Department of Aviation

Fiscal Year 2016 Budget Book

Department of Accounting and Finance

Hartsfield-Jackson Atlanta International Airport®

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GENERAL MANAGER'S MESSAGE

General Manager's Message

As we enter a new fiscal year, the Department of Aviation team is working diligently to ensure Hartsfield-Jackson Atlanta International Airport continues to fulfill its purpose serving as the metro Atlanta region's chief economic development tool for the creation of jobs and the growth of wealth for its residents.

Fiscal Year 2016 will see continued work toward realizing the priorities we've established to enable Hartsfield-Jackson to make an even deeper impact on the region's economy.

Expanding ATL cargo operations remains our top strategic priority. Some of the plans we have for executing this objective in FY16 include completing the construction of a 100,000 square foot cargo warehouse, expansion of our Air Service Incentive Program (ASIP) to encapsulate strategic target markets and the development of plans to equip ATL to compete more strongly in the lucrative perishables trade.

Very early in FY16, we will begin our master plan projects. Among the first initiatives we will address is the construction of new parking facilities and our terminal modernization project.

Lease negotiations with our airline partners will continue in FY16. Our goal remains to strike a pact between the Airport and our tenants that is fair and equitable and one that will enable our airlines to realize their business objectives.

We will be implementing creative methods to generate non-aeronautical revenue. This includes exploring new lines of business in our Concessions program, seeking ways to generate revenue from airport owned land adjacent to the Hartsfield-Jackson campus, and most important, we will be moving forward with our landmark plans to build a world-class hotel just steps away from the Airport's western curbside.

We look forward to executing programs and tactics born from the recommendations issued by Mayor Reed's Blue Ribbon Marketing Task Force. The group comprises some of Atlanta's best and brightest marketing minds, and was charged with developing creative and innovative ways to market Atlanta as a destination, particularly to capture the attention of the 60,000 plus connecting passengers who never set foot outside of the Airport.

Our organization will be fully restructured to provide the necessary human resources vital to ensure the successful achievement of our business objectives.

In closing, I am pleased to give thanks to the Department of Aviation employees for their service and dedication. I must also thank the Department's Accounting and Finance division for its tireless work to prepare this FY16 Budget Book and for its unwavering commitment to maintaining Hartsfield-Jackson's financial health.

Lastly, on behalf of the Department of Aviation, I extend special acknowledgement to Mayor Kasim Reed, Chief Operating Officer Michael Geisler, the Atlanta City Council and the members of the Transportation and Finance Executive committees for their continued leadership and support.

EXECUTIVE SUMMARY

Executive Summary

Airport Overview

Hartsfield-Jackson Atlanta International Airport (ATL, the Airport) is owned by the City of Atlanta (City) and operated by the Department of Aviation (Department) as an enterprise fund using only its financial resources for operations and capital development. ATL occupies a 4,750 acre site in Clayton and Fulton counties about 10 miles south of downtown Atlanta. It is classified as a large hub by the Federal Aviation Administration (FAA) and is the principal air carrier airport serving Georgia and the southeastern United States. ATL serves as a primary transfer point in the national air transportation system. In Calendar Year 2014, ATL handled more than 96.1 million passengers and just over 868,000 aircraft operations, making it the world's busiest passenger airport.

Top 10 Passenger Airports Worldwide
(Calendar Year 2014)

RANK	AIRPORT
1	**Atlanta**
2	Beijing
3	London Heathrow
4	Tokyo Haneda
5	Los Angeles
6	Dubai international
7	Chicago O'Hare
8	Paris Charles de Gaulle
9	Dallas/ Fort Worth
10	Hong Kong International

Source: Airports Council International

This has resulted in a large number of destination offerings from metro Atlanta compared with similarly sized metropolitan areas. ATL is one of the largest economic generators in the Southeast, with a direct regional impact in total business revenues estimated to be more than $34.8 billion annually, and an indirect and induced impact of $29.5 billion annually. Including these indirect and induced effects, the total economic impact of the Airport is $64.3 billion annually.

ATL each day handles approximately 6.6% of the nation's air travelers, leading many experts to consider ATL the most important transportation node in the U.S. and perhaps the world. The continued safe and efficient functioning of ATL is critically important to city, state and national interests. ATL operates to ensure maximum efficiency and the best possible experience for travelers. ATL's mission is to "provide the Atlanta region with a safe, secure and cost-competitive gateway to the world that drives economic development."

ATL operates 24 hours per day, 365 days per year. The Department employs 650 full-time employees, as well as 215 police and 246 firefighting personnel. This represents a small portion of the more than 63,000 airline employees, concessionaires, contractors and other professionals whose expertise and professionalism facilitate an average of nearly 2,400 aircraft operations per day. For 12 consecutive years, ATL has been recognized for excellence in efficiency by the Air Transport Research Society. In 2015, ATL was again named the most efficient airport in the world.

Airline Service

An airport's originating and destination passenger volumes are determined by the population and economy of its service region. Connecting passenger numbers are determined primarily by airline decisions to provide connecting service at an airport. Approximately 32 percent of ATL's enplaned passengers are originating passengers; the remaining 68 percent are passengers connecting between flights.

Scheduled air carriers operating at ATL are:

Mainline Passenger Airlines (associated regional airlines not shown)

Alaska Airlines	Frontier Airlines	United Airlines
American Airlines	Southwest Airlines	US Airways
Delta Air Lines	Spirit Airlines	

Regional Airlines

Endeavor Air	GoJet Airlines	Shuttle America
Envoy Air	Mesa Airlines	SkyWest Airlines
ExpressJet Airlines	Republic Airlines	PSA

Foreign Flag Airlines

Air Canada Jazz	KLM Royal Dutch Airlines	Lufthansa German Airlines
Air France	Korean Air	Virgin Atlantic Airways
British Airways		

All-Cargo Airlines

ABX	Cathay Pacific Cargo	Korean Air Cargo
Air France/KLM Cargo	China Airlines Cargo	Lufthansa Cargo
Air Transport Int'l	DHL Express	Qatar Airways
Asiana Cargo	Emirates Sky Cargo	Singapore Airlines Cargo
Atlas Air	EVA Airways	Suburban Air Freight
Baron Aviation	FedEx	TNT Airways
Cargolux Airlines	Kalitta Air	UPS Air Cargo

Airport Facilities

The design and location of ATL has made it an ideal facility for large volumes of passengers and aircraft operations since the current complex was opened in 1980. Since that time, various airlines have used ATL as a major hub. Approximately 80 percent of the U.S. population resides within a two-hour flight from Atlanta, making it a great location for airline operations. Two major airlines use ATL as a major airport for their operations, Delta Air Lines and Southwest Airlines. While Delta Air Lines operates in a traditional hub-and-spoke model and Southwest Airlines operates using a point-to-point transit model, the design and location of ATL gives it the flexibility to enhance travel via either model.

ATL consists of five parallel runways, multiple associated taxiways, a domestic terminal with five concourses and an international terminal with two concourses. Additionally, ATL has extensive parking facilities, a state-of-the-art rental car center, a ground transportation center, three airfield complexes, a Metropolitan Atlanta Rapid Transit Authority (MARTA) station and other facilities that one would expect to find at a world-class airport of its size.

Runways & Taxiways

The efficiency in ATL's design rests, in large part, in its five parallel east-west oriented runways. This runway design allows five different aircraft to land and/or take off nearly simultaneously. ATL's seven concourses are oriented north-south with ample ramp space in between them to allow for rapid aircraft movement between the runways and the gates. ATL also employs an end-around taxiway that greatly increases aircraft movement to and from the ramps.

Central Passenger Terminal Complex

The Central Passenger Terminal Complex (CPTC) measures approximately 7 million square feet, or 160 acres. The CPTC includes a domestic terminal and an international terminal that houses all airline check-in facilities, ground transportation facilities, administrative offices, access to parking facilities, concessions and security checkpoints. The domestic terminal includes five domestic concourses (T, A, B, C, and D) and a three-story atrium. The international terminal includes two international concourses (E and F), with concourse F serving as the primary originating and destination terminal for international flights. Within these seven concourses, there are a total of 191 gates, including 150 domestic and 41 international. The entire complex is connected via an underground tunnel system which houses both moving sidewalks and a train system called The Plane Train. The Plane Train operates on a 3.5-mile loop track which runs underneath the terminals, the concourses and the ramp. On average, The Plane Train transports more than 250,000 passengers per day, including airline passengers and airport employees. Both the terminal buildings and the concourses are free of any architectural barriers to people with disabilities.

Metropolitan Atlanta Rapid Transit Authority

MARTA provides train and bus service to and from the metro Atlanta area. MARTA's airport station connects to ATL at the west end of the domestic terminal atrium between the North and South baggage claim areas.

Cargo and Airfield Complexes

The airfield is generally considered to have three main complexes which are located North, South and Midfield. These three complexes occupy 7.5 million square feet spread over 198 acres. The key airport assets situated among the three complexes include cargo facilities, airline support and maintenance facilities, fixed base operations and fuel farms. Cargo facility assets include cargo operations in all 3 complexes, including ATL cargo warehouse facilities in the North and South complex, a USDA propagated plant inspection station, a perishables complex and 28 parking positions for cargo aircraft to include 19 at the north complex and 9 at the south complex. Other airfield assets include airline maintenance hangars, a blast fence, flight support services (provisional, cleaning, GSE repair & storage), fuel tanks and pipelines and a fixed base operator to facilitate private and charter flights.

Concessions

There are 315 concession outlets throughout ATL, including kiosks. These consist of 145 food and beverage locations (including 5 food courts), 136 retail and convenience outlets, duty-free stores and 34 service locations. These service locations include a banking center, Georgia Lottery outlets, shoe shine booths, ATMs, vending machines and spas. Concessions space within ATL covers approximately 306,000 square feet.

Ground Transportation Center

The ground transportation center is located at the west end of the terminal and offers the following services:

1. Shuttle bus services with door-to-door and on-demand pickup service from ATL to the metro Atlanta area and bordering states. These depart every 15 minutes within the Atlanta metro area and every 30 minutes for all other areas.
2. Taxi, limo and sedan services
3. Area hotel and off-site parking shuttle buses

Rental Car Center

The Rental Car Center (RCC) is a convenient, state-of-the-art, 67.5-acre facility that houses all rental car company operations and vehicles. The RCC includes two four-story parking decks, more than 8,700 parking spaces and a 137,000 square foot customer service center. The RCC features 12 rental car brands - Advantage, Alamo, Avis, Budget, Dollar, Enterprise, EZ, Hertz, National, Payless, SIXT and Thrifty. Connecting customers to the RCC is an elevated train, called the ATL SkyTrain. In five minutes, passengers are connected from the Airport station at the CPTC to the RCC, the Georgia International Convention Center (GICC), multiple hotels and office buildings. The train operates six two-car trains which can carry 100 passengers and their baggage.

