



ATL 2019

ANNUAL REPORT





ATL
2019

ANNUAL
REPORT

 **Hartsfield-Jackson**
Atlanta International Airport®

P.O. Box 20509
Atlanta, GA 30320-2509

(404) 530-6600
www.atl.com



CONTENTS

■ LETTERS

LETTER FROM THE GENERAL MANAGER	4
LETTER FROM THE MAYOR	5

■ ARTICLES

ATLNEXT	6
CARGO	8
DIVERSITY	10
INNOVATION	12
SAFETY AND SECURITY	14
COMMUNITY INVOLVEMENT	16
SUSTAINABILITY	18
EXCELLENCE	20
ACCOMPLISHMENTS	21

■ INTERNATIONAL DESTINATIONS

22

■ AIRLINES

24

■ SELECTED FINANCIAL INFORMATION

26

■ AIRPORT INFORMATION

40



When we began putting together this annual report, the world and our aviation industry were in vastly different places. Here at Hartsfield-Jackson Atlanta International Airport (ATL), we were poised for another record-breaking year and our outlook could not have been better. The COVID-19 pandemic changed all of that. But as we face challenges never seen before, we forge ahead. As ATL's general manager, I'm tremendously proud of the efforts by our staff and stakeholders to enact safety protocols and enhancements. The Airport continues to operate at a high level and is justified in being one of the world's premiere airports.

Our present challenges in no way take away from the outstanding achievements of 2019. Again, ATL was the world's busiest airport, with an average of 280,000 passengers passing through our doors each day. ATL also earned the ATRS Efficiency Excellence Award for the 16th consecutive year, all while providing travelers with an array of dining and retail options throughout our concourses.

Though having a hard-earned reputation for being the transportation gateway of the Southeast to the world, ATL's overarching purpose is to drive the economic development in metropolitan Atlanta, the state of Georgia and across the Southeastern United States. A recent economic impact study bore this out. The Airport is a jobs center of more than 63,000 positions in airlines and airport support functions. It accounts for one in every five jobs (20 percent) in the regional economy.

At the Department of Aviation, we also strengthened our ability to create jobs and stimulate the economy through our multibillion-dollar capital improvement program, ATLNext, which will modernize our facilities and accommodate growth.

We're actively engaged in projects inside and outside of our facilities to meet our passengers' needs and keep the pace of the ever-changing aviation landscape. So, on behalf of the entire ATL team, I thank all of you who have played a critical part in the steady growth and immense success of Hartsfield-Jackson.

A handwritten signature in black ink that reads "John Selden".

John Selden
Airport General Manager



I am proud to present Hartsfield-Jackson Atlanta International Airport's 2019 Annual Report.

It was another record-setting year for Atlanta. For the fifth year in a row, Hartsfield-Jackson has served more than 100 million passengers in a single year, hosting more than 110 million passengers in 2019 alone. No other airport in the world has achieved such a distinction.

Besides serving as the world's busiest and most efficient airport, Hartsfield-Jackson maintained its position as the region's No. 1 economic engine. The Airport supports more than 63,000 jobs on site and nearly 400,000 jobs throughout metro Atlanta. The Airport contributes nearly \$52 billion in annual direct economic benefits to the immediate Atlanta metropolitan area and nearly \$31 billion across the state and Piedmont Atlantic Megaregion.

We are thrilled with the Airport's standing as an international aviation industry leader and we remain committed to maintaining high levels of operations and service. As we advance our ATLNext initiative, this multibillion-dollar capital program ensures Hartsfield-Jackson will continue to meet the growing demands of our customers, while preserving our distinguished position as the world's premier airport.

We are proud of the outstanding work and leadership at Hartsfield-Jackson. For many, the first impression the world forms of Atlanta and America begins at our airport. We are blessed to live in one of the world's greatest cities—home to a vibrant art and cultural scene, as well as a great place to do business. We invite you to view this report to fully explore the tremendous work of our Airport team.

Kiesha Lance Bottoms
Mayor, City of Atlanta



ATLNEXT

To meet passengers' and airlines' growing needs, Hartsfield-Jackson proceeded with ATLNNext, a 20-year, multibillion-dollar capital improvement program. ATL projects will optimize both terminal and airfield capacity to modernize our campus and accommodate future growth.

COMPLETED

CANOPIES

The Airport completed the world's largest ETFE canopies to create a grand entrance to the Domestic Terminal. Each nearly three football fields long, these iconic canopies extend from the North and South sides of the Domestic Terminal. At night, the pair illuminate ATL's facade with over 3,500 customizable LED strip fixtures for color themes to commemorate holidays and special events.

RUNWAY 9L

ATL addressed a critical airside need with the pavement replacement of Runway 9L. The repair, which took 37,000 cubic yards of concrete to complete, will last approximately 40 years.

IN PROGRESS

PEDESTRIAN BRIDGES

To enhance passenger safety and improve traffic flow, ATL's Domestic Terminal Pedestrian Bridges project began, which will allow passengers and guests to travel on four bridges above roadways between the Daily/Hourly parking decks and the Domestic Terminal.

FIRE STATION 40

Fire Station 40, a 30,000-square-foot structure, will replace the former fire station and expand personnel capacity. The facility is on track to obtain LEED Gold certification, including nearly 4,900 tons of waste diverted and over 41 percent reduction of water use.



Pedestrian Bridge Rendering

ATL WEST PARKING DECK

With 5,700 parking spaces on seven levels, the ATL West Parking Deck will be completed in 2020. When finished, an elevated walkway will connect it to the ATL SkyTrain at the Georgia International Convention Center. An additional 1,800 parking spaces are also available at the ParkATL Select Parking Lot, also opening in 2020.

PLANE TRAIN TUNNEL EXTENSION

To escalate the movement of passengers to and from their gates, the Plane Train Tunnel West Extension project began. Once completed, it will reduce passenger wait times between trains by 25 percent.

WEST CURB

ATL's west curb, a bustling curbside area located on the west side of the Domestic Terminal, will see improvements to create a better traffic flow for taxi, rideshare, hotel, and off-airport parking shuttles.

