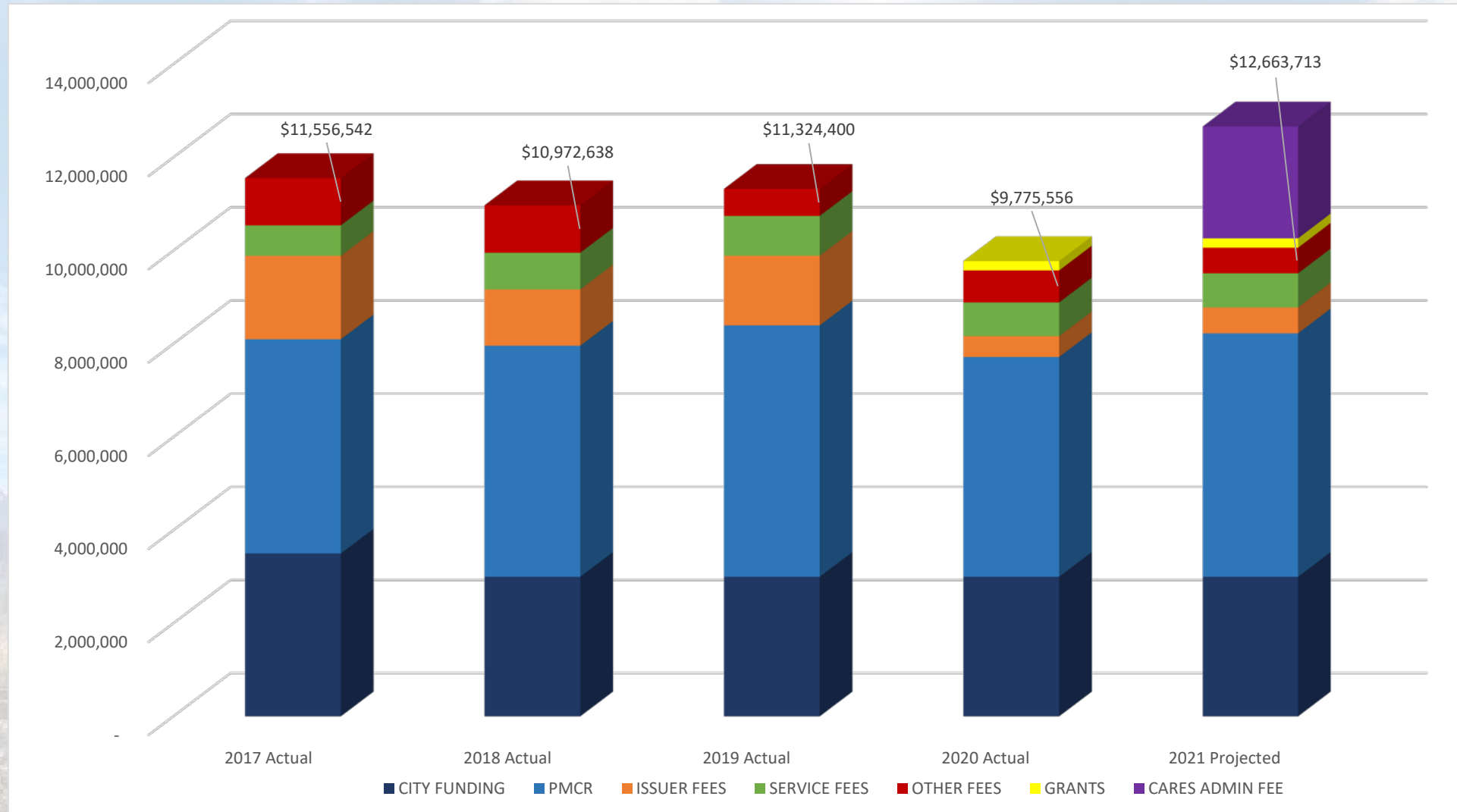
Agenda

- Budget Review
 - *Projected Revenue (Summary & Detail)*
 - *Projected Expenses (Summary & Detail)*
 - *Projected Cash Flow (Summary)*
- Questions
- Appendix - Budget Commentary

2021 Budgeted Revenue = \$12.7M



2017 - 2021 Revenue Trend



New and Expanding Initiatives:

- Federal CARES ACT Loans and Grant Program
 - To help ensure that small businesses recover from the impacts of COVID. Not only do these businesses provide amenities but they support jobs.
- Small Business Loan Program
 - To bring additional lending capacity and new loan products to the program to serve more entrepreneurs and growing businesses.
- Economic Development Mobility Strategy
 - To help address barriers to economic mobility and to support an economic recovery that's more resilient and equitable for all Atlantans.
- The Southside Economic Development Strategy
 - To bring new economic investment, such as small business and commercial corridor development, to the Southside in a comprehensive way with a community lens.