Parking Facilities

There are over 33,000 public and employee parking spaces at ATL, including:

HARTSFIELD-JACKSON ATLANTA INTERNATIONAL AIRPORT PARKING SPACES				
	LOT NAME	SPACES	♿ SPACES	TOTAL SPACES
NORTH PARKING LOTS	**NORTH ECONOMY TOTAL**	**2,748**	**31**	**2,779**
	NORTH DAILY LEVEL 1	1,233	16	1,249
	NORTH DAILY LEVEL 2	1,401	18	1,419
	NORTH DAILY LEVEL 3	669	8	677
	NORTH DAILY LEVEL 4	1,301	15	1,316
	NORTH DAILY TOTAL	**4,604**	**57**	**4,661**
	NORTH HOURLY LEVEL 3	686	12	698
	NORTH HOURLY LEVEL 4	202	9	211
	NORTH HOURLY TOTAL	**888**	**21**	**909**
	TOTAL NORTH SPACES	**8,240**	**109**	**8,349**
SOUTH PARKING LOTS	**WEST ECONOMY TOTAL**	**1,040**	**7**	**1,047**
	SOUTH ECONOMY TOTAL	**3,384**	**44**	**3,428**
	SOUTH DAILY LEVEL 1	1,266	16	1,282
	SOUTH DAILY LEVEL 2	1,767	14	1,781
	SOUTH DAILY LEVEL 3	969	14	983
	SOUTH DAILY LEVEL 4	1,624	9	1,633
	SOUTH DAILY TOTAL	**5,626**	**53**	**5,679**
	SOUTH HOURLY LEVEL 3	753	15	768
	SOUTH HOURLY LEVEL 4	285	15	300
	SOUTH HOURLY TOTAL	**1,038**	**30**	**1,068**
	TOTAL SOUTH SPACES	**11,088**	**134**	**11,222**
PARK RIDE LOTS	PARK RIDE A	3,682	50	3,732
	PARK RIDE C	3,766	26	3,792
	PARK RIDE RESERVE	1,134	23	1,157
	TOTAL PARK RIDE SPACES	**8,582**	**99**	**8,681**
INTERNATIONAL TERMINAL LOTS	INTERNATIONAL HOURLY LEVEL 2	325	0	325
	INTERNATIONAL HOURLY LEVEL 3	258	1	259
	INTERNATIONAL HOURLY LEVEL 4	212	20	232
	INTERNATIONAL HOURLY LEVEL 5	195	0	195
	INTERNATIONAL HOURLY TOTAL	**990**	**21**	**1,011**
	INTERNATIONAL PARK RIDE LEVEL 1	440	0	440
	INTERNATIONAL PARK RIDE LEVEL 2	550	0	550
	INTERNATIONAL PARK RIDE LEVEL 3	552	0	552
	INTERNATIONAL PARK RIDE LEVEL 4	547	0	547
	INTERNATIONAL PARK RIDE LEVEL 5	478	18	496
	INTERNATIONAL PARK RIDE TOTAL	**2,567**	**18**	**2,585**
	TOTAL INTERNATIONAL SPACES	**3,557**	**39**	**3,596**
RESERVE PARKING	NORTH GOLD	224	5	229
	SOUTH GOLD	660	10	670
	INTERNATIONAL GOLD	204	7	211
	TOTAL RESERVED SPACES	**1,088**	**22**	**1,110**
TOTAL PUBLIC PARKING SPACES		**32,555**	**403**	**32,958**
EMPLOYEE LOTS	EMPLOYEE LOT A	160	2	162
	EMPLOYEE LOT B	97	3	100
	EMPLOYEE LOT C	118	0	118
	EMPLOYEE LOT D	44	1	45
	Park Ride Employee Lot	47	3	50
	INTERNATIONAL TERMINAL EMPLOYEE LOT	60	0	60
	TOTAL EMPLOYEE SPACES	**526**	**9**	**535**
	CELL PHONE LOT	**158**	**6**	**164**
TOTAL PUBLIC and EMPLOYEE PARKING SPACES		**33,239**	**418**	**33,657**

Note: Parking spaces listed in the chart are as of FY15 year-end, however the airport anticipates construction work in FY16 which will result in a loss of 1,047 spaces.

Vision, Mission and Strategic Priorities

ATL takes great pride in its strategic planning process. This process enables management to collectively define, develop and update its strategy. Furthermore, it provides a framework that facilitates the organization's decision making process. In order to determine the direction of the organization, it is necessary to understand its current position and the possible avenues through which it can pursue a particular course of action.

Vision

To be the global leader in airport efficiency and customer service excellence.

Mission

To provide the Atlanta region a safe, secure and cost-competitive gateway to the world that drives economic development, operates with the highest level of customer service and efficiency and exercises fiscal and environmental responsibility.

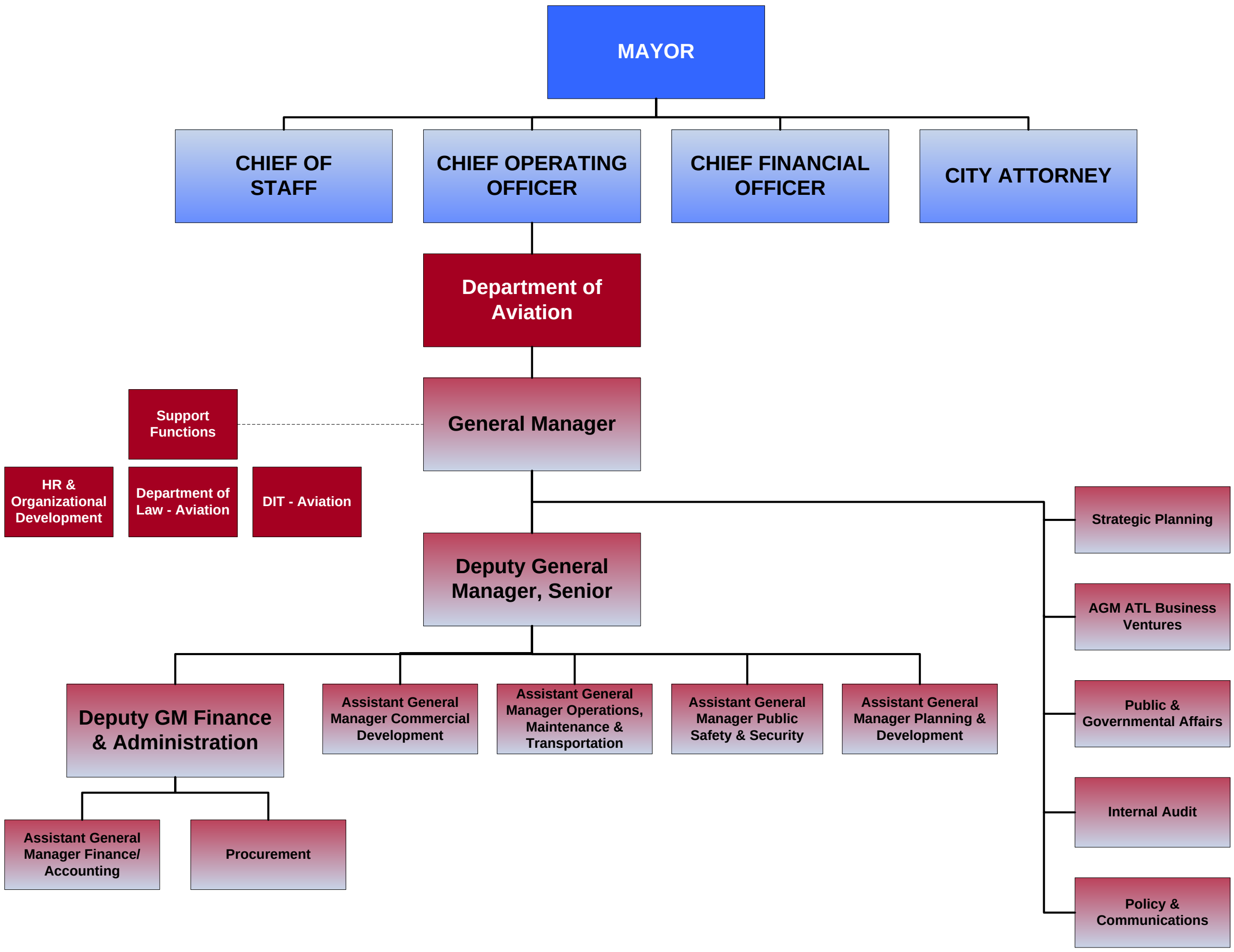
Strategic Priorities

To support the vision and mission, the strategic plan has five strategic priorities. These priorities directly affect ATL's ability to serve its customers (including the airlines and their passengers), be a critical regional economic generator and support the people working at ATL.

1. Employees – Employee Engagement & Satisfaction
2. Customers – Enhance & Deliver Best-In-Class Customer Experience
3. Finance – Preserve Airport's Financial Health
4. Environment – Promote Environmental Stewardship
5. Economic Generator – Focus on Our Role as Economic Engine

These five specific strategic priorities are the distinct building blocks of the strategic plan. Each of these strategic priorities is supported by objectives and initiatives that directly support the priority. Each strategic priority has simple, high-level metrics that help measure performance. By categorizing our objectives and initiatives by priority, it allows our employees to best see how their efforts support the vision and mission.

Organizational Structure



FY16 Budget Highlights

Listed below are some of the initiatives that directly support the five strategic priorities of ATL, which are part of the FY16 budget.

Employee Engagement and Satisfaction

- Enhance and expand the training curriculum for department employees
- Engage the department in an employee opinion survey

Enhance & Deliver Best in Class Customer Service

- Commencement of Terminal/Concourse modernization projects
- Execute security enhancements – employee, contractors, concessionaires, perimeter fencing
- Replace passenger boarding bridges
- Replace Fire Station #40

Preserve the Airport's Financial Health

- Emphasize commercial development – cargo, air service and revenue generation
- Complete new Airline use and lease agreement
- Begin plans to fund/finance the ATL Master Plan
- Engage a consultant to develop the Airport branding and advertising program

Promote Environmental Stewardship

- Development of Green Acres energy park
- Continuous development of potential solar energy solutions
- Employ use of Terminal-to-Terminal electric buses

Focus on Our Role as Economic Engine

- Commence the development of the Hotel/Airport City support facility
- Construct a new cargo building
- Implement Improvements in the South cargo truck staging area

Industry Overview

The global airport services industry is comprised of airport operators and companies providing support such as landing and take-off services, operation of fueling, runway maintenance, hangar rental, duty-free shops, security, baggage handling services and cargo handling services. The global airport services industry, which reached $123.6 billion in 2012, is forecast to reach an estimated $157.2 billion in 2018 with a compound annual growth rate of 4.1 percent over the next five years (2013-2018). Lucintel, a leading global management consulting and market research firm, has conducted a competitive analysis of the industry and presents its findings in "Global Airport Services Industry 2013-2018: Trend, Profit, and Forecast Analysis." The findings show that the North American region dominates the industry and represents the largest industry share. A combination of factors such as air traffic rates and the emergence of low-cost carriers affect market dynamics significantly. The airport services industry registered dynamic growth in the last couple of years because of the growth in the passenger and cargo movement and ground handling services. Despite challenges to the industry, it has several growth drivers that are covered by the report as well. Increasing traffic of air transportation services of passengers and cargo, strong demand of low-cost carriers especially in emerging nations and implementation of open skies policies are some of the growth drivers of this industry. Development of infrastructure in emerging nations also provides an additional impetus to the growth of the global airport services industry.

Airports, like other enterprises and corporations, are increasingly driven by the bottom line. Airports are in the service industry and provide services to traveling passengers. Airports that are designed to effectively accommodate passenger needs and habits are likely to succeed far beyond those that do not. Ultimately, all airport revenue is derived from the people who use airports: airline and concessionaire fees, passenger facility charges (PFC) and even federal funding itself derived from passenger ticket taxes. Airports that are designed to respond to human needs, capabilities, culture, desires and aspirations can find both happy users and prosperous tenants.

In order to provide services that satisfactorily accommodate both passengers and tenants, airports must recognize and deal with the following key factors in the industry:

- Economic and political conditions
- Financial health of the airline industry
- Airline service and routes
- Airline competition and airfares
- Airline consolidation and alliances
- Availability and price of aviation fuel
- Aviation safety and security concerns
- Capacity of the national air traffic control system
- Capacity of the airport

In today's environment, these factors also highlight challenges facing the industry. Some key challenges include the economy, establishing a safe and secure environment and providing a pleasing variety of retail and restaurant offerings for those traveling through the airport. Particularly in today's time the chief challenge is the state of the economy which is intertwined with economic and political conditions. The economy certainly is a chief component in the success of the airline industry's financial health. The volume of passenger travel, aircraft operations and cargo movement is largely dependent upon the state of the economy.

The U.S. airport sector is stable due to projected modest economic growth in the U.S. and global economies that should support enplanement and subsequent revenue increases. Most bond-rated U.S. airports are regaining financial resiliency, as demonstrated in Moody's Airport Medians report. Profitable airline partners that maintain rational route networks support stable financial performance given the residual rate making structure of a large portion of U.S.-rated airports. While the baseline expectation is for slow, stable growth, the industry remains below levels seen pre-recession and sensitive to downside. Lingering downside risks for the economy are joined by potential Federal funding cuts for aviation activities that could affect airport operations and long-term grant funding.

However, in stable to good economic times, some airports' passenger travel, aircraft operations, and cargo still experience growth. In fact, a few airports realize growth even in a slowed economy. Airports must be ready to successfully plan and achieve levels of capacity that accommodate the growth of passenger travel and cargo. This not only includes acreage/ square footage but also abundant airport support services. Some of these services include the following:

- Counter services
- Aircraft ramp handling
- Fuel systems
- Baggage systems
- Cargo aircraft handling
- Cargo warehousing
- Ramp tower control operations
- Flight supervision and coordination
- Appropriate levels of security personnel

ATL has positioned itself such that it successfully handles its service region, passenger and cargo growth. As a longtime industry leader in passenger and aircraft operations, ATL has demonstrated its ability to plan and execute strategies and projects that keep it at the forefront of the industry. Plans are also ongoing at ATL to better facilitate cargo operations which is meant to drive increases in future cargo tonnage. ATL has included in its FY16 capital plan a new cargo facility ($36.9 million) to further enhance and support the City's priority of driving cargo and logistics businesses throughout the region. During FY16, ATL will finalize approvals for its new master plan, providing a clear roadmap for the future.