T-NORTH EXTENSION

ATL began the expansion of Concourse T-North in 2018. Once completed, it will add five domestic gates, increasing ATL's commercial jet capacity to 198 gates.



ATL West Parking Deck Rendering



CARGO

Hartsfield-Jackson's role in the story of business development and economic impact to the region frequently focuses on passenger totals. With over 110 million passengers in 2019 alone, that impressive passenger total presents a compelling narrative. However, an equally interesting story to share is the growth — and increased potential — of the Airport's cargo efforts.

The cargo program at ATL provides more than mere landing fees, aircraft parking revenue, and terminal rents. Cargo helps grow the economic impact of ATL and expand the reach of businesses throughout ATL's catchment area.

"From pharmaceuticals to e-commerce to manufacturing to agriculture, the opportunity for cargo growth at Hartsfield-Jackson is unlimited," said ATL's Director of Air Service Development Elliott Paige.

The Air Service Development team's cargo efforts continued amid a struggling economy. ATL operators saw a decline in growth mainly due to the trade war between the U.S. and China, which began in July 2018.

On a positive note, ATL welcomed cargo service from Amazon Prime. Amazon, the second-largest e-commerce platform in the world, launched daily service to Atlanta on Sept. 12. This caused an immediate demand for labor that brought almost 300 new jobs in cargo service. By December, Amazon expanded its service further by tripling

"From pharmaceuticals to e-commerce to manufacturing to agriculture, the opportunity for cargo growth at Hartsfield-Jackson is unlimited"

-Elliott Paige, Airport Director, Air Service Development

daily flights. Overall, ATL moved 639,276 metric tons of cargo in 2019 and hopes to become the first airport in North America to implement a Cargo Community System that will link airlines to freight forwarders, ground handlers, and the trucking community. Ultimately, cargo growth will depend upon the most vital resource ATL has to offer: its workforce. It takes a highly motivated, well-trained complement of employees to staff and secure high-value product environments. Providing that workforce and using the resources already in place will allow ATL to expand its cargo operations.

2019 ATL MOVED 600,000+ TONS OF CARGO





DIVERSITY

The world's busiest passenger airport boldly follows in the footsteps of the late Mayor Maynard H. Jackson, Jr. His bravery changed the way business is done not only in the City of Atlanta, but also throughout the United States.

Jackson envisioned ATL as a global gateway that would afford business opportunities to small, minority, and women-owned firms. He took a stand and as a result, the Airport continues to exceed diversity goals today. This is a pillar of ATLNext, a 20-year, multibillion-dollar capital improvement program.

Over the next two decades, ATL will continue to provide contracting opportunities to small, minority, and women-owned firms.

In 2019, ATL surpassed its previous goal of 34 percent MWBE participation by 3 percent under the ATLNext program. It also leads the nation in Airport Concessions Disadvantaged Businesses (ACDBE), generating \$254 million in revenue in 2019.

For the third consecutive year, ATL hosted its Small Business Development Program, in which 30 small businesses completed 140 hours of intensive construction management training to build capacity to compete for ATL projects. Throughout the year, many outreach events offering workshops, industry roundtables, and networking opportunities targeted small businesses interested in doing business with ATL.

Jackson, whose courage, in the face of relentless opposition, changed the way business was conducted with minority contractors at ATL and changed the way the world sees the Airport and Atlanta.





2019
ATL GENERATED
\$254M+
ACDBE REVENUE

ATLNEXT

INDUSTRY DAY

Networking Expo
10 A.M. - NOON | 2 P.M. - 4 P.M.

ADDITIONAL RESOURCES

- Airport Minority Advisory Council (AMAC)
- ATLNEXT Supplier Diversity Team
 - City of Atlanta
 - Department of Procurement
 - City of Atlanta
 - Office of Contract Compliance
 - City of Atlanta
 - Watershed Management
 - Coach Consulting, Inc.
- Contractors Bonding of the South, LLC
- Georgia Department of Transportation (GDOT)
- Invest Atlanta
- National Association of Women In Construction (NAWIC)
- NOW Corp



INNOVATION

2019 cemented another stellar year at Hartsfield-Jackson Atlanta International Airport: more record-breaking passenger counts were achieved, capital projects increasing capacity and improving efficiency progressed, and collaboration with airlines and concessionaires with a major focus on innovation continued.

Innovation has long played a major role in the more than 100-year history of Hartsfield-Jackson Atlanta International Airport. After all, the Airport was nothing more than a cow pasture-turned-racetrack in the early 20th century; it took the vision of a future Atlanta mayor named William Hartsfield to reimagine that racing oval as an airfield. Decades later, one of Hartsfield's successors presided over construction efforts that revolutionized the Airport, creating parallel runways and concourses that facilitate efficiency, expansion and growth to this day. That successor, Maynard H. Jackson Jr., also recognized the importance of diversity and inclusion at ATL. His efforts to expand the workforce led to innovative changes in the workplace.

2019 would demand advances in innovation at ATL immediately as the City prepared to host one of the top sporting events in the world.

Atlanta was named host city for Super Bowl LIII in 2016 and given three years to prepare for the influx of hundreds of thousands of National Football League (NFL) fans, league representatives, and two teams vying for the Lombardi Trophy. Operational procedures, marketing projects, and public safety efforts all incorporated advances in innovation to make for a safe and enjoyable game experience. One small example of such efforts incorporated both sustainability and innovation. Utilizing recycled materials, ATL produced thousands of shirts and jackets for Super Bowl volunteers. What were once plastic bottles became unique branded clothes easy to spot for guests looking for assistance, directions, or simply a welcoming presence at ATL.

Nearly a decade ago, ATL held a competition to determine the most cost-effective and energy efficient lighting option for the covered parking decks. In 2019, those more than 4,000 lights neared their replacement life and ATL's Innovation team hosted an innovative competition once again. The original effort netted a nearly \$2 million cash flow – the current competition is expected to garner at least that much while increasing ATL's sustainability footprint.