Projected Revenue

Projected Revenue	FY 2021 Budget	FY 2020 Budget	Over (Under)	
			\$ Variance	% Change
Economic Development	\$ 6,535,612	\$ 4,580,620	\$ 1,954,992	43%
Community Development	5,148,370	5,721,503	(573,133)	-10%
Corporate & Other	979,730	1,090,930	(111,200)	-10%
Total Projected Revenue	\$ 12,663,712	\$ 11,393,053	\$ 1,270,659	11%

Economic Development

Projected Revenue

Projected Revenue	FY 2021 Budget	FY 2020 Budget	Over (Under)	
			\$ Variance	% Change
City of Atlanta Funding	\$ 3,000,000	\$ 3,000,000	\$ -	0%
CARES Act Administration Fees	2,400,000	-	2,400,000	100%
Program Mgt. Cost Recoveries	498,583	632,110	(133,527)	-21%
Bond Issuer / Commitment Fees	305,000	575,000	(270,000)	-47%
Other Administration & Application Fees	132,029	173,510	(41,481)	-24%
Grants	200,000	200,000	-	0%
Economic Development Total Revenue	\$ 6,535,612	\$ 4,580,620	\$1,954,992	43%

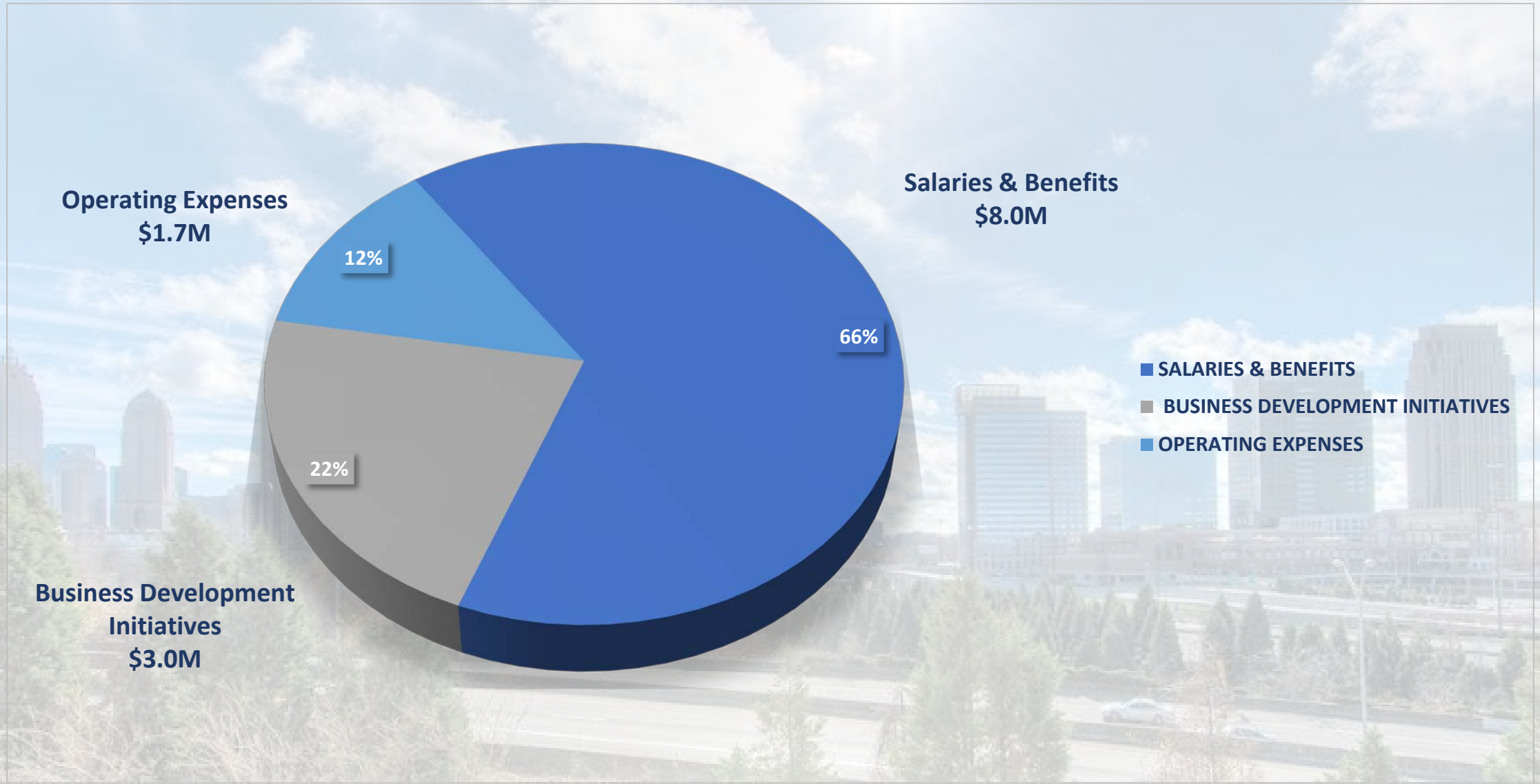
Community Development

Projected Revenue

Projected Revenue	FY 2021 Budget	FY 2020 Budget	Over (Under)	
			\$ Variance	% Change
Program Mgt Cost Recoveries - URFA	\$ 2,567,472	\$ 2,698,454	\$ (130,982)	-5%
Program Mgt Cost Recoveries - TAD	2,160,165	2,458,049	(297,884)	-12%
Bond Issuer / Commitment Fees	250,733	400,000	(149,267)	-37%