Airports have proven to be a key component in the success of a region's economy. The impacts are tremendous and far reaching as there are so many jobs (direct and indirect) generated as a result of airports operating in the region. ATL is a major player in the economic success of the southeast region of the United States. Businesses are stimulated which in turn leads to an increase in jobs and productivity. But the growth in activity has also given rise to the need for enhanced security measures.

Airports have seen more than their share of security concerns over the past 14 years dating back to 9/11/01. Airport Security has been a challenging responsibility particularly given the fact that such a large population of people travel through airports. The industry has experienced several incidents in the past couple of years, including security breaches and other illegal activity which has increased public scrutiny of airports.

These incidents have created increased regulatory activity on a federal level as the TSA implemented several changes through security directives. The crux of these changes centered on ensuring airports reduced access points to an operational minimum. This change was coupled with recurrent vetting for airport employees and a screening requirement for all employees boarding aircraft as a passenger. Airports have also implemented full employee inspection programs to ensure employees are not in possession of prohibited items when entering the secured, sterile and AOA of the airport. ATL itself had to enhance its security measures and increased its budget 89 percent ($5.6 million) for FY16. Sizable investments are being made by airports across the country as they enhance their security programs.

Economic Impact

Periodically, the Department of Aviation conducts a study to measure the economic impact of the Airport on both the Atlanta Metropolitan Statistical Area (MSA) and the Piedmont Atlantic Megaregion (PAM) in order to better understand its role in the development of the region and to facilitate its strategic planning process. The 2013 study was done in partnership with Ricondo & Associates. Below is a table highlighting data that represents a high level summary:

	Impacts	Airport-Generated	Visitor Spending	Air Cargo Related	Total Impact
Jobs	Direct	63,291	173,099	9,146	245,536
	Indirect	51,312	38,989	8,710	99,011
	Induced	43,747	50,969	9,433	104,149
Total Jobs		**158,350**	**263,057**	**27,289**	**448,696**
Business Revenue ($millions)	Direct	$16,459	$14,362	$4,000	$34,821
	Indirect	$7,928	$5,588	$1,519	$15,035
	Induced	$6,419	$6,774	$1,224	$14,417
Total Business Revenue *($millions)*		**$30,806**	**$26,724**	**$6,743**	**$64,273**
Personal Income *($millions)*	Direct	$4,169	$4,298	$592	$9,059
	Indirect	$2,398	$1,849	$497	$4,744
	Induced	$1,979	$2,267	$370	$4,616
Total Personal Income *($millions)*		**$8,546**	**$8,414**	**$1,459**	**$18,419**
Average Income per Employee *($/ year)*	Direct	$65,870	$24,830	$64,728	$36,895
	Indirect	$46,734	$47,424	$57,061	$47,914
	Induced	$45,237	$44,478	$39,224	$44,321
Weighted Avg. Income/ Employee		**$53,969**	**$31,985**	**$53,465**	**$41,050**

The total economic contribution of ATL to metropolitan Atlanta is the sum of the business activity directly associated with ATL's operations and the spending of its users, as well as the additional business activity associated with orders to suppliers and re-spending of worker income.

In 2013, there were 63,291 direct jobs at ATL. Off-site business activities which depend directly on local air service for employee travel, cargo deliveries or visitor spending by air passengers raised the direct airport impact to nearly 246,000 jobs in metropolitan Atlanta and produced $34.8 billion in business sales.

Spin-off activities in the region (indirect and induced multiplier effects) are associated with goods and services purchased by the directly affected businesses and the re-spending of worker income in the region. As we include these indirect and induced effects, the total economic role of ATL increases to approximately $64.3 billion in business sales, including $18.4 million in personal income, supporting more than 448,000 jobs in the region.

Financial Summary

Operating Revenue

ATL anticipates total operating revenues for FY16 to be $515.0 million, which represents a $19.5 million increase, or 3.9 percent, over projected revenues of $495.5 million for FY15. ATL revenues are classified in two major categories (aeronautical and non-aeronautical). Below is a chart illustrating the breakdown of the two categories utilizing FY16 and FY15 data.

	FY2015 Projected	FY2016 Budget
Aeronautical Revenues:		
Landing Fees	$ 46,876,963	$ 47,251,106
CPTC Rentals	147,106,748	158,226,233
Concessions Credit	(53,457,990)	(57,195,192)
Airside Rentals	29,589,646	30,011,767
Cost Recoveries	35,630,461	36,270,318
Total Aeronautical Revenues	**205,745,828**	**214,564,232**
Non Aeronautical Revenues:		
Landside Rentals	11,994,328	11,321,388
Commercial Revenues		
Public Parking	120,007,257	124,499,358
Inside Concessions	100,864,133	107,915,456
Rental Car	34,760,340	35,021,141
Ground Transportation	2,290,038	2,395,954
Other	1,085,916	1,280,000
Non Airline Cost Recoveries	11,356,706	12,136,812
Other Revenues	7,352,734	5,845,964
Total Non Aeronautical Revenues	**289,711,452**	**300,416,073**
Total Operating Revenues	**$ 495,457,280**	**$ 514,980,305**

Aeronautical revenues are expected to reach $214.6 million, representing an $8.8 million increase, or 4.3 percent from FY15 projected actual. This increase is due to higher rental rates for the fuel farm facility in FY16, the additional revenue expected to be generated from the new deicing facility and several new tenant finish projects to be completed in FY16. These increases are offset by an increase in concession credits of $3.7 million, which is directly correlated to the increase in concessions revenues. New initiatives to enhance security at the airport are driving the increase of $639,000 in the cost recoveries.

Non-aeronautical revenues are expected to increase by $10.7 million, or 3.7 percent over FY15 projected actual. Parking revenue is anticipated to increase by $4.5 million based on the projected growth of 5.9 percent in originating and departing passengers. Concession revenues are anticipated to increase by $7.1 million. Additional outlets will open in FY16 and concession sales will continue to grow, resulting in greater percentage rents. There is an anticipated decrease of $1.5 million in other revenues as a result of the collection of several refunds and revenue recoveries in FY15 that are not expected to recur in FY16.

Operating Expenses

Operating expenses for FY16 are budgeted at $288.7 million, which represents a $39.7 million, or 15.9 percent, increase over FY15 projected expenses of $248.9 million. We capture our expenses in six basic categories: personnel, contract services, supply accounts, capital expenses, interfund charges, and other operating costs. A more detailed discussion of each category can be found in the Financial Structure section of the book.

	FY2015 Projected	FY2016 Budget
EXPENSES:		
Salaries & Benefits	**$ 88,134,075**	**$ 96,284,851**
3rd Party Operating & Maintenance Contracts:		
Parking Operations	29,146,738	30,296,209
Security (Access Control/Gate Guard/Fingerprints)	7,138,229	11,663,000
AGTS System/ ATL Sky Train	24,578,112	25,609,203
Customer Service	3,000,000	3,000,000
Rental Car Center Operations (180601)	2,550,979	3,100,000
CPTC Maintenance	2,900,000	2,900,000
Total 3rd Party Op. & Maint. Contracts	**69,314,058**	**76,568,412**
Other Contract Services	35,901,411	58,306,848
Total Contract Services	**105,215,469**	**134,875,260**
Supply Accounts (excluding Utilities)	4,487,813	6,413,446
Utilities	8,548,912	8,754,943
Total Supply Accounts	**13,036,725**	**15,168,389**
Capital Expenses	**126,865**	**303,000**
Interfund Charges	**11,707,919**	**13,319,316**
Other Operating Costs	**3,329,330**	**3,712,667**
Total Operating Fund Expense Budget	**221,550,383**	**263,663,483**
(+) Operating Expense Projects (5502 Fund)	27,367,630	25,000,000
Total Operating Expenses	**$ 248,918,013**	**$ 288,663,483**

Salaries and benefits reflect an increase of $8.2 million in FY16 over the FY15 projection. The increase is attributable to 41 new positions budgeted in FY16 that were not in the FY15 budget.

These positions were added to support several new initiatives. New positions were added in finance, information technology, public and community affairs, business ventures, commercial development, operations and public safety. These new positions contributed $4.3 million to the increase over projection. The remaining variance is attributable to vacancies that are fully budgeted in FY16 but do not have actual costs in FY15.

Total contract services reflects an increase of $29.7 million in FY16 over the FY15 projection. The third party operating and maintenance contracts include $7.3 million of that increase. Security will increase by $4.5 million due to the new initiative of employee screening at ATL. Parking will increase by $1.1 million due to additional maintenance planned for pavement overhauls, signage, enhanced lighting, facility maintenance and maintenance of mechanical systems. AGTS will increase by $1 million due to major maintenance work planned for the SkyTrain.

Other contract services reflect an increase of $22.4 million in FY16 over the FY15 projection. Of that variance, $10.6 million is related to new contracts in FY16. The largest increase of $3.7 million is for the fuel farm facilities new refueling station. This increase has a corresponding increase in revenue. Other significant increases are in information technology, marketing for passenger and air cargo services, planning and environmental, maintenance, police and concessions. The remaining $11.8 million increase in the FY16 budget over FY15 projected is for certain contracts budgeted in FY15 which were not expended. Based on project needs and contracts in place, these same expenses are being budgeted in FY16. These expenses cover a number of areas including planning and development, legal, finance, information technology, operations, ground transportation and customer service.

Supplies reflects an increase of $2.1 million in FY16 over the FY15 projection. The increase is attributable to an increase in the consumable and non-consumable supplies.

Interfund charges reflect an increase of $1.6 million in FY16 over the FY15 projection. This increase is primarily attributable to FY15 prior year adjustment to indirect costs of $1.5 million. The FY16 budget is reflective of anticipated indirect costs for the year.

FINANCIAL STRUCTURE

Financial Structure

Overview

ATL's financial activities can be classified into two categories: operating and non-operating. Operating activities include those revenues and expenses which are directly related to operating and maintaining ATL and its related facilities. Non-operating activities include the collection of certain fees and charges used to fund the development of ATL's capital assets, costs incurred in the planning and construction of such capital assets as well as the interest income collected from ATL's invested cash. In most cases, the non-operating revenues are restricted by law to certain applications that enhance safety, security or capacity; reduce noise; increase air carrier competition; or, in the case of customer facility charges (CFC), continue the upkeep of specifically designated facilities such as the RCC.

As required by City ordinance, the financial activities of the Department are accounted for in separate funds which were established for various purposes. However, for financial reporting purposes, the activities in each of these funds are combined into consolidated financial statements. These financial statements represent the Department as a single enterprise so that its financial performance may be evaluated as a single entity.

Sources of Revenue

Operating Revenues	Non-Operating Revenues
Aeronautical Revenues	Passenger Facility Charges (PFCs)
Landing Fees	Customer Facility Charges (CFCs)
CPTC Rentals	Grants (or Capital Contributions)
Airside Rentals	Investment Income
CPTC Cost Recoveries	Other
Non-Aeronautical Revenues	
Landside Rentals	
Parking Revenues	
Inside Concessions Revenues	
Ground Transportation & Other	

Operating Revenues

Operating revenues are categorized as either being aeronautical or non-aeronautical in nature. Aeronautical revenues are those revenues which are directly attributable to airline or airline-related activities, such as fees paid for the landing of aircraft or rents paid for the airlines' occupation of ATL facilities. Non-aeronautical revenues are those which are not directly attributable to airline activities such as parking revenues, concessions revenues or car rental revenues. Passenger traffic from origination and destination and connecting passengers are key drivers of these revenue sources. These revenues represent additional income to ATL that is not paid directly by the airlines. The significance in this distinction is that non-aeronautical revenues represent additional income to ATL that does not impose additional cost burdens to the airlines.