Whether it's moving from racetrack to runways, incorporating a more diverse workforce, or hosting the nation's biggest sporting event, ATL's innovation efforts ensure Hartsfield-Jackson remains a leader in the aviation industry.





SAFETY AND SECURITY

The biggest sports day of the year helped kick off the Safety & Security division's stellar year. As the City of Atlanta hosted Super Bowl LIII, the division played an integral role on the Airport's NFL Safety & Security Committee. The committee, whose focus included public safety, passenger queueing, and vehicular traffic at the Airport, composed of Department of Aviation leaders in law enforcement, fire, medical response, security operations, safety management, and emergency management.

Consistently recognized for the outstanding work performed daily, the Safety & Security division received zero discrepancies during the Transportation Security Administration (TSA) annual comprehensive airport inspection. From April 15 through May 22, TSA conducted 62 tests in areas including Criminal History Records Check (CHRC), access media deactivation, and perimeter fencing.

Additional initiatives streamlined processes and promoted ATL's safety culture.

SECURITY SERVICES APPOINTMENT SYSTEM

The DOA Security Office moved to an appointment-only system to increase efficiency and reduce wait times. The technology improvements allow employees to schedule appointments for services such as badge issuance and interactive training. In addition, the system reduces customer wait times from an average of 90 minutes to 20-30 minutes.

ONEATL SAFETY AND RISK MANAGEMENT EXPO

Hartsfield-Jackson advanced its safety culture for the fourth consecutive year at the OneATL Safety and Risk Management Expo. With over 300 attendees and three concurrent tracks of educational sessions, the Aug. 20 event promoted safety from every perspective. Held at the Georgia International Convention Center, the event highlighted how technology, safety, and ingenuity connect in the Airport.



300+
ATTENDED
THE SAFETY
AND RISK
MANAGEMENT
EXPO



COMMUNITY INVOLVEMENT

The Airport gives back to the communities it serves, hosting significant events and rallying around important causes.

SUPER BOWL LIII

The City of Atlanta proudly hosted the Los Angeles Rams and New England Patriots—and thousands of fans—from Jan. 26 to Feb. 4 for the NFL championship game. ATL engaged 150,000 arriving passengers with pep rallies, interactive contests and celebrity fanfare. Aligning with ATL’s commitment to environmental preservation, 90,000 recycled water bottles were used to make volunteer jackets for Team ATL representatives performing a total of 250,000 volunteer hours.

ATL AIRPORT COMMUNITY CAREER FAIR

In 2019, the Airport hosted two job fairs for community members desiring to shift their career path or enter the workforce. Each fair offered over 2,000 jobs from nearly 60 companies, and hundreds of candidates landed positions at the world’s busiest airport.

ATL FODWALK

With nearly 100 Airport workers walking a 9,000-foot runway, the 18th annual FODWalk increased awareness about the hazards of foreign object debris (FOD). FOD is defined as any object, live or not, located in an inappropriate location in the airport environment that has the capacity to injure airport or air carrier personnel and damage aircraft. FOD represents approximately \$4 billion in damage to aircraft and endangers lives. With the help of public safety campaigns, the aviation industry has seen a reduction in FOD.

MAYOR’S 5K ON THE 5TH RUNWAY

On Sept. 6, ATL welcomed over 2,000 participants and raised almost \$200,000 for United Way Atlanta and the Mayor’s Youth Scholarship Fund. This figure eclipsed 2018’s record of \$185,340.



Zack Jordan
Mayor’s 5K on the 5th Runway Winner

BREAST CANCER AWARENESS MONTH

Every year in October, ATLSkypointe sponsors a monthlong program to support breast cancer initiatives. Airport employees show their support by donning pink lanyards. During the fourth annual event—renamed the Breast Cancer Awareness Survivor’s Tea—the celebration paid homage to Airport community members who have battled the deadly disease and serve as inspiration for us all.



*Tracy Nicole
Keynote Speaker
Breast Cancer Awareness
Survivor’s Tea*

TASTE OF HARTSFIELD-JACKSON

Hundreds of diners attended the fifth annual event that showcased the diversity of ATL’s dining options on Oct. 29. The Taste raised \$15,425 for the Atlanta Community Food Bank, equivalent to 61,700 meals for people in need.



*Chicken + Beer’s Chef Gary Caldwell, winner of
Taste of Hartsfield-Jackson’s Chef Competition*



SUSTAINABILITY

For the past 40 years, ATL has remained committed to discovering fresh ways to enhance operational efficiencies and improve customer experience. Today, as the world looks to a future with fewer resources yet greater demands, ATL understands that creating a more sustainable airport that preserves and enhances the productivity of the aviation industry is paramount.

ATL strategically incorporates a common-sense approach to manage resources to ensure a sustainable future through innovation and innovative technologies. In 2019, ATL improved and expanded a series of green initiatives. These were measured under four pillars: *Waste, Water, Energy, and Emissions*.

WASTE

As part of the Environmental Protection Agency’s Food Recovery Challenge, ATL pledged to improve sustainable food management practices and report the results.

The ATL Food recovery program, which collects surplus, unused food from concessionaires, has

provided over 115,000 meals to action ministries, veterans’ organizations, community centers, and homeless citizens. ATL has increased its landfill diversion by over 138,000 pounds of waste, reduced its emissions of CO2 by approximately 75,000 pounds, and created \$460,000 in tax savings for concessionaires collectively.

WATER

ATL installed bioswales at the Park-Ride Select lot to manage over 20,000 gallons of storm water per rain event. The system naturally filters the water into the ground to maximize water resources. This helps reduce runoff, reduce pollutants, and restore groundwater to more natural levels.



ENERGY

ATL continues to expand its alternative fuel infrastructure. In 2019, ATL added 60 electric vehicle (EV) charging stations to parking facilities, bringing the total of EV charging stations throughout the campus to 276.

EMISSIONS

Airport Employee Ride Options (AERO) is a transportation management association that offers commuting support to Airport workers. With over 5,000 participants in the program, it ultimately reduces single-occupancy driving miles and greenhouse gas emissions. ATL remains committed to planning, building, operating, and maintaining an integrative approach to achieve measurable results that propel its community, stakeholders, and the environment.