Contracted Service Fees	100,000	100,000	-	0%
City Initiated Projects	40,000	40,000	-	0%
Application Fees	30,000	25,000	5,000	20%
Community Development Total Revenue	\$ 5,148,370	\$ 5,721,503	\$ (573,133)	-10%

Projected Revenue	FY 2021 Budget	FY 2020 Budget	Over (Under)	
			\$ Variance	% Change
Contracted Service Fees	\$ 630,400	\$ 741,600	\$ (111,200)	-15%
ADA/CAU Annual Fee	210,730	210,730	-	0%
Other Administration & Application Fees	81,000	81,000	-	0%
Rental Income	57,600	57,600	-	0%
Corporate Total Revenue	\$ 979,730	\$ 1,090,930	\$ (111,200)	-10%

2021 Budgeted Expenses = \$12.7M



Projected Operating Expenses

Operating Expenses	FY 2021 Budget (57.5 FTE)	FY 2020 Budget (62.5 FTE)	Over (Under)		
			\$ Variance	% Change	
Salaries & Benefits					
Salaries & Wages	\$ 5,983,341	\$ 6,170,401	\$ (187,060)	-3.0%	
Benefits - Health Insurance	917,421	1,013,707	(96,286)	-9.5%	
Benefits - Retirement Contribution	884,081	911,568	(27,487)	-3.0%	
Benefits - Other	225,941	226,869	(928)	-0.4%	
Total Salaries & Benefits	\$ 8,010,784	\$ 8,322,545	\$ (311,761)	-3.7%	
G&A & Other Expenses	\$ 4,652,928	\$ 3,070,508	\$ 1,582,420	51.5%	
Total Projected Operating Expenses	\$ 12,663,712	\$ 11,393,053	\$ 1,270,659	11.2%	