Aeronautical Revenues

Landing Fees - ATL collects two different types of landing fees: basic landing fees and Airfield Improvement Program (AIP) landing fees. Basic landing fees are charged to the airlines at $0.16 per 1,000 pounds of maximum certificated gross aircraft landed weight. The intent of this basic fee is to recover the cost of operating and maintaining ATL's runways, taxiways and other areas of the airfield. AIP landing fees are charged to the airlines at a fixed rate, proportional to their respective airfield usages, and are intended to recover the cost of capital improvements made to the airfield. The rates established for these AIP landing fees include a 20 percent coverage factor and are for a fixed duration.

CPTC Rentals – These are charges imposed on the airlines for occupying space within ATL's CPTC. These charges are apportioned to the airlines based on the actual square footage occupied within the facilities. The rates established for these charges are based on full cost recovery for both the construction of these facilities and any periodic capital upgrades made to them. Under the terms of the CPTC leases, the contracting airlines pay terminal facilities rentals, on a modified commercial compensatory basis, to allow ATL to recover the amortized capital costs, plus 20 percent coverage, of facilities financed with unrestricted airport revenues, including general airport revenue bonds (GARBs). Generally, 100 percent of the capital costs of terminal facilities are recoverable. Although shown separately, the inside concessions credit provided to the airlines is reflected as a reduction of overall CPTC charges.

Airside Rentals – Airside ground and building rentals consist of rentals for the fixed base operator's facilities and for cargo buildings in the north complex, south complex, and the Central Terminal Support Area (CTSA).

CPTC Cost Recoveries - Under the terms of the CPTC leases, the contracting airlines pay operations charges to reimburse ATL for certain expenses related to:

1. The Plane Train operations and maintenance
2. Fire protection services
3. Police protection services
4. Security checkpoint services
5. A pre-determined percentage of ATL's liability insurance premiums
6. The management fee associated with a third-party maintenance agreement for certain common use areas within the CPTC
7. Certain operating and maintenance expenses associated with the international terminal

Non-Aeronautical Revenues

Landside Rentals – ATL receives rental revenue from the leasing of over 100 acres of land. Such leased properties include land occupied by Delta's corporate headquarters, Delta's technical operations center, certain cargo storage facilities and various other facilities in the Central Terminal Support Area. It also includes rental revenue received from certain non-aeronautical tenants such as rental car companies.

Parking Revenues – These include all revenues generated from ATL's parking facilities which provide more than 32,000 available spaces for passenger parking, including covered and uncovered parking options. ATL's parking facilities are operated by a third party entity whose expenses are paid from ATL's operating expenses. All parking revenues are reported on a gross basis with the appropriate third-party expenses being reflected in the operating expense budget.

Inside Concessions Revenues – ATL maintains 315 concessions and service outlets from which it collects fees and charges based on each concessionaire's gross revenues. These concessionaires pay ATL a percentage of their gross sales, based on their individual contracts, in return for occupying space within the CPTC. In order to ensure adequate revenue performance, each concessionaire contract includes a minimum annual guarantee (MAG). Rent paid by most concessionaires is the greater of the MAG or percentage rent of gross receipts per category. The percentage rent calculation is trued up monthly and at the end of the lease year.

Rental Car Revenues – The RCC houses 12 rental car brands and 8,700 parking spaces. Each of the rental car companies pays ATL 10 percent of annual gross sales in return for occupying RCC space. Like ATL's concessionaires, the rental car companies are subject to a MAG which is reconciled on a monthly basis to ensure a minimum level of revenue performance. The reconciliation is also done at the end of the lease year.

Ground Transportation Revenues – These include fees and charges received from taxicab, limousine, hotel shuttles, off-airport parking shuttles and other commercial ground transportation services.

Non-Airline Cost Recoveries – ATL incurs annual expenses for the operation and maintenance of the RCC, both from maintaining the facility itself as well as operating the SkyTrain that connects the RCC to the CPTC. Through its agreements with the rental car companies, ATL recovers 100 percent of these operating expenses on a monthly basis. Because all of the RCC operating expenses are passed through to the rental car companies, ATL maintains this facility at essentially zero cost.

Other Revenues – This category is relatively small and contains various revenue streams including fees collected for the issuance of security badges, the sale of timber from ATL-owned properties and other sources which may or may not be recurring from year to year.

Non-Operating Revenues

ATL generates non-operating revenue from four main sources: interest earned from invested cash, PFCs, CFCs and capital contributions in the form of grants. These revenues are not classified as operating because they either are not generated from operating activity or are restricted in their use such that they cannot be used to pay for operating expenses. A description of each non-operating revenue source is contained below:

Investment Income – ATL continues to maximize investment income within the constraints imposed by State of Georgia statutes and City ordinances. Wherever legal requirements permit, cash is pooled in order to achieve maximum cash yields on short-term investments of otherwise idle cash. These investments are highly liquid, usually with maturities of three months or less.

Passenger Facility Charges – In 1990, the U.S. Congress established PFCs as part of the Aviation Safety and Capacity Expansion Act of 1990 (Act). The Act states that an airport may collect PFCs from passengers in order to pay for the cost of designing and constructing eligible airport capital projects or to repay debt service issued to build such projects. PFCs are collected by the air carriers when passengers purchase their tickets and are remitted to ATL on a monthly basis. PFCs are a major source of funding for ATL's capital improvement program. ATL currently collects a \$4.50 PFC per enplaned passenger, which amounts to approximately \$180 million a year. ATL currently has FAA approval to use PFCs on projects totaling more than \$3.9 billion. Through March 2015, ATL collected \$2.6 billion, of which \$2.1 billion has been expended. Pay-as-you-go projects absorbed \$1.4 billion and \$700,000 was spent on principal, interest and other financing expenses.

Customer Facility Charges – ATL collects CFCs as a means to fund the debt service and certain operations associated with the RCC. These CFCs are collected by the rental car tenants and remitted to ATL on a monthly basis. ATL collects \$5.00 for each transaction day.

Capital Contributions (Grants) – ATL receives AIP and other grants through the FAA, Transportation Security Administration (TSA) and other federal and state agencies in order to support its capital program and operations.

Expense Structure

In accordance with generally accepted accounting principles (GAAP), ATL classifies its expenses as either operating, non-operating or capital in nature. Generally, all expenses which are operating in nature are budgeted in the revenue fund (5501). There are a few exceptions which include projects that were previously budgeted and funded in a capital fund (5502-5532) but are later either written off or deemed to be operating in nature. Any activities related to these projects are expensed at the time of project close-out or at the time the project is discontinued. ATL includes a placeholder for these types of projects when it does its annual financial planning.

Operating Expenses

In accordance with City code, ATL budgets its operating expenses in one of six general categories:

Account Code	Expense Type
51xxxxx	Personnel and employee benefits
52xxxxx	Purchased and contracted services
53xxxxx	Supplies
54xxxxx	Capital planning
55xxxxx	Interfund charges
57xxxxx	Other costs

Within each of these categories, however, there are subcategories which provide greater detail on ATL's budgeted operating expenses. It is useful to provide further description for these subcategories in order to gain a clearer understanding of how the Airport operates. A description of each expense category is contained below:

Salaries & Benefits – Included in this category are all costs associated with ATL's full-time employees. These include salaries, overtime, insurance benefits, payroll taxes, pension and retirement plan contributions and other miscellaneous personnel related expenses. It does not include any of the personnel expenses related to contracted employees.

Third Party Operating and Maintenance Contracts – This category contains budgeted costs associated with the major contracts ATL has procured to operate various portions of the airport. These contracted services include parking operations, control of access to the airfield, various security-related operations, operation of The Plane Train, operation of the SkyTrain, customer service operations, operation and maintenance of ATL's common use facilities and the operation and maintenance of the RCC.

Consulting and Other Contracted Services – Expenses in this category include those services offered by consultants and other entities which provide assistance to ATL in its planning, operations and other supporting activities. Examples of such services include but are not limited to lobbyist support, employee support programs, training support, internal audit support, software and network support, external legal support and various other activities which support the technical aspects of ATL's operations and maintenance.

Expense Type Projects – Earlier it was mentioned that a portion of ATL's operating expenses are sourced from funds other than the revenue fund (5501). The majority of these expenses are classified as expense type projects. These expenses represent costs associated with large scale projects that involve major repair and maintenance to ATL's infrastructure, and are most often funded through ATL's renewal & extension fund (5502). These projects require resources that are beyond those organic to ATL's maintenance division and thus are managed through the planning and development division. Because many of these projects are not planned or routine, their costs are expensed as they are incurred in order to ensure that they are captured as operating expenses and not capital outlays.

Indirect Costs from the City – ATL is a government enterprise wholly owned by the City. Although the City maintains ownership, it is restricted by law from diverting any of the revenues earned at ATL to pay for other City expenses. It is recognized, though, that the City does commit a sizeable amount of resources in support of ATL for which it deserves compensation. The City conducts a formal analysis to determine the annual amount of resources that it contributes to support ATL and charges this amount to ATL as indirect costs. Examples of these costs are:

a. The cost of the City's consolidated annual financial audit
b. The allocation of certain City maintained software and network resources that are shared between the City and ATL
c. City executives' time and resources devoted to ATL affairs
d. Time and resources expended by City Council in deliberating over ATL related issues
e. Time and resources expended by the Law Department in litigation, preparation/approval of contracts and memorandums of understanding, preparation of legislation, and investigation of claims

Utilities – This category represents the amount budgeted for ATL's use of water, sewer, electricity and natural gas.

Other Expenses – This category contains all other expenses budgeted to operate ATL on an annual basis. Included are such costs as insurance premiums, supplies, fuel, vehicle maintenance, property taxes, pensioners' benefits expense, employee training and other miscellaneous costs.

Airline Use and Lease Agreements

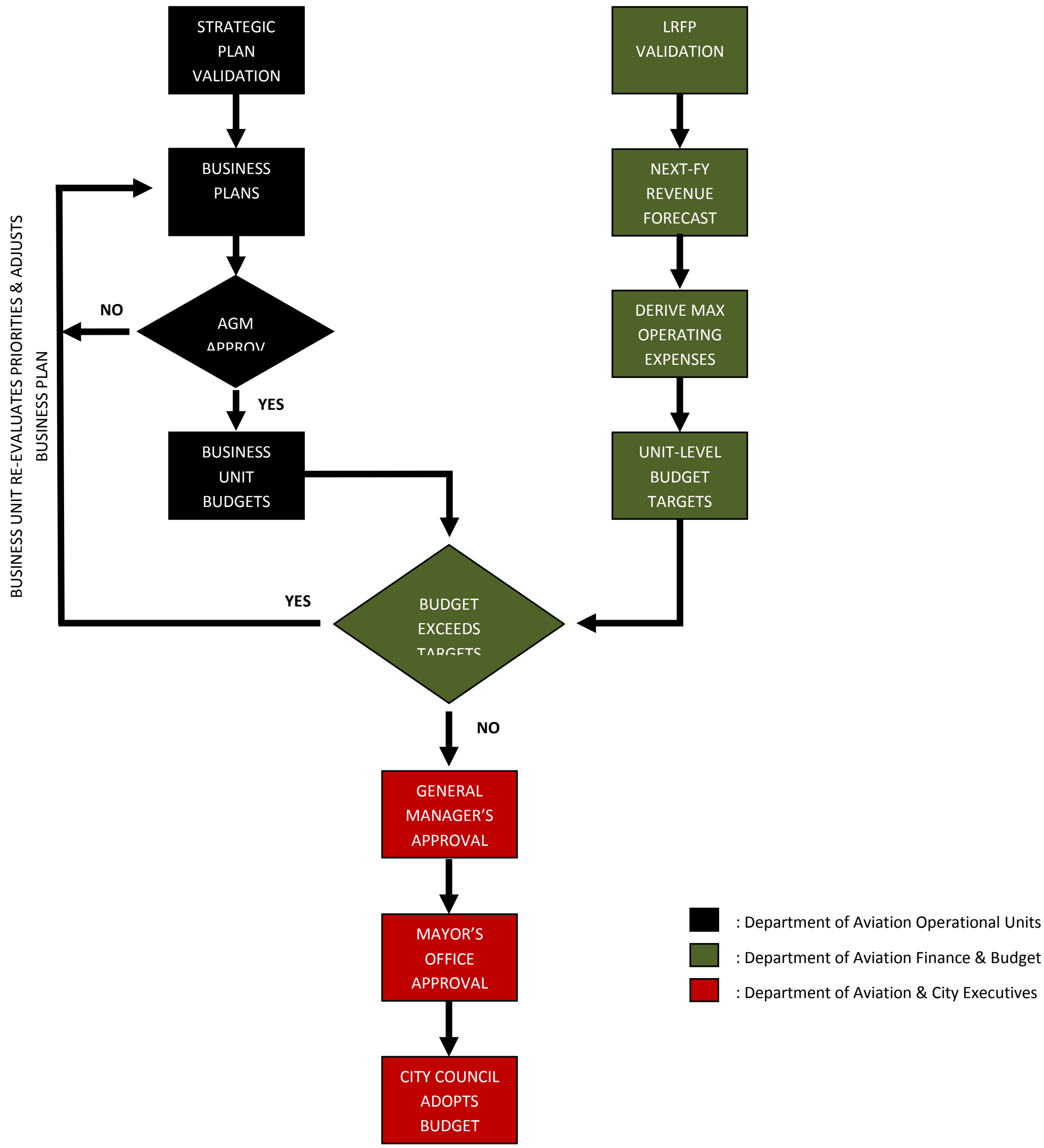
The City has landing agreements with most of the airlines serving the Airport. These airlines are considered signatory air carriers. These agreements are referred to as airport use agreements (AUA). In general, AUAs state that the city will maintain and operate ATL and grant the signatory air carriers the right in common with others to use ATL together with all its facilities and services not exclusively leased to others. The provisions of this agreement govern the use of the airfield stipulating that the signatory airlines pay landing fees which are calculated to recover certain airfield costs. These costs include airfield operating and maintenance expenses as well as amounts to recover the amortized capital costs (including a 20 percent coverage) of approved airfield improvements financed with GARBs. Landing fees are paid per 1,000 pounds of maximum certificated gross aircraft landed weight. The fees payable are the sum of a basic landing fee and landing fees for successive AIPs.