EXCELLENCE

Hartsfield-Jackson's Annual Report focuses on figures that are, at times, difficult to comprehend: 110 million passengers, billions of dollars in economic impact, \$1 billion in concessions revenue. Impressive, all, but the idea of excellence at ATL is best found in the number one. The one passenger for whom a sales trip out of ATL is vital for her business. The one restaurant employee who counts on his part-time job at an ATL concessionaire to augment his mortgage payments. The one TSA worker who strives every day to maintain safety and security at the world's busiest airport. The one family for whom a much-anticipated vacation begins with a departure from Hartsfield-Jackson.

Excellence at ATL is not merely a superlative manifested in awards or year-end passenger totals. Excellence is a single goal shared by every single employee to benefit every single guest who travels through Hartsfield-Jackson Atlanta International Airport.



2019-2020 ACCOMPLISHMENTS

- LARGEST TRAVEL NUMBERS TO DATE
110 MILLION
- WORLD'S BUSIEST PASSENGER
AIRPORT FOR 21 CONSECUTIVE
YEARS
- MOST EFFICIENT AIRPORT IN NORTH
AMERICA FOR 16 CONSECUTIVE
YEARS
- CANOPIES CONSTRUCTION
COMPLETED
- RUNWAY 9L-27R RECONSTRUCTION
COMPLETED
- FY19 CONCESSIONS & RENTAL CAR
SALES REVENUES EXCEEDED
\$1.1 BILLION
- FY19 CONCESSIONS & RENTAL CAR
REVENUES EXCEEDED \$164 MILLION,
EXCEEDING FY18 REVENUE BY
\$6.7 MILLION
- IMPLEMENTED AIRPORT-WIDE
SMOKING BAN BEGINNING
JAN. 2, 2020
- OAG MEGA HUB AWARD -
MOST ON-TIME AIRPORT IN
NORTH AMERICA
- TRAZEE TRAVEL AWARD -
FAVORITE AIRPORT DINING
3RD CONSECUTIVE YEAR

DESTINATIONS SERVED NONSTOP FLIGHTS



AMSTERDAM, NL

ARUBA, AW

BERMUDA, BM

LEON/GUANAJUATO, MX

BOGOTA, CO

BELIZE CITY, BZ

PARIS-DE GAULLE, FR

CARTAGENA, CO

CANCUN, MX

COZUMEL, MX

DOHA, QA

DUESSELDORF, DE

NORTH ELEUTHERA, BS

BUENOS AIRES, BA, AR

ROME-DA VINCI, IT

FRANKFURT, DE

GRAND CAYMAN, KY

GUADALAJARA, MX

GEORGE TOWN, BS

RIO DE JANEIRO, RJ, BR

SAO PAULO-GUARULHOS,
SP, BR

GUATEMALA CITY, GT

HAVANA, CU

SEOUL, KR

ISTANBUL, TR

JOHANNESBURG, ZA

KINGSTON, JM

LONDON-HEATHROW, EN,
GB

LIMA, PE

LIBERIA, CR

MADRID, ES

FROM HARTSFIELD-JACKSON



MONTEGO BAY, JM
MEXICO CITY, MX
MARSH HARBOUR, BS
MONTERREY, MX
MUNICH, DE
NASSAU, BS
TOKYO-NARITA, JP
PORT AU PRINCE, HT
PROVIDENCIALES, TC
PANAMA CITY, PA
PUNTA CANA, DO
SHANGHAI, CN
PUERTO VALLARTA, MX
QUERETARO, MX
SAN SALVADOR, SV
SAN PEDRO SULA, HN

SANTIAGO, CL
SANTO DOMINGO, DO
SAN JOSE DEL CABO, MX
SAN JOSE, CR
STUTTGART, DE
ST. MAARTEN, SX
TEGUCIGALPA, HN
QUITO, EC
ST. LUCIA-VIEUX FORT, LC
MONTREAL-PET, QC, CA
CALGARY, AB, CA
TORONTO, ON, CA

PASSENGER AIRLINES

■ MAINLINE AIRLINES

ALASKA AIRLINES
AMERICAN AIRLINES
DELTA AIR LINES
FRONTIER AIRLINES
JETBLUE AIRWAYS
SOUTHWEST AIRLINES
SPIRIT AIRLINES
UNITED AIRLINES

■ REGIONAL AIRLINES

BOUTIQUE AIR
ENVOY AIR
ENDEAVOR AIR
EXPRESSJET AIRLINES
REPUBLIC AIRLINES
SKYWEST AIRLINES

■ FOREIGN FLAG AIRLINES

AEROMEXICO
AIR CANADA
AIR FRANCE
BRITISH AIRWAYS
KLM ROYAL DUTCH
AIRLINES
KOREAN AIR
LUFTHANSA
QATAR AIRWAYS
TURKISH AIRLINES
VIRGIN ATLANTIC
AIRWAYS
WESTJET AIRLINES



ALL-CARGO AIRLINES

ABX

AIRBRIDGECARGO AIRLINES

ASIANA CARGO

CAL CARGO AIRLINES

CARGOLUX AIRLINES

CHINA AIRLINES

CHINA AIRLINES CARGO

DHL WORLDWIDE EXPRESS

EVA AIRWAYS

FEDEX

KOREAN AIR CARGO

LUFTHANSA CARGO

POLAR AIR CARGO

QATAR AIRWAYS

SINGAPORE CARGO

TURKISH AIRLINES

UPS AIR CARGO

VIRGIN ATLANTIC AIRWAYS





DEPARTURES

CITY OF ATLANTA
DEPARTMENT OF AVIATION

SELECTED

FINANCIAL

INFORMATION



NOTICE

This report presents selected financial information of Hartsfield-Jackson Atlanta International Airport only. This report is not intended to be a Comprehensive Annual Financial Report (CAFR) presented in accordance with Generally Accepted Accounting Principles (GAAP). The financial data presented are derived from the 2019 CAFR and are consistent with GAAP. The Airport has issued separately the 2019 CAFR, which is prepared to conform with GAAP and includes more detailed financial information. The 2019 CAFR is available at www.atl.com or may be obtained by contacting the Office of Finance at:

Hartsfield-Jackson Atlanta International Airport
6000 North Terminal Parkway
Atrium Suite 4000
Atlanta, GA 30320
404-382-2389



MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

The following discussion and analysis of the financial performance and activity of the City of Atlanta, Georgia, Department of Aviation (the Department) provides an introduction and understanding of the Department's basic financial statements for fiscal years ended June 30, 2019 and 2018 with selected comparable data for the fiscal year ended June 30, 2017.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Department is a major enterprise fund wholly owned by the City of Atlanta (City) and conducts business-type activities in its operation of Hartsfield-Jackson Atlanta International Airport. The Airport is self-supporting and does not draw on any other City resources in order to fund its operations, nor does the City draw from any Airport revenues in order to fund non-Airport activities.

The Department's financial statements are prepared on an accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America as promulgated by the Governmental Accounting Standards Board (GASB). Therefore, revenues are recognized when earned and expenses are recognized when incurred. Capital assets, except for land and assets held for future use, are capitalized and depreciated over their estimated useful lives.

The Statements of Net Position present information on all of the Department's assets, deferred outflows

of resources, liabilities, and deferred inflows of resources, with the difference between the assets and deferred outflows of resources less liabilities and deferred inflows of resources as net position. Over time, increases or decreases in net position may serve as a useful indicator of the Department's financial standing.

The Statements of Revenue, Expenses, and Changes in Net Position present information showing how the Department's net position changed during the year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of timing of related cash flows. Thus, revenues and expenses are reported in this statement for certain items that will result in cash flows in future fiscal periods.

The Statements of Cash Flows report the flows of cash and cash equivalents. Consequently, only transactions that affect the Department's cash accounts are recorded in these statements. A reconciliation follows these statements to assist in the understanding of the difference between cash flows from operating activities and operating income.



FINANCIAL HIGHLIGHTS

REVENUES

During the first quarter of fiscal year 2018 (through September 30, 2017), most of the airlines serving the Airport paid rentals, fees, and charges under provisions of agreements relating to their use of the airfield (Airport Use Agreements) and their use and occupancy of the Central Passenger Terminal Complex (CPTC Leases). Under the Airport Use Agreements, the airlines paid landing fees that offset a portion of operating and maintenance expenses, debt service on General Airport Revenue Bonds (Bonds) issued to finance airline-approved airfield capital improvements, and 20% coverage on Bond debt service.

Under the CPTC Leases, the airlines paid terminal rentals and charges to allow the City to recover a portion of operating and maintenance expenses, debt service, and 20% coverage on Bonds issued to finance airline approved CPTC projects. Airline terminal rentals and charges were offset by a credit of a share of terminal concession revenues.

During the last three quarters of fiscal year 2018 (effective October 1, 2017) and fiscal year 2019, the airlines paid rentals, fees, and charges under the provisions of a new Airport Use and Lease Agreement that has been executed by all major signatory carriers operating at the Airport.

The Airport Use and Lease Agreement provides for the payment of rentals, fees, and charges for airline use and occupancy of airfield and terminal facilities to allow the City to recover all operating and maintenance expenses, Bond debt service, and coverage on Bond debt service allocable to the airfield and terminal cost centers. Coverage is to be calculated at 20% for outstanding Bonds and Bonds to be issued for the Terminal Modernization Project. Coverage is to be calculated at 30% for other future Bonds. Required terminal rentals, fees, and charges are offset by a credit of a share of terminal concessions revenues and a per-passenger credit.

Total revenue for the Airport increased by 16.4% in 2019 compared to 2018. Operating revenue increased by 8.2% while nonoperating revenue increased by 33.8%. Comparative figures for the last three fiscal years are as follows (in thousands):

	2019	2018	2017
Operating revenue	\$ 568,507	525,477	497,955
Percent change	8.2%	5.5%	2.3 %
Nonoperating revenue, net	\$ 332,009	248,065	225,723
Percent change	33.8%	9.9%	(9.9)%
Total revenue	\$ 900,516	773,542	723,678
Total percent change	16.4%	6.9%	(1.9)%

OPERATING REVENUE

Operating revenue increased by 8.2% in fiscal year 2019 compared to fiscal year 2018. Other concessions increased by \$7.4 million due to higher percentage rents, related to increases in advertising and food and beverage concessions. Additionally, Transportation Network Company (Lyft and Uber) revenue increased by \$2.1 million. This increase is the result of continued growth of TNC operations in fiscal year 2019 compared to fiscal year 2018. Car rental revenue increased by \$1.6 million due primarily to an increase in the minimum annual guarantees.

The Airport entered a Use and Lease Agreement with the airlines for rates and charges, which became effective October 1, 2017. Under this agreement, the Airport recovers certain operating and maintenance costs, debt service, and coverage attributable to the airlines, for airfield and terminal facilities. The new rate methodology, resulted in an increase in building and land rentals of \$13.2 million and an increase in landing fees of \$18.6 million.

	2019	2018	2017
Parking	\$ 147,410	147,609	131,895
Car rental	43,607	42,010	40,359
Other concessions	134,616	127,266	120,945
Building and land rental	158,044	144,846	126,882
Landing fees	53,049	34,414	17,220
Other	31,781	29,332	60,654
Total operating revenue	\$ 568,507	525,477	497,955

Operating revenue increased by 5.5% in fiscal year 2018 compared to fiscal year 2017. Parking revenue increased by \$15.7 million due to a parking rate increase that was effective August 2017. Other concessions increased by \$6.3 million due to higher percentage rents, related to increases in advertising and food and beverage concessions. Additionally, Transportation Network Companies (Uber and Lyft) revenue increased by \$4.7 million. This increase was primarily attributable to a full year of operations in fiscal year 2018 compared to a half a year of operations in fiscal year 2017. Car rental revenue increased by \$1.7 million due primarily to an increase in minimum annual guarantees.