Largest Expenses Category

Projected Operating Expenses

	FY 2021 Budget	FY 2020 Budget	Over (Under)	
			\$ Variance	% Change
Expenses				
Salaries & Wages	\$ 5,983,341	\$ 6,170,401	\$ (187,060)	-3%
Employee Benefits (Health, Retirement & Other)	1,921,274	2,041,117	(119,843)	-6%
Consulting Fees	798,134	322,200	475,934	148%
Legal - Outside Counsel	787,500	73,176	714,324	976%
Office Lease	525,498	503,166	22,332	4%
Economic Development	438,700	585,062	(146,362)	-25%
Capital Expenditures	397,924	138,383	259,542	188%
Software	290,974	129,681	161,293	124%
Technology Maintenance & Support	243,315	146,255	97,060	66%
Advertising & Marketing Outreach	184,998	34,894	150,104	430%
Insurance (D&O, P&C, WC)	138,382	122,997	15,385	13%
Payroll Taxes	106,169	111,027	(4,858)	-4%
Office Supplies	60,308	31,000	29,308	95%
Audit & Tax Prep Fees	53,921	58,556	(4,635)	-8%
Media/Periodical Subscriptions	50,737	33,848	16,889	50%
Training & Professional Development	48,800	106,300	(57,500)	-54%
Sponsorships	45,575	108,850	(63,275)	-58%
Conferences	34,472	89,300	(54,828)	-61%
Largest Direct Expenses	\$ 12,110,022	\$ 10,806,212	\$ 1,303,810	12%
Total Direct Expenses	\$ 12,663,712	\$ 11,393,053	\$ 1,270,659	11%
Largest Expenses as a Percentage of Total	96%	95%		

Largest Expenses Category- CARES

Projected Operating Expenses

	FY 2021 Budget	FY 2021 CARES Budget	FY 2021 Less CARES Budget	FY 2020 Budget	Over (Under)	
					\$ Variance	% Change
Expenses						
Salaries & Wages	\$ 5,983,341	\$ -	\$ 5,983,341	\$ 6,170,401	\$ (187,060)	-3%
Employee Benefits (Health, Retirement & Other)	1,921,274	-	1,921,274	2,041,117	(119,843)	-6%
Consulting Fees	798,134	494,234	303,900	322,200	(18,300)	-6%
Legal - Outside Counsel	787,500	745,000	42,500	73,176	(30,676)	-42%
Office Lease	525,498	-	525,498	503,166	22,332	4%
Economic Development	438,700	-	438,700	585,062	(146,362)	-25%
Capital Expenditures	397,924	245,301	152,623	138,383	14,241	10%
Software	290,974	99,419	191,555	129,681	61,874	48%
Technology Maintenance & Support	243,315	57,345	185,970	146,255	39,715	27%
Advertising/Marketing Outreach	184,998	52,000	132,998	34,894	98,104	281%
Insurance (D&O, P&C, WC)	138,382	-	138,382	122,997	15,385	13%
Payroll Taxes	106,169	-	106,169	111,027	(4,858)	-4%
Office Supplies	60,308	40,000	20,308	31,000	(10,692)	-34%
Audit & Tax Prep Fees	53,921	-	53,921	58,556	(4,635)	-8%
Media/Periodical Subscriptions	50,737	-	50,737	33,848	16,889	50%
Training & Professional Development	48,800	-	48,800	106,300	(57,500)	-54%
Sponsorships	45,575	-	45,575	108,850	(63,275)	-58%
Conferences	34,472	-	34,472	89,300	(54,828)	-61%
Largest Direct Expenses	\$ 12,110,022	\$ 1,733,299	\$ 10,376,723	\$ 10,806,212	\$ (429,489)	-4%
Total Direct Expenses	\$ 12,663,712	\$ 1,741,224	\$ 10,922,488	\$ 11,393,053	\$ (470,565)	-4%
Largest Expenses as a Percentage of Total	96%	100%	95%	95%		

Profit & Loss Summary Statement

Operating Budget

	FY 2021 Budget	FY 2020 Budget	Over (Under)	
			\$ Variance	% Change
Projected Revenue				
Economic Development	\$ 6,535,612	\$ 4,580,620	\$ 1,954,992	43%
Community Development	5,148,370	5,721,503	(573,133)	-10%
Corporate & Other	979,730	1,090,930	(111,200)	-10%
Total Projected Revenue	\$ 12,663,712	\$ 11,393,053	\$ 1,270,659	11%
Projected Expenses				
Salaries & Benefits	\$ 8,010,784	\$ 8,322,545	\$ (311,761)	-4%
Business Dev & General Admin Expenses	4,652,928	3,070,508	1,582,420	52%
Total Projected Expenses	\$ 12,663,712	\$ 11,393,053	\$ 1,270,659	11%
Net Income				
	\$ 0	\$ 0	\$ 0	0%