The AUA is an agreement that has governed the operation of ATL dating back to 1980. However, since 2001, the City has not entered into AUAs with new entrant carriers. Instead, it has entered into an airport use license agreement (AULA). This agreement allows for the payment of landing fees at the signatory airline rate. The AULA has a term of five years and may be terminated by the City or the airline with at least 30 days advance notice.

The City also contracts with airlines via a CPTC lease. This agreement governs the lease and occupancy of the CPTC. The contracting airlines agree to pay rentals and other charges calculated to recover certain CPTC costs. These costs include CPTC operating and maintenance expenses as well as amounts that recover amortized capital costs (including a 20 percent coverage) of approved terminal improvements financed with GARBs or ATL funds.

Budget Process Overview

For operating expenses, ATL has developed a budget process that seeks to maximize small unit managers' ingenuity and resourcefulness, while also ensuring that ATL administrations strategic goals are met with the utmost fiscal responsibility. A diagram of this process is included below:



As demonstrated in the preceding diagram, the budgeting process occurs on two separate but concurrent tracks during the early phases of planning. The track on the left side involves the strategic and business planning for ATL and its various business units. This process produces a collection of business plans that seek to actualize ATL's long-term strategic vision. The track on the right side involves tracking ATL's current financial performance, forecasting future performance and creating a long-range financial plan that ensures that ATL's strategic plan can be achieved while maintaining sound financial performance.

1. *Strategic Plan Validation* – Each year prior to the budgeting process, ATL's executive staff reviews the strategic plan in order to ensure that it still adequately addresses both the vision and the current challenges and opportunities that face ATL. At the conclusion of this process, ATL's strategic plan is presented to business unit managers so that they can begin their business planning for the next fiscal year.
2. *Long Range Financial Plan (LRFP) Validation* – The LRFP is a financial model that integrates ATL's revenue forecasts, expense forecasts, capital improvement plan, and capital financing structure into one cohesive long-range plan.
3. *Business Plans* – Using the strategic plan as a guide, the individual business units create annual business plans which provide a roadmap on how each unit will execute its assigned mission. The business plans tie each proposed initiative or activity to one or more of ATL's strategic priorities contained within the strategic plan. Each business plan contains the business unit's proposed budget.
4. *Next-FY Revenue Forecast* – Contained within the LRFP is the revenue forecast for the next fiscal year. This revenue forecast is referred to by the City as an anticipations budget and is eventually voted on and officially adopted by the City Council.
5. *AGM Approval* – Each individual business unit budget is approved by the appropriate assistant general manager (AGM) prior to being submitted to ATL's budget group.
6. *Business Unit Budgets* – After each business plan is approved by the appropriate AGM, the proposed budgets are submitted to ATL's budget group for inclusion in the consolidated budget.
7. *Budget Exceeds Targets* – ATL's budget group will validate the business units' proposed budgets to ensure they align with the business plan of each unit, and with the overall strategic objectives of ATL. Once validated, the budgets are included in the consolidated budget. Additionally, an analysis is done to ensure all budgeted revenues and expenses result in the financial performance as set by executive management. Adjustments are made, if necessary, to ensure the performance is met or exceeded.
8. *General Manager's Approval* – The general manager (GM) of ATL is presented with ATL's budget and is able to review the individual units' business plans with the appropriate managers and AGMs.
9. *Mayor's Office Approval* – Once approved by the GM, ATL's budget is submitted to the Mayor's office for review and approval.
10. *City Council Adopts Budget* – Before the beginning of the fiscal year, City Council formally approves ATL's operating budget. The City formally refers to expenses as appropriations.

In an effort to maintain the utmost financial health, ATL strives to maintain a high level of debt service coverage (DSC), meaning the number of times its operating income (operating revenues

– operating expenses) will cover its annual debt service. By law, ATL must adhere to its master bond ordinance (MBO) and bond covenant. An excerpt from the ordinance/covenant states:

> *The City has covenanted and agreed that at all times while bonds are outstanding and unpaid to prescribe, fix, maintain, and collect rates, fees, and other charges for the services and facilities of the Airport to: (a) provide for 100% of the Operating Expenses of the airport (except for certain specific facilities) and for the accumulation in the Revenue Fund of a reasonable reserve therefore, and (b) produce Net General Revenues in each fiscal year which will: (i) equal at least 120%".*

Thus, in order to comply with the MBO and the bond covenant, ATL must have a DSC of at least 120 percent of its operating income, or 1.2 times. The formula for DSC is:

$$\frac{Operating\ Revenue - Operating\ Expenses + Investment\ Revenue}{Annual\ Debt\ Service} = DSC$$

In order to balance the budget, the City requires that each department place into its annual budget a reserve which is equal to the total operating revenues minus all operating expenses and debt service. The term reserve is somewhat misleading, as this amount is best interpreted as an expected end of year net income (less principle payment on the debt service). It represents all of the expected cash which, at the end of the fiscal year, will be transferred to the renewal and extension fund for use on capital improvements, upgrades, or renovations. ATL's budget formula can be displayed as follows:

Operating Revenues – Operating Expenses – Annual GARB Debt Service = Reserves

OPERATING BUDGET

Operating Budget

Operating Revenue Budget

	FY2014 Actual	FY2015 Budget	FY2015 Projected	FY2016 Budget
Aeronautical Revenues				
Landing Fees				
Signatory Landing Fees	$ 11,156,305	$ 11,429,818	$ 11,351,654	$ 11,780,144
AIP Landing Fees	35,588,991	35,356,051	35,263,876	35,209,121
Non-Signatory, Itinerant, & Charter Landing Fees	338,796	258,550	261,433	261,841
Total Landing Fees	**47,084,092**	**47,044,419**	**46,876,963**	**47,251,106**
CPTC Rentals				
CPTC Building & Rental	64,128,107	64,095,382	64,472,118	64,414,832
CPTC Tenant Finishes	81,609,858	80,263,510	82,634,630	93,811,401
Total CPTC Rentals	**145,737,965**	**144,358,892**	**147,106,748**	**158,226,233**
Concessions Credits	(49,728,130)	(51,129,964)	(53,457,990)	(57,195,192)
Airside Rentals				
Ground Rentals	20,423,724	19,373,423	20,440,207	20,558,711
Other Building Rentals - Airlines	8,324,287	8,456,235	9,149,439	9,453,056
Total Airside Rentals	**28,748,011**	**27,829,658**	**29,589,646**	**30,011,767**
Cost Recoveries				
Operations Charges	14,631,471	17,376,865	17,317,602	18,380,037
AGTS Charges	17,559,597	15,458,609	15,452,859	15,166,317
Insurance Charges	977,700	744,599	734,368	748,208
MHJIT O&M	2,127,629	609,524	625,632	475,756
3rd Party Common-Use Agreement	1,562,487	1,500,000	1,500,000	1,500,000
Total Cost Recoveries	**36,858,884**	**35,689,597**	**35,630,461**	**36,270,318**
Total Aeronautical Revenues	**208,700,822**	**203,792,602**	**205,745,828**	**214,564,232**
Non-Aeronautical Revenues				
Landside Rentals				
Land Rentals	7,753,005	6,948,598	7,620,039	7,319,724
Other Building Rentals	4,091,594	5,093,729	4,374,289	4,001,664
Total Landside Rentals	**11,844,599**	**12,042,327**	**11,994,328**	**11,321,388**
Commercial Revenues				
Public Parking	118,461,572	120,007,258	120,007,257	124,499,358
Inside Concessions	97,874,188	100,254,832	100,864,133	107,915,456
Rental Car	32,380,185	32,321,969	34,760,340	35,021,141
Ground Transportation	1,956,261	2,039,300	2,290,038	2,395,954
Public Telephone	11,827	-	413	-
WIFI Wireless	3,317,632	1,280,000	1,085,503	1,280,000
Total Commercial Revenues	**254,001,665**	**255,903,359**	**259,007,684**	**271,111,909**
Non-Airline Cost Recoveries				
RCC APM	6,582,367	5,035,776	5,405,715	5,071,224
RCC O&M	5,283,450	6,902,148	5,950,991	7,065,588
Total Non-Airline Cost Recoveries	**11,865,817**	**11,937,924**	**11,356,706**	**12,136,812**
Other Revenues	10,277,498	5,654,802	7,352,734	5,845,964
Total Non-Aeronautical Revenues	**287,989,579**	**285,538,412**	**289,711,452**	**300,416,073**
Total Operating Revenues	**$ 496,690,401**	**$ 489,331,014**	**$ 495,457,280**	**$ 514,980,305**

Breakdown of Landing Fee Revenue

The following table depicts a more detailed view of ATL landing fees:

	FY2014 Actual	FY2015 Budget	FY2015 Projected	FY2016 Budget
Signatory Landing Fees	**$ 11,156,305**	**$ 11,429,818**	$ 11,351,654	**$ 11,780,144**
AIP Landing Fees				
AIP 3	1,166,788	1,182,761	1,186,552	1,181,650
AIP 5	1,633,341	1,655,799	1,660,914	1,654,232
AIP 6	274,346	278,193	279,084	277,930
AIP 7	301,315	305,441	306,416	305,151
AIP 8	295,038	299,192	300,148	298,909
AIP 9	148,007	150,194	150,674	150,052
AIP 10	48,222	48,910	49,246	48,864
AIP 11	28,113,988	28,498,930	28,590,246	28,472,164
AIP 12	773,798	784,392	786,906	783,655
AIP 13	177,491	180,149	180,726	179,980
AIP 14	186,861	189,480	190,086	189,302
AIP 15	149,701	152,588	143,808	143,222
AIP 16	832,973	70,365	-	-
AIP 17	513,243	520,270	521,936	519,780
AIP 18	973,879	1,039,387	917,134	1,004,230
Total AIP Landing Fees	**35,588,991**	**35,356,051**	**35,263,876**	**35,209,121**
Non-Signatory Landing Fees	**338,796**	**258,550**	**261,433**	**261,841**
Total Landing Fees	**$ 47,084,092**	**$ 47,044,419**	**$ 46,876,963**	**$ 47,251,106**

Parking Rates

The following table depicts the most current parking rates at ATL:

	Hourly Rate	Max. Daily Rate
Parking Rates		
Hourly Parking (Domestic/ International)	$2.00/$3.00	$32.00/$36.00
Daily Parking (Domestic)	$3.00	$16.00
Economy Parking - West (Domestic)	$3.00	$12.00
Economy Parking - North & South (Domestic)	$3.00	$12.00
Park-Ride Lots - Domestic	$3.00	$9.00/$12.00
Park-Ride Lots - International	$3.00	$12.00

Ground Transportation Rates

The following table depicts the most current ground transportation fees at ATL:

Ground Transportation Fees	
Taxi	1.50 per trip
Off-Airport Parking	$360 annually per vehicle + $10 per space
Hotel	$360 annually per vehicle + $10 per room
Limousine	$100 annually per vehicle + parking fees
Shared Ride	5 - 7% of gross sales
Charter	$0.10 per seat per trip

Operating Expense Budget

The following two tables depict the operating expense budget in two separate views, by account group and by department.