NONOPERATING REVENUE

Nonoperating revenue consists of net investment income, passenger facility charges (PFCs), customer facility charges (CFCs), and other nonoperating income net of expenses. Net investment income was \$78.6 million in 2019, \$10.1 million in 2018, and \$4.3 million in 2017. PFCs were \$209.3 million in

2019, \$203.0 million in 2018, and \$199.4 million in 2017. CFCs, which are collected to fund the financing and operation of the Rental Car Center (RCC), were \$41.0 million in 2019, \$40.0 million in 2018, and \$40.4 million in 2017. For fiscal years 2019, 2018, and 2017 operating expenses related to the RCC of \$12.4 million, \$9.7 million and \$11.4 million, respectively, are netted against gross CFC revenues to arrive at each year's reported CFC revenues of \$28.6 million, \$30.3 million, and \$29.0 million, respectively.

OPERATING EXPENSES

Operating expenses in fiscal year 2019 increased by \$16.6 million in comparison to fiscal year 2018. Repairs, maintenance, and other contractual services contributed \$10.9 million to this increase, which is primarily attributed to an increase in security, ground transportation, operations, parking, capital planning and operations expenses for consulting and professional services in fiscal year 2019 compared to 2018. Other operating expenses increased by \$3.5 million in comparison to fiscal year 2018. This increase was driven by increases in legal expenses, and fuel facility costs, and was offset by a reduction in major maintenance-type expenditures. Depreciation and amortization expense increased by \$4.0 million in comparison to fiscal year 2018, which is attributable to a net increase of \$140.4 million of depreciable assets during fiscal year 2019. General services expenses contributed \$2.2 million to the increase driven mainly by increases in motor equipment repairs, increases in equipment purchases, and an increase in indirect costs charged to the Airport for services rendered by other City departments. Salaries and employee benefits expense decreased by \$3.5 million in comparison to fiscal year 2018. This decrease was driven by reductions in other post-employment benefit, workers' compensation, and pension-related expenses which were offset by increases in salaries.

	2019	2018	2017
Salaries and employee benefits	\$ 92,250	95,745	103,048
Repairs, maintenance, and other contractual services	158,157	147,218	139,360
General services	23,893	21,655	18,222
Utilities	10,201	9,584	9,025
Materials and supplies	5,148	6,313	6,521
Other operating expenses	26,540	22,991	36,084
Depreciation and amortization expenses	257,512	253,554	229,983
Total operating expenses	\$ 573,701	557,060	542,243

Operating expenses in fiscal year 2018 increased by \$14.8 million in comparison to fiscal year 2017. Repairs, maintenance, and other contractual services contributed \$7.9 million to this increase, which is primarily attributed to an increase in information technology, security, ground transportation, and operating expenses for consulting and professional services in fiscal 2018 compared to 2017. General services expenses contributed \$3.4 million to the increase driven mainly by increases in telephone-related expenses, increases in computer purchases and an increase in indirect costs charged to the Airport for services rendered by other City departments. Salaries and employee benefits expense decreased by \$7.3 million in comparison to fiscal year 2017. This decrease was the result of adjustments related to pension and other postemployment benefit liabilities. Other operating expenses decreased by \$13.1 million in comparison to fiscal year 2017. This decrease was driven by multiple factors including decreases in legal expenses, fuel farm costs and major maintenance-type

expenditures. Depreciation and amortization expenses increased by \$23.6 million in comparison to fiscal year 2017, which is attributable to a net increase of \$214.9 million of depreciable assets during fiscal year 2018.

NONOPERATING EXPENSES

Nonoperating expenses consist primarily of interest on long-term debt. Interest expense was \$115.2 million in 2019, \$110.4 million in 2018, and \$123.7 million in 2017. These amounts are net of any capitalized interest, which is recorded in the Department's capital assets as part of construction in process.

The increase in interest expense in fiscal year 2019 is the result of an increase of interest payments on the outstanding Commercial Paper Notes, a reduction in the amortization of bond discounts, and a reduction of capitalized interest. The impact of capitalized interest is a reduction in interest expense and an increase in construction in progress.





■ CHANGES IN NET POSITION

The changes in net position for the fiscal years ended June 30 are as follows (in thousands):

	2019	2018	2017
Operating revenue	\$ 568,507	525,477	497,955
Operating expenses, excluding depreciation and amortization	316,189	303,506	312,260
Operating income before depreciation and amortization	252,318	221,971	185,695
Depreciation and amortization	257,512	253,554	229,983
Operating (loss)	(5,194)	(31,583)	(44,288)
Nonoperating income, net	216,801	137,683	102,013
Income before capital contributions and transfers	211,607	106,100	57,725
Capital contributions	21,599	14,515	11,521
Transfers in (out)	(420)	(2,743)	(5,228)
Increase in net position	232,786	117,872	64,018
Net position, beginning of the year	4,887,088	4,855,845	4,791,827
Adjustment to beginning of year net position, related to other postemployment benefit liability	—	(86,629)	—
Net position, end of the year	\$ 5,119,874	4,887,088	4,855,845

At the beginning of fiscal year 2018, the Department implemented GASB 75, which impacted the beginning of the year net position for fiscal year 2018 as shown in the table above.

The Airport receives Airport Improvement Program Grants and other grant-related funds from various sources to support particular programs. In fiscal year 2019, the Airport recorded revenue of \$19.2 million from the Federal Aviation Administration, \$2.2 million from the Transportation Security Administration and \$0.2 million from Georgia Department of Transportation. In fiscal year 2018, the Airport recorded revenue of \$2.4 million from the Federal Aviation Administration, \$11.9 million from the Transportation Security Administration and \$0.2 million from Georgia Department of Transportation.