Recap - Projected Cash Flow

Projected Cash Flow		FY 2021 Budget	FY 2020 Budget
Beginning Cash Available at 7/1	\$	1,094,993	\$ 1,698,000
Revenue Forecast		12,663,712	11,393,053
Expense Forecast		12,663,712	11,393,053
Net Income/(Loss)		0	0
Rent Reserve		(300,000)	(300,000)
Ending Cash Available at 6/30*	\$	794,993	\$ 1,398,000

**Cash available is approximately 6% of annual budget*



Appendix: Budget Commentary

Revenue - \$12.6M

- 2020 comparisons:
 - Increase of 11.0% or \$1.3M from FY 2020 budget
- \$3.0m in funding from the City of Atlanta
 - Funding is equal to prior year
- \$2.4m in funding from the Federal CARES Act
 - Funding is new in the current year as an allocation from the City of Atlanta's \$88M CARES Act Award.
- \$2.1m of TAD cost recoveries
 - Decrease of 12.1% or \$297k from FY 2020 budget
- \$2.6m of URFA cost recoveries
 - Decrease of 4.9% or \$130.9k from FY 2020 budget
- \$498.6k of WEI cost recoveries
 - Decrease of 21.1% or \$133.5k from FY 2020 budget
- \$555.7k for issuer / commitment fees related to new bond issuances
 - Decrease of 43% or \$419k from FY 2020 budget

- \$730.4k in service fees:
 - \$561k of services fees related to administering services for the new market tax credit entity – AEMI.
 - \$100k in service fees for choice neighborhood contracted services
 - \$60k in service fees for providing human resource support for a partner authority
 - Other svc fees related to TSPLOST, SIPOA and other fees.
- \$551.4k in application fees, administration fees, loan servicing fees and city initiated projects fee.
- \$200k in grants received from a 501c3 to support small businesses within the opportunity zone.

Salaries & Benefits - \$8.0M

- Decrease of 3.7% or \$312k in salaries and benefits of 57.5 FTE from FY 2020 budget:
 - Decrease of 3.0% or \$187k pertains to salaries of existing initiatives comprised of 57.5 FTEs. There are 5 unfilled positions that will remain open until FY2021.
- \$0.9M for health insurance, decreased 9.5% or \$96k compared to prior year to due unfilled positions.
- \$1.1M related to retirement and other benefits, decreased 3.4% or \$28k is inline with decrease in salaries.

G&A and Other Operating Expenses - \$4.7M

Increase of 51.5% or \$1.6.M from FY 2020 budget

- \$798k consulting fees
 - \$494k CARES Act contractors, \$90k communications consulting firm, \$35k PACE consumer protection policy, \$25k CIO and IT framework, \$25k equity evaluator tool, \$24k economic mobility services, \$23k staffing agency, \$20k privacy policy \$20k intellectual property firm, \$15k graphic design consultant, \$12k Videographer, \$10k advisory audit firm, \$8k annual report support and other consulting & staffing fees, \$7k Loci / Implan research.
- \$788k legal fees
 - \$745k CARES Act legal fees,
 - \$30k corp legal fees
 - \$10k opportunity zone legal fees
- \$526k office lease
 - \$458k Invest Atlanta office lease - 2% annual escalation
 - \$57k WEI lease
 - \$10k Satellite office lease commenced in FY21
- \$290k software expense
 - \$91k Loan administration and compliance software, \$41k CRM license, \$24k remote access license, \$19k office 365, \$15k Docusign, \$15k adobe pro site license and other required software licenses.
- \$438k economic development initiatives
 - \$125k ivillage operations/initiatives
 - \$99k in business creation initiatives
 - \$57k in business retention initiatives
 - \$50k in southside development initiatives
 - \$47k in opportunity zone initiatives
 - \$25k in trade missions
 - \$12k in small business initiatives
 - \$13k in business attraction initiatives
 - \$10k in economic mobility programs / initiatives
- \$397k capital expenditures
 - Document management system implementation, technology upgrade, loan administration system implementation, security camera upgrade, covid19 office improvements.
- \$243.8k technology and maintenance support
 - Outsourced infrastructure support team, general ledger maintenance, disaster recovery support.
- \$185k Advertising and marketing outreach
 - \$133k Marta advertising, postcards & mailers.
 - \$52k CARES Act outreach
- \$138k insurance
 - P&C, D&O, liability, and workers comp
- \$49k training and professional development
 - Avg of \$900/employee @ 52.5 FTE

THANK YOU.