Operating Expense Budget by Account Group

	FY2014 Actual	FY2015 Budget	FY2015 Projected	FY2016 Budget
Salaries & Benefits:				
Salaries	$ 50,917,419	$ 58,387,248	$ 53,041,200	$ 61,801,615
Overtime & Extra Help	6,728,842	6,010,463	6,940,611	6,334,443
Benefits	21,642,464	23,099,390	23,953,281	23,052,548
Other	4,757,252	4,521,098	4,198,983	5,096,245
Total Salaries & Benefits	**84,045,977**	**92,018,199**	**88,134,075**	**96,284,851**
3rd Party Operating & Maintenance Contracts:				
Parking Operations	30,894,381	29,155,033	29,146,738	30,296,209
Security (Access Control & Gate Guard)	5,251,020	6,613,737	6,438,229	11,000,000
Security Operations (Fingerprints & STA)	270,000	700,000	700,000	663,000
AGTS System	17,899,055	18,600,000	18,725,112	18,730,000
ATL SkyTrain (180602)	4,415,662	5,853,000	5,853,000	6,879,203
Customer Service	2,999,900	3,000,000	3,000,000	3,000,000
Rental Car Center Operations (180601)	2,973,180	3,030,000	2,550,979	3,100,000
CPTC Maintenance	2,494,186	2,900,000	2,900,000	2,900,000
Total 3rd Party Op. & Maint. Contracts	**67,197,384**	**69,851,770**	**69,314,058**	**76,568,412**
Other Contract Services:				
Consulting Professional Services	10,749,817	24,103,322	14,496,087	33,293,315
Repair & Maintenance (Bldg. & Equip.)	1,852,163	3,411,057	3,337,914	3,996,074
Training Travel per Diem & Registration	796,979	1,154,522	812,699	1,380,209
Insurance	1,920,167	4,096,547	2,864,950	3,739,000
Other Purchased Contracted Services	26,974,035	14,964,384	14,389,761	15,898,250
Total Purchased Contract Services	**109,490,545**	**117,581,602**	**105,215,469**	**134,875,260**
Supplies Consumable & Non Consumable	3,954,546	3,588,771	3,305,645	3,616,919
Utilities	8,971,123	8,952,979	8,548,912	8,754,943
Other Supply accounts	1,486,583	2,400,902	1,182,168	2,796,527
Total Supply Accounts	**14,412,252**	**14,942,652**	**13,036,725**	**15,168,389**
Capital Expenses	**580,724**	**280,958**	**126,865**	**303,000**
Interfund Charges:				
Indirect Costs	8,462,756	9,999,089	8,462,756	9,718,345
Motor Fuel/ Repair & Data Processing	2,761,160	3,224,745	3,245,163	3,600,971
Total Interfund Charges	**11,223,916**	**13,223,834**	**11,707,919**	**13,319,316**
Other Costs:				
Property Taxes	1,533,778	4,100,000	2,900,000	3,040,000
Other & Contingency	403,724	721,167	429,330	672,667
Total Other Operating Costs	**1,937,502**	**4,821,167**	**3,329,330**	**3,712,667**
Subtotal	**221,690,916**	**242,868,412**	**221,550,383**	**263,663,483**
Major Maintenance Expenditures - Planning & Dev.	28,177,685	15,000,000	27,367,630	25,000,000
Total Operating Fund Expense Budget (5501)	**$ 249,868,601**	**$ 257,868,412**	**$ 248,918,013**	**$ 288,663,483**

Operating Expense Budget by Department

	FY2014 Actual	FY2015 Budget	FY2015 Projected	FY2016 Budget
DOA Executive				
Office of the GM	$ 1,147,444	$ 2,194,124	$ 1,297,772	$ 1,730,601
Office of Deputy GM	250,128	304,947	278,156	256,859
Policy & Communication	-	-	-	365,920
Business Ventures	-	-	-	1,793,201
Internal Audit	467,431	764,761	489,733	849,057
Total DOA Executive	**1,865,003**	**3,263,832**	**2,065,661**	**4,995,638**
Human Resources/TSOD				
Human Resources	442,620	574,815	444,420	396,535
Training & Safety	621,919	1,154,320	675,814	1,457,140
Total Human Resources/TSOD	**1,064,539**	**1,729,135**	**1,120,234**	**1,853,675**
Marketing & SHE	**2,208,272**	**2,513,583**	**2,600,234**	**2,242,747**
DIT - Aviation	**8,329,672**	**11,504,712**	**8,484,044**	**13,425,205**
CFO				
CFO Executive	330,555	367,344	375,196	455,356
Accounting	726,064	883,342	726,322	1,792,426
Budgeting, Financial Analysis & Risk Mgmt	3,353,799	5,659,423	4,307,144	5,054,124
Procurement	450,059	657,122	466,504	664,119
Unallocated Expenses	11,973,283	-	-	-
Treasury	379,965	552,155	435,842	277,707
Total CFO	**17,213,725**	**8,119,386**	**6,311,008**	**8,243,732**
Planning & Development				
Executive	709,225	713,009	791,082	1,022,103
Asset Management & Sustainability	3,298,703	3,786,207	3,604,973	2,723,443
Project Development	2,176,153	1,303,669	1,254,645	2,943,475
Facilities Management	6,848,723	6,802,021	6,800,028	10,512,715
Environmental & Planning	1,647,465	3,071,565	2,317,937	3,616,873
Total Planning & Development	**14,680,269**	**15,676,471**	**14,768,665**	**20,818,609**
Operations, Maintenance & Security				
AGM Ops. Maint. & Trans.	232,613	269,338	230,803	285,520
AGM Public Safety	372,305	495,456	424,402	518,182
Maintenance	28,019,860	29,578,742	27,236,625	31,280,904
Operations	11,726,802	12,952,657	12,744,594	12,919,450
Security	8,946,930	11,909,333	10,652,711	16,997,989
APM Systems	24,913,516	27,290,334	26,954,980	28,416,949
Ground Transportation	2,359,114	7,030,709	4,437,229	7,254,128
Customer Service	237,270	1,015,201	508,368	1,415,358
C4	1,599,760	1,913,105	1,769,595	2,012,494
DOA Fire Training	-	-	-	315,885
Airport Fire	24,506,448	23,801,815	25,384,548	23,411,568
Airport Police	16,689,078	18,459,919	17,194,636	19,036,556
Total Operations, Maintenance & Security	**119,603,696**	**134,716,609**	**127,538,491**	**143,864,983**
Commercial Development				
Commercial Development Executive	169,227	380,808	181,422	169,268
Parking	32,097,122	30,489,503	30,496,553	31,964,448
Concessions	906,578	1,713,602	929,433	1,807,954
Properties	1,349,644	4,401,995	2,681,873	3,647,441
Dawson County	449,135	480,000	465,500	467,500
Paulding County	399,451	400,000	400,000	360,000
New Business Development	1,008,124	2,261,925	2,684,626	3,429,860
Total Commercial Development	**36,379,281**	**40,127,833**	**37,839,407**	**41,846,471**
City of Atlanta Cost Centers				
Mayors Office	576,435	875,473	789,072	864,665
Department of Information Technology	836,425	559,720	567,559	755,830
Law	3,233,217	5,018,923	4,639,215	5,599,900
Department of Finance	269,170	506,191	262,201	518,063
Procurement	859,768	791,203	442,349	898,612
Human Resources Administration	1,323,056	1,945,081	1,358,410	1,949,297
Audit	643,749	988,898	616,110	1,082,767
Ethics	-	-	-	91,744
Pensioners & Dependent Exp	4,115,731	4,198,983	4,198,983	4,271,523
Other City Departments	8,488,908	10,332,379	7,948,743	10,340,022
Total City of Atlanta Cost Centers	**20,346,459**	**25,216,851**	**20,822,642**	**26,372,423**
Total DOA Operating Expense	**$ 221,690,916**	**$ 242,868,412**	**$ 221,550,383**	**$ 263,663,483**

Personnel

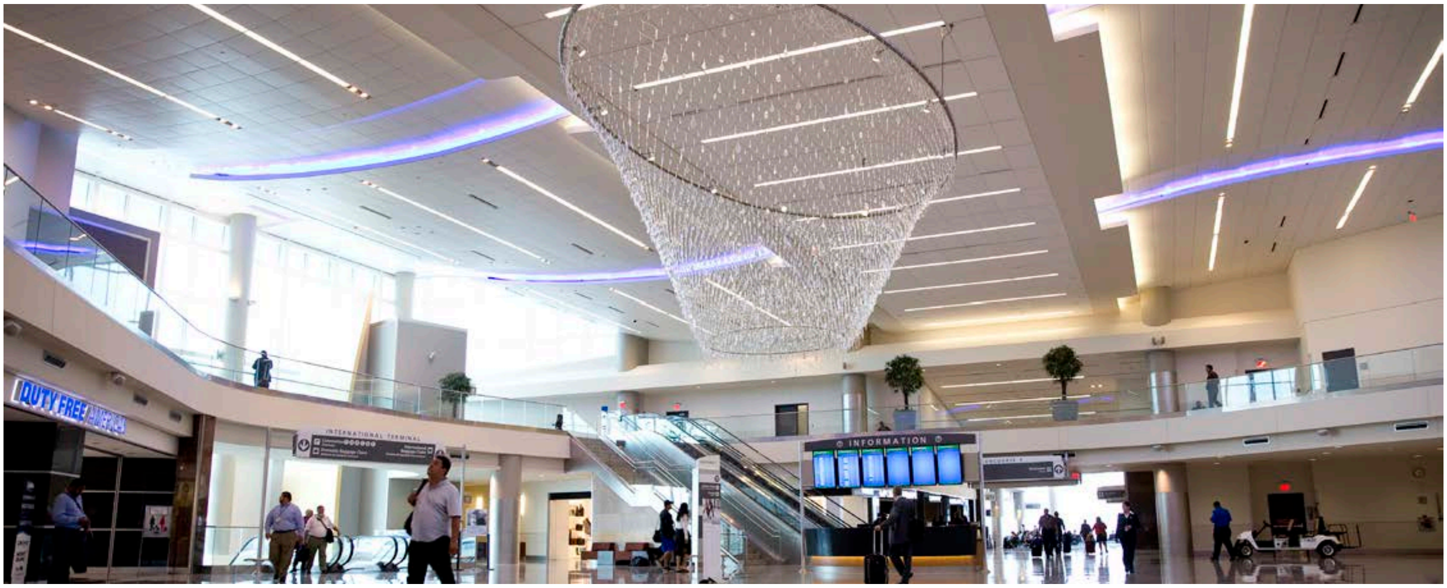
The following table depicts the headcount by department for personnel included in the operating budget presented in the previous tables:

	FY 2015	FY 2016
DOA Executive & Internal Audit	**28**	**40**
Human Resources/Training, Safety & Organizational Development	**1**	**1**
Public Affairs	**9**	**11**
ISD	**43**	**46**
CFO	**34**	**41**
Planning & Development	**59**	**59**
Commercial Development	**40**	**44**
Operations, Maintenance & Transportation:		
Maintenance	186	186
Operations	54	57
APM Systems	3	3
Ground Transportation	14	15
Customer Service	8	9
Total Operations, Maintenance & Transportation	**265**	**270**
Public Safety:		
Centralized Command & Control Center	27	26
Security	53	60
Airport Firefighting & EMS	246	246
Airport Police	215	215
Total Public Safety	**541**	**547**
City of Atlanta Cost Centers	**71**	**73**
Total DOA Revenue Fund Anticipated Staffing Levels	**1091**	**1132**
Total DOA R&E Fund Capital Positions	**52**	**52**
Total DOA Funded Positions	**1143**	**1184**

Cost Per Enplaned Passenger

Airline rates and charges will continue to be charged per the standing airfield use agreements and CPTC lease agreements. Rates and charges associated with these agreements will continue to keep airline cost per enplaned passenger (CPE) at competitively low rates. The estimated airline CPE for FY15 and FY16 is displayed below:

	FY2014	FY2015		FY2016
	Actual	Budget	Projected	Budget
Aeronautical Revenues				
Landing Fees	$ 47,084,092	$ 47,044,419	$ 46,876,963	$ 47,251,106
CPTC Rentals	145,737,965	144,358,892	147,106,748	158,226,233
(-) Concessions Credits	(49,728,130)	(51,129,964)	(53,457,990)	(57,195,192)
Cost Recoveries	36,858,884	35,689,597	35,630,461	36,270,318
Total Aeronautical Revenues	**179,952,811**	**175,962,944**	**176,156,182**	**184,552,465**
Non-Airline Adjustments				
Non-Airline Tenant Building Rents	(890,539)	(712,572)	(1,357,832)	(1,361,042)
Non-Airline Tenant Apron Rents	(353,617)	(333,816)	(804,048)	(795,735)
Cargo Landing Fees	(1,437,700)	(1,948,977)	(1,366,756)	(1,410,232)
Non-Signatory Landing Fees	(338,796)	(258,549)	(261,433)	(268,841)
Distributed Antennae System	(7,093,643)	-	(4,441,647)	-
Total Non-Airline Adjustments	**(10,114,295)**	**(3,253,914)**	**(8,231,716)**	**(3,835,850)**
Total Airline Payments to City of Atlanta	**169,838,516**	**172,709,030**	**167,924,466**	**180,716,615**
Airline Payments to non-City of Atlanta Entities				
Terminal Operator	23,886,000	25,411,000	25,411,000	27,033,000
Common-Use Operator	71,087,000	73,220,000	73,220,000	75,417,000
Total Airline Payments to non-City of Atlanta Entities	**94,973,000**	**98,631,000**	**98,631,000**	**102,450,000**
Total All-In Airline Payments at ATL	**$ 264,811,516**	**$ 271,340,030**	**$ 266,555,466**	**$ 283,166,615**
Total Enplaned Passengers	**47,318,755**	**49,150,000**	**46,494,000**	**47,443,000**
CPE, City of Atlanta	**$ 3.59**	**$ 3.51**	**$ 3.61**	**$ 3.81**
CPE, All-In	**$ 5.60**	**$ 5.52**	**$ 5.73**	**$ 5.97**



LONG-TERM DEBT

Long-Term Debt

Overview

The City has issued various types of bonds on behalf of ATL which have been used to finance portions of ATL's capital improvement plan (CIP). The various types of bonds outstanding include GARBs, PFC subordinate revenue bonds and CFC bonds. ATL's debt program is guided by the City's Master Bond Ordinance which authorizes the issuance of bonds and stipulates the conditions and requirements for these funds' administration and use.

In addition to this, governing language is included in each bond issue's official statement which establishes the use of all funds generated by each issue. Specifically for GARBs, these official statements contain provisions which state how much of the funds raised are apportioned to: (1) payment of project costs (deposits to the construction funds, reimbursements to the renewal and extension fund, and refunding of any outstanding notes), (2) deposits to the capitalized interest accounts to pay interest during construction; (3) payment of any bond insurance premiums; (4) deposits to the debt service reserve account (or payment of the costs of sureties) to meet debt service requirements; and (5) payment of underwriters' discount, financing, legal and other issuance costs.

Capital Finance

At the start of FY16, ATL's debt consists of the following:

Government Airport Revenue Bonds	$1,776,360,000
Passenger Facility Charge Hybrid Bonds	$856,635,000
Customer Facility Charge Bonds	$185,215,000
Total Debt Outstanding	$2,818,210,000

ATL's PFC bonds are secured by a senior lien on PFC revenues. In general, the purpose of the PFC is to develop additional capital funding sources to provide for the expansion and improvements of the national airport system. The proceeds from PFCs must be used to finance eligible airport related projects as prescribed by the FAA.

ATL engages in the use of hybrid bonds as a source of capital funding. Hybrid bonds are those that are not subordinate lien bonds and either (a) have no senior lien on any revenues, (b) have no lien on any revenues, or (c) have a senior on some revenues in addition to a subordinate lien on some revenues. The latter is the case for ATL. All of ATL's PFC bonds were issued as hybrid bonds secured by a senior lien on PFC revenues and a subordinate lien on general revenues. The PFC revenue hybrid bonds were issued in 2010 and 2014 for: (1) payment of project costs – deposits to the construction funds and reimbursements to the renewal & extension fund, (2) payment of bond insurance premiums, (3) payment of the cost of sureties to meet debt service reserve requirements, (4) payment of bond discount, financing, legal and other issuance expenses.

Another capital financing vehicle is that of the CFC bonds. ATL issued such bonds in 2006, utilizing the proceeds to fund the construction of the RCC and SkyTrain maintenance facility. The debt service period on the bonds is 25 years ending in 2031. Prior to the issuance of these bonds, the City of Atlanta adopted an ordinance (12/6/04) that required all rental car companies that rent passenger vehicles to customers at ATL to collect and remit a CFC. In September 2005, the Atlanta City Council adopted an ordinance that established the CFC at $4 per rental car transaction day, increasing to $5 beginning in FY11. The rental car companies are required to add the CFC to each rental contract and hold the CFC collections in trust and remit them to ATL.

As a part of the CFC bond offering, the City entered into a purchase agreement. The purchase agreement constituted a released revenue bond. Released revenue bonds are bonds secured by a senior lien on released revenues which are excluded from ATL's general revenues. The City has pledged (11th Supplemental Bond Ordinance) all CFC revenues for the payment of its installment obligations pursuant to the purchase agreement. The City's Supplemental Bond Ordinance contains a provision known as the "Rate Covenant," which states that as long as any released CFC bonds remain outstanding, the City is required to set the CFC, and adjust it annually if necessary to generate CFC coverage revenues in each fiscal year equal to at least 125 percent of the annual debt service requirement on all released CFC bonds. Any CFC revenues remaining after the completion of all the deposits required under the provisions of the City's Supplemental Bond Ordinance are to be deposited into the CFC surplus fund (5512). All moneys retained in the CFC surplus fund shall be used to prevent payment defaults on ATL's Series 2006A and 2006B bonds.

Another source of capital financing for ATL is commercial paper. Commercial paper is a money market security issued and sold by large banks and corporations to get money to meet short term debt obligations. Commercial paper is only backed by an issuing bank or corporation's promise to pay the face amount on the maturity date specified on the note. The Airport does anticipate issuing commercial paper in FY16 as bridge funding for the Terminal Modernization Project.

Debt Service Coverage

	FY2014 Actual	FY2015 Budget	FY2015 Projected	FY2016 Budget
Operating Revenues				
Aeronautical Revenues	$ 208,700,822	$ 203,792,602	$ 205,745,828	$ 214,564,232
Non-Aeronautical Revenues	287,989,579	285,538,412	289,711,452	300,416,073
Total Operating Revenues	**496,690,401**	**489,331,014**	**495,457,280**	**514,980,305**
Operating Expenses				
Salaries & Benefits	84,045,977	92,018,199	88,134,075	96,284,851
3rd Party Operating & Maintenance Contracts	67,197,384	69,851,770	69,314,058	76,568,412
Consulting & Other Contracted Services	42,293,161	47,729,832	35,901,411	58,306,848
Utilities	8,971,123	8,952,979	8,548,912	8,754,943
Indirect Costs to the City of Atlanta	8,462,756	9,999,089	8,462,756	9,718,345
Other Operating Expenses	10,720,515	14,316,543	11,189,171	14,030,084
Major Maintenance Expenditures - Planning & Dev.	28,177,685	15,000,000	27,367,630	25,000,000
Total Operating Expenses	**249,868,601**	**257,868,412**	**248,918,013**	**288,663,483**
Operating Income (Funds Available For Debt Service)	**246,821,800**	**231,462,602**	**246,539,267**	**226,316,822**
GARB Debt Service				
Principal Payments	73,465,000	71,385,000	71,385,000	80,600,000
Interest	96,941,601	91,293,339	91,293,339	87,951,975
Funded via Passenger Facility Charges (PFCs)	-	-	-	-
Capitalized Interest	(11,471,173)	(9,380,555)	(9,380,555)	-
Commercial Paper Fees	2,128,699	-	-	2,128,699
Total GARB Debt Service	**161,064,127**	**153,297,784**	**153,297,784**	**170,680,674**
Operating Income less GARB Debt Service	**85,757,673**	**78,164,818**	**93,241,483**	**55,636,148**
Operating-Type Projects	**28,177,685**	**15,000,000**	**27,367,630**	**25,000,000**
Net Amount Available for Future R&E	**$ 113,935,358**	**$ 93,164,818**	**$ 120,609,113**	**$ 80,636,148**

The exhibit above gives us a snapshot view of revenues, expenses and debt service. Operating income (operating revenue less operating expenses) makes available $226.3 million to handle the year's debt service requirement of $170.7 million. Funds available exceed the debt service requirement by $55.6 million which will be made available for capital projects in the future.

Debt Service Requirements & Debt Service Coverage

ATL's FY16 debt service requirement is expected to total $170.7 million, which includes $2.1 million in anticipated commercial paper fees, with coverage forecasted to be 1.54 times, representing a decrease from coverage factors in FY15 and FY14. An anticipated $30.8 million growth in operating expenses for FY16 and a $17.4 million increase in debt services are the key components of the drop in debt service coverage.

	FY14 Actuals	FY15 Budget	FY15 Projection	FY16 Budget
Operating Revenue	499.25	489.33	495.46	514.98
(+) Investment Income	10.60	8.00	8.00	8.00
(-) Operating Expenses	252.40	257.87	248.92	288.66
(+)	28.20	15.00	27.37	25.00
(=) Operating Income	285.65	254.46	281.91	259.32
(/) GARB Debt Service	158.94	153.30	153.30	168.55
GARB Debt Service Coverage	1.80	1.66	1.84	1.54

Note: In March 2014, ATL refunded several outstanding bond issuances. The FY15 debt service calculation includes the decrease in revenue and debt service payments associated with the 2014 refunding.

Debt Service Requirements

General Airport Revenue Bonds (GARBs)

	Principal	Interest	Fees	Total Debt Service	Less Capitalized Interest from GARB Proceeds	Less Capitalized Interest from PFCs	Debt Service for Coverage Calculation
2004 Series Bonds							
Series 2004F (AMT)	$ 5,195,000	$ 386,006	$ -	$ 5,581,006	$ -	$ -	$ 5,581,006
Total 2004 Series Bonds	**$ 5,195,000**	**$ 386,006**	**$ -**	**$ 5,581,006**	**$ -**	**$ -**	**$ 5,581,006**
2010 Series Bonds							
Series 2010A	$ 3,615,000	$ 8,345,894	$ -	$ 11,960,894	$ -	$ -	$ 11,960,894
Series 2010C (NON-AMT)	$ 20,270,000	$ 23,832,575	$ -	$ 44,102,575	$ -	$ -	$ 44,102,575
Total 2010 Series Bonds	**$ 23,885,000**	**$ 32,178,469**	**$ -**	**$ 56,063,469**	**$ -**	**$ -**	**$ 56,063,469**
2011 Series Bonds							
Series 2011A (NON-AMT)	$ 23,340,000	$ 8,963,900	$ -	$ 32,303,900	$ -	$ -	$ 32,303,900
Series 2011B (AMT)	$ 2,045,000	$ 8,783,850	$ -	$ 10,828,850	$ -	$ -	$ 10,828,850
Total 2011 Series Bonds	**$ 25,385,000**	**$ 17,747,750**	**$ -**	**$ 43,132,750**	**$ -**	**$ -**	**$ 43,132,750**
2012 Series Bonds							
Series 2012A (Non-AMT)	$ 1,245,000	$ 2,936,075	$ -	$ 4,181,075	$ -	$ -	$ 4,181,075
Series 2012B (Non-AMT)	$ 3,275,000	$ 9,050,625	$ -	$ 12,325,625	$ -	$ -	$ 12,325,625
Series 2012C (AMT)	$ 4,035,000	$ 10,992,825	$ -	$ 15,027,825	$ -	$ -	$ 15,027,825
Total 2012 Series Bonds	**$ 8,555,000**	**$ 22,979,525**	**$ -**	**$ 31,534,525**	**$ -**	**$ -**	**$ 31,534,525**
2014 Series Bonds							
Series 2014B (NON-AMT)	$ -	$ 7,046,750	$ -	$ 7,046,750	$ -	$ -	$ 7,046,750
Series 2014C (AMT)	$ 17,580,000	$ 7,613,475	$ -	$ 25,193,475	$ -	$ -	$ 25,193,475
Total 2014 Series Bonds	**$ 17,580,000**	**$ 14,660,225**	**$ -**	**$ 32,240,225**	**$ -**	**$ -**	**$ 32,240,225**
GARB Commerical Paper Notes	**$ -**	**$ -**	**$ 2,128,699**	**$ 2,128,699**	**$ -**	**$ -**	**$ 2,128,699**
Total General Airport Revenue Bon	**$ 80,600,000**	**$ 87,951,975**	**$ 2,128,699**	**$ 170,680,674**	**$ -**	**$ -**	**$ 170,680,674**