STATEMENTS OF NET POSITION

Year Ended June 30, 2019 and 2018 (in thousands)

	2019	2018
Current assets:		
Cash and cash equivalents	\$ 49	49
Restricted cash and cash equivalents	363,417	352,008
Equity in cash management pool	799,516	776,658
Accounts receivable, net of allowance for doubtful accounts of \$4,623 in 2019 and \$4,429 in 2018	10,239	6,419
Restricted other assets	42,624	70,503
Prepaid expenses	1,859	778
Materials and supplies	10,666	10,761
Total current assets	1,228,370	1,217,176
Noncurrent assets:		
Restricted cash and cash equivalents	—	75,988
Restricted investments	1,076,885	971,537
Due from other governments	—	10,640
Capital assets:		
Land	584,230	584,230
Land purchased for noise abatement	277,776	277,776
Runways, taxiways, and other land improvements	3,391,651	3,375,136
Terminal, maintenance buildings, and other structures	4,179,312	4,070,225
Other property and equipment	472,036	457,229
Construction in process	1,077,677	715,799
Less accumulated depreciation	(3,485,062)	(3,228,089)
Total capital assets, net	6,497,620	6,252,306
Total noncurrent assets	7,574,505	7,310,471
Total assets	8,802,875	8,527,647
Deferred outflows of resources:		
Pension and other postemployment benefit related deferred outflows	46,926	26,269
Accumulated deferred amount of debt refundings	40,277	46,570
Total assets and deferred outflows of resources	\$ 8,890,078	8,600,486

City of Atlanta - Department of Aviation

STATEMENTS OF NET POSITION

Year Ended June 30, 2019 and 2018 (in thousands)

	2019	2018
Current liabilities:		
Accounts payable	\$ 37,286	49,019
Accrued expenses	37,642	30,274
Current portion of unearned revenue	3,779	—
Current maturities of long-term debt	92,755	93,145
Accrued interest payable	36,532	39,068
Current portion of other postemployment benefit liability	4,495	6,300
Current portion of other liabilities	394	703
Current liabilities	212,883	218,509
Current liabilities payable from restricted assets:		
Current maturities of long-term debt	43,735	41,565
Current portion of capital lease obligation	429	802
Accrued interest payable	22,623	23,693
Accounts payable	69,179	39,740
Contract retention	21,664	11,646
Bond anticipation and commercial paper notes	731,746	305,114
Current liabilities payable from restricted assets	889,376	422,560
Total current liabilities	1,102,259	641,069
Long-term liabilities:		
Long-term debt, less current maturities	2,280,557	2,730,673
Capital lease obligation, less current portion	8,069	8,498
Unearned revenue	29,036	—
Contract retention	10,028	6,274
Accrued workers' compensation, health, and dental claims	3,114	3,463
Net pension liability	140,818	161,589
Other postemployment benefit liability	111,203	128,490
Total long-term liabilities	2,582,825	3,038,987
Total liabilities	3,685,084	3,680,056
Deferred inflows of resources:		
Pension and other postemployment benefit related deferred inflows	85,120	33,342
Total liabilities and deferred inflows of resources	\$ 3,770,204	3,713,398
Net position:		
Net investment in capital assets	\$ 3,538,961	3,420,727
Restricted for:		
Capital projects	758,005	675,680
Debt service	429,034	418,808
Unrestricted	393,874	371,873
Total net position	\$ 5,119,874	4,887,088

STATEMENTS OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION

Year Ended June 30, 2019 and 2018 (in thousands)

	2019	2018
Operating revenue:		
Parking, car rental, and other concessions	\$ 325,633	316,885
Terminal, maintenance buildings, and other rentals	158,044	144,846
Landing fees	53,049	34,414
Other	31,781	29,332
Total operating revenue	568,507	525,477
Operating expenses:		
Salaries and employee benefits	92,250	95,745
Repairs, maintenance, and other contractual services	158,157	147,218
General services	23,893	21,655
Utilities	10,201	9,584
Materials and supplies	5,148	6,313
Other	26,540	22,991
Depreciation and amortization expenses	257,512	253,554
Total operating expenses	573,701	557,060
Operating loss	(5,194)	(31,583)
Nonoperative revenue (expenses):		
Investment income, net	78,595	10,062
Passenger facility charges	209,320	202,963
Customer facility charges, net	28,552	30,342
Interest on long-term debt	(115,208)	(110,382)
Other revenue (expenses), net	15,542	4,698
Nonoperating revenue, net	216,801	137,683
Income before contributions and transfers	211,607	106,100
Capital contributions	21,599	14,515
Transfers (out) to the City	(420)	(2,743)
Change in net position	232,786	117,872
Net position, beginning of the year	4,887,088	4,769,216
Net position, end of the year	\$ 5,119,874	4,887,088

City of Atlanta - Department of Aviation

STATEMENTS OF CASH FLOWS

Year Ended June 30, 2019 and 2018 (in thousands)

	2019	2018
Cash flows from operating activities:		
Receipts from customers and tenants	\$ 602,270	533,809
Payments to suppliers for goods and services	(236,658)	(184,925)
Payments to employees for services	(101,425)	(96,797)
Net cash provided by operating activities	264,187	252,087
Cash flows from investing activities:		
Interest and dividends on investments	120,218	17,534
Purchases of restricted investments	(1,200,004)	(2,111,606)
Sales and redemptions of restricted investments	1,070,967	2,027,691
Change in pooled investment fund	(40,903)	6,397
Net cash used in investing activities	(49,722)	(59,984)
Cash flows from capital and related financing activities:		
Capital grants	21,492	15,002
Principal repayments of long-term debt and capital leases	(135,512)	(127,675)
Proceeds from intergovernmental receivable	10,751	—
Proceeds from bond anticipation and commercial paper note issuances	126,632	158,188
Acquisition, construction, and improvement of capital assets	(457,660)	(429,744)
Passenger and customer facility charges	266,874	208,992
Interest and other fees paid on bonds	(111,621)	(116,979)
Net cash used in capital and related financing activities	(279,044)	(292,216)
Decrease in cash and cash equivalents	(64,579)	(100,113)
Cash and cash equivalents:		
Beginning of year	428,045	528,158
End of year	\$ 363,466	428,045

City of Atlanta - Department of Aviation

STATEMENTS OF CASH FLOWS

Year Ended June 30, 2019 and 2018 (in thousands)

	2019	2018
Reconciliation of operating loss to net cash provided by operating activities		
Operating loss	\$ (5,194)	(31,583)
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation and amortization	257,512	253,554
Changes in assets and liabilities:		
Accounts receivable, net of allowances	(3,820)	(2,313)
Prepaid expenses	(1,081)	107
Materials and supplies	95	(1,340)
Accounts payable and accrued expenses	(7,398)	36,523
Unearned revenue	32,815	—
Net pension liability and related deferred items	10,350	(2,325)
Other postemployment benefit liability and related deferred items	(19,092)	(536)
Net cash provided by operating activities	\$ 264,187	252,087
Schedule of noncash capital and related financing activity:		
Acquisition of capital assets with accounts payable	69,179	39,740
Amortization of bond discount and premium, net	13,626	14,926
Accrued contract retention	31,692	17,920





AIRPORT INFORMATION

Official Name	Hartsfield-Jackson Atlanta International Airport
Airport Code	ATL
Ownership/Operator	City of Atlanta / Department of Aviation
Distance From Downtown Atlanta	10 miles (16.2 kilometers)
Elevation Above Sea Level	1,026 feet (316 meters)
Total Airport Area	4,750 acres (1,922 hectares)
Terminal Complex	The terminal complex measures 7.0 million square feet, or 160 acres. The complex includes the terminal building and concourses T, A, B, C, and D; and the International Terminal building and concourses E and F. Within these concourses, there are 152 domestic and 41 international gates. The Airport is free of any architectural barriers to people with disabilities.
Runways	There are five parallel runways in an east-west configuration: 8R-26L is 9,999 feet long (3,048 meters) - Category II 8L-26R is 9,000 feet long (2,743 meters) - Category III 9R-27L is 9,000 feet long (2,743 meters) - Category III 9L-27R is 12,390 feet long (3,777 meters) - Category I 10-28 is 9,000 feet long (2,743 meters) - Category II
Parking	There are 30,345 public parking spaces which includes 13,709 walkable Domestic and International parking deck spaces in close proximity of the terminals, 5,937 walkable Economy spaces, 10,015 Domestic and International Terminal Park-Ride shuttle spaces, 526 employee parking spaces, and 158 Cell Phone Lot spaces. Special parking spaces are provided for ADA customers in each facility within close proximity.
Ground Transportation	The Ground Transportation Center (GTC) is located at the west end of the terminal building, outside of the North and South baggage claim areas. Located within the GTC are shared-ride shuttles that offer door-to-door reservations and on-demand service to hotels, convention centers, businesses, and residences. Local shared-ride shuttles run approximately every 15 minutes and provide service to cities located within Clayton, Cobb, DeKalb, Fulton, and Gwinnett counties. Regional shared-ride shuttles offer scheduled service to areas outside of the five Atlanta metropolitan counties and bordering states. The taxi staging area is located along the west curb in the GTC. The Metropolitan Atlanta Rapid Transit Authority (MARTA) station is located at the west end of the terminal between the North and South baggage claims areas.
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 Rental Car Center features 13 rental car brands – Advantage, ACE/Airport, Alamo, Avis, Budget, Dollar, Enterprise, EZ, Hertz, National, Payless, SIXT, and Thrifty.



ATL SkyTrain	The ATL SkyTrain is the Airport's elevated automated people mover system that provides transportation between the Domestic Terminal, Georgia International Convention Center (GICC) and Gateway Center hotel and rental car complex and the RCC. The SkyTrain system operates 24 hours each day and consists of six (6) two-car vehicles, nearly 1.5 miles of guideway, six (6) stations, and a maintenance facility. Each two-car train carries 100 passengers and their baggage.
The Plane Train®	The Plane Train® is the Airport's underground automated people mover system that carries passengers and their baggage. It provides transportation between the Domestic Terminal, International Terminal, and seven (7) concourses. The Plane Train operates 24 hours a day, except Wednesdays (which has a four-hour maintenance period) and consists of 59 vehicles, a 3.5-mile loop, and two maintenance facilities. Each train consists of four cars and carries approximately 300 passengers and their baggage. The Plane Train transports about 240,000 passengers and employees per day.
Concessions	There are more than 380 concession outlets throughout the Airport, including 163 food and beverage, 120 retail and convenience, five (5) duty-free stores, and 92 service outlets, including a common-use lounge, banking center, Georgia Lottery centers, shoeshine stations, ATMs, vending machines, spas, sleep units, and biometric screening locations.
Cargo and Airfield Assets	There are three main airfield complexes: North, South, and Midfield, occupying 7.6 million square feet spread over 198 acres. This includes cargo facilities, airline support and maintenance facilities, fixed base operations, and fuel farms. Cargo facility assets include cargo operations in all three complexes, including ATL cargo warehouse facilities in the North and South complex, a USDA propagated plant inspection station, and 28 parking positions for cargo aircraft, 20 at the North complex and eight (8) at the South complex.
Employment	The Airport is considered to be the largest employment center in the State of Georgia. Collectively, there are approximately 63,000 airline, ground transportation, concessions, security, federal government, City of Atlanta, and Airport tenant employees at Hartsfield-Jackson.
Economic Impact	The total Airport payroll is estimated to be \$4.2 billion annually, resulting in a direct and indirect economic impact of approximately \$6.6 billion on the local and regional economies. The direct regional economic impact of the Airport in total business revenue is estimated to be more than \$34.8 billion annually, with an indirect and induced impact of \$29.5 billion annually. Including these indirect and induced effects, the Airport's total economic impact is \$64.3 billion annually.





City of Atlanta

Mayor
Keisha Lance Bottoms

Atlanta City Council

Council President
Felicia A. Moore

District 1
Carla Smith

District 2
Amir R. Farokhi

District 3
Antonio Brown

District 4
Cleta Winslow

District 5
Natalyn Mosby Archibong

District 6
Jennifer N. Ide

District 7
Howard Shook

District 8
J.P. Matzigkeit

District 9
Dustin R. Hillis

District 10
Andrea L. Boone

District 11
Marci