Passenger Facility Charge (PFC) Hybrid Bonds

	Principal	Interest	Fees	Total Debt Service	Less Capitalized Interest from GARB Proceeds	Less Capitalized Interest from PFCs	Debt Service for Coverage Calculation
2010 Series Bonds							
Series 2010B (NON-AMT)	$ 28,185,000	$ 15,940,813	$ -	$ 44,125,813	$ -	$ -	$ 44,125,813
Total 2010 Series Bonds	**$ 28,185,000**	**$ 15,940,813**	**$ -**	**$ 44,125,813**	**$ -**	**$ -**	**$ 44,125,813**
2014 Series Bonds							
Series 2014A (NON-AMT)	$ -	$ 25,791,040	$ -	$ 25,791,040	$ -	$ -	$ 25,791,040
Total 2014 Series Bonds	**$ -**	**$ 25,791,040**	**$ -**	**$ 25,791,040**	**$ -**	**$ -**	**$ 25,791,040**
Total PFC Hybrid Bonds	**$ 28,185,000**	**$ 41,731,853**	**$ -**	**$ 69,916,853**	**$ -**	**$ -**	**$ 69,916,853**

Customer Facility Charge (CFC) Bonds

	Principal	Interest	Fees	Total Debt Service	Less Capitalized Interest from GARB Proceeds	Less Capitalized Interest from PFCs	Debt Service for Coverage Calculation
2006 Series Bonds							
Series 2006A (TAXABLE)	$ 6,550,000	$ 9,814,057	$ -	$ 16,364,057	$ -	$ -	$ 16,364,057
Series 2006B (NON-AMT)	$ 750,000	$ 710,069	$ -	$ 1,460,069	$ -	$ -	$ 1,460,069
Total 2006 Series Bonds	**$ 7,300,000**	**$ 10,524,126**	**$ -**	**$ 17,824,126**	**$ -**	**$ -**	**$ 17,824,126**
Total CFC Bonds	**$ 7,300,000**	**$ 10,524,126**	**$ -**	**$ 17,824,126**	**$ -**	**$ -**	**$ 17,824,126**
Total For All Bond Types	**$ 116,085,000**	**$ 140,207,954**	**$ 2,128,699**	**$ 258,421,653**	**$ -**	**$ -**	**$ 258,421,653**

Outstanding Debt as of July 1, 2015

General Airport Revenue Bonds (GARBs)

	Authorized	Retired	Refunding	2010 Refunding	2012 Refunding	2014 Redunding	Balance Outstanding
2003RF Series Bonds							
Series 2003RF-A (NON-AMT)	$ 86,055,000	$ 86,055,000	$ -	$ -	$ -		$ -
Series 2003RF-B/C (NON-AMT)	$ 490,170,000	$ 17,666,000	$ -	$ 472,504,000	$ -		$ -
Series 2003RF-D (AMT)	$ 118,270,000	$ 68,315,000	$ -	$ -	$ -	$ 49,955,000	$ -
Total 2003RF Series Bonds	**$ 694,495,000**	**$ 172,036,000**	**$ -**	**$ 472,504,000**	**$ -**	**$ 49,955,000**	**$ -**
2004 Series Bonds							
Series 2004A (AMT)	$ 164,165,000	$ 20,850,000	$ -	$ -	$ -	$ 143,315,000	$ -
Series 2004B (NON-AMT)	$ 58,655,000	$ -	$ -	$ -	$ -	$ 58,655,000	$ -
Series 2004F (AMT)	$ 32,290,000	$ 22,340,000	$ -	$ -	$ -	$ -	$ 9,950,000
Series 2004G (NON-AMT)	$ 96,175,000	$ -	$ -	$ -	$ -	$ 96,175,000	$ -
Total 2004 Series Bonds	**$ 351,285,000**	**$ 43,190,000**	**$ -**	**$ -**	**$ -**	**$ 298,145,000**	**$ 9,950,000**
2010 Series Bonds							
Series 2010A	$ 177,990,000	$ 6,785,000	$ -	$ -	$ -	$ -	$ 171,205,000
Series 2010C (NON-AMT)	$ 524,045,000	$ 73,015,000	$ -	$ -	$ -	$ -	$ 451,030,000
Total 2010 Series Bonds	**$ 702,035,000**	**$ 79,800,000**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 622,235,000**
2011 Series Bonds							
Series 2011A (NON-AMT)	$ 224,195,000	$ 31,950,000	$ -	$ -	$ -	$ -	$ 192,245,000
Series 2011B (AMT)	$ 216,195,000	$ 38,465,000	$ -	$ -	$ -	$ -	$ 177,730,000
Total 2011 Series Bonds	**$ 440,390,000**	**$ 70,415,000**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 369,975,000**
2012 Series Bonds							
Series 2012A (Non-AMT)	$ 63,695,000	$ 17,930,000	$ -	$ -	$ -	$ -	$ 45,765,000
Series 2012B (Non-AMT)	$ 184,660,000	$ 2,010,000	$ -	$ -	$ -	$ -	$ 182,650,000
Series 2012C (AMT)	$ 225,740,000	$ 2,835,000	$ -	$ -	$ -	$ -	$ 222,905,000
Total 2012 Series Bonds	**$ 474,095,000**	**$ 22,775,000**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 451,320,000**
2014 Series Bonds							
Series 2014B (NON-AMT)	$ 141,005,000	$ -	$ -	$ -	$ -	$ -	$ 141,005,000
Series 2014C (AMT)	$ 181,875,000	$ -	$ -	$ -	$ -	$ -	$ 181,875,000
Total 2014 Series Bonds	**$ 322,880,000**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 322,880,000**
Total General Airport Revenue Bonds	**$ 2,985,180,000**	**$ 388,216,000**	**$ -**	**$ 472,504,000**	**$ -**	**$ 348,100,000**	**$ 1,776,360,000**

Passenger Facility Charge (PFC) Hybrid Bonds

	Authorized	Retired	Refunding	2010 Refunding	2012 Refunding	2014 Redunding	Balance Outstanding
2004 Series Bonds							
Series 2004C (NON-AMT)	$ 293,070,000	$ -	$ -	$ -	$ -	$ 293,070,000	$ -
Series 2004E (NON-AMT)	$ 146,550,000	$ 146,550,000	$ -	$ -	$ -	$ -	$ -
Series 2004J (NON-AMT)	$ 235,860,000	$ -	$ -	$ -	$ -	$ 235,860,000	$ -
Total 2004 Series Bonds	**$ 675,480,000**	**$ 146,550,000**	**$ -**	**$ -**	**$ -**	**$ 528,930,000**	**$ -**
2010 Series Bonds							
Series 2010B (NON-AMT)	$ 409,810,000	$ 76,780,000	$ -	$ -	$ -	$ -	$ 333,030,000
Total 2010 Series Bonds	**$ 409,810,000**	**$ 76,780,000**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 333,030,000**
2014 Series Bonds							
Series 2010A (NON-AMT)	$ 523,605,000	$ -	$ -	$ -	$ -	$ -	$ 523,605,000
Total 2014 Series Bonds	**$ 523,605,000**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 523,605,000**
Total PFC Hybrid Bonds	**$ 1,608,895,000**	**$ 223,330,000**	**$ -**	**$ -**	**$ -**	**$ 528,930,000**	**$ 856,635,000**

Customer Facility Charge (CFC) Bonds

	Authorized	Retired	Refunding	2010 Refunding	2012 Refunding		Balance Outstanding
2006 Series Bonds							
Series 2006A (TAXABLE)	$ 211,880,000	$ 43,330,000	$ -	$ -	$ -		$ 168,550,000
Series 2006B (NON-AMT)	$ 21,980,000	$ 5,315,000	$ -	$ -	$ -		$ 16,665,000
Total 2006 Series Bonds	**$ 233,860,000**	**$ 48,645,000**	**$ -**	**$ -**	**$ -**		**$ 185,215,000**
Total CFC Bonds	**$ 233,860,000**	**$ 48,645,000**	**$ -**	**$ -**	**$ -**		**$ 185,215,000**
Total For All Bond Types	**$ 4,827,935,000**	**$ 660,191,000**	**$ -**	**$ 472,504,000**			**$ 2,818,210,000**

CAPITAL BUDGET

Capital Budget

Overview

ATL is currently executing its capital improvement plan (CIP), which was originally created in 1999 and is nearing completion. ATL is in the final approval stages for the new Master Plan, which is intended to identify capital needs through 2030. The current plan is being funded through a combination of proceeds including GARBs, PFC hybrid revenue bonds, federal grants-in-aid, PFC pay-as-you-go revenues, CFC revenues and other airport renewal & extension funds.

The CIP includes several major projects which have already been completed, including Runway 10/28 (the Fifth runway), the RCC and the completion and opening of the Maynard H. Jackson Jr. International Terminal. Other projects, completed or on-going, include runway/taxiway extensions, Concourse C and D midpoint expansions, Concourse A electrical equipment renovations, life safety upgrades in the terminal and concourses and airfield pavement repairs.

Capital Budget

ATL's CIP budget for FY16 totals $134.7 million. While not all of this amount will be spent in FY16, City of Atlanta code requires the Airport to encumber this full amount in the current fiscal year. A breakdown of the FY16 capital projects, and their anticipated funding sources, is provided in the following table.

FY16 Capital Improvement Project Funding				
Project Description	**PFCs**	**R&E**	**GARBs**	**Total**
Decision Approach Path Indicators (PAPisi) for 10-28		$ 645,423		$ 645,423
Taxiway Pavement Replacement Phase 2	$ 5,286,000			$ 5,286,000
Spine Road Repairs & Safety Improvements		$ 616,051		$ 616,051
Entry/ Exit Lane Loop Wire Replacement		$ 1,400,000		$ 1,400,000
Airfield Electrical As-Builts		$ 3,000,000		$ 3,000,000
Guard Gate Renewal & Replacement		$ 450,000		$ 450,000
Technical Campus Egress Doors		$ 72,000		$ 72,000
Southside Sewer Lift Station #42		$ 1,170,000		$ 1,170,000
Airfield Repairs 2016		$ 5,000,000		$ 5,000,000
Gate Gourmet Building Building Expansion Joint Repair		$ 802,000		$ 802,000
Sanitary Sewer Repairs- Phase 1 and 2		$ 600,000		$ 600,000
CPTC O&M Assessment		$ 100,000		$ 100,000
Non CPTC - Fire Safety & Egress Assessment		$ 200,000		$ 200,000
Non CPTC HVAC Assessment		$ 250,000		$ 250,000
Comprehensive Energy Audit		$ 400,000		$ 400,000
Sewer Repair & Replacement Assessment		$ 900,000		$ 900,000
Assessments for Unforeseen Conditions		$ 100,000		$ 100,000
On Call Consultants for Assessments		$ 100,000		$ 100,000
Airline Master Plan Team (AMPT) Contract			$ 700,000	$ 700,000
Construction Management Contract		$ 5,732,842		$ 5,732,842
Program Management		$ 6,000,000		$ 6,000,000
On-Call Parking Deck Construction		$ 20,000,000		$ 20,000,000
On-Call Service Contracts		$ 26,344,000		$ 26,344,000
EV Charging Station Infrastructure		$ 586,000		$ 586,000
Interstate Signage Mods for International Terminal		$ 1,000,000		$ 1,000,000
CV Hold Lot Domestic		$ 24,000,000		$ 24,000,000
South Cargo Truck Staging Improvements		$ 1,485,000		$ 1,485,000
Park/ Ride Lot at Sullivan & Riverdale		$ 5,000,000		$ 5,000,000
Sustainability Consultants		$ 2,550,000		$ 2,550,000
5502 Non-PTAEO Equipment and Motorized Vehicle		$ 20,178,595		$ 20,178,595
Total Budget	**$ 5,286,000**	**$ 128,681,911**	**$ 700,000**	**$ 134,667,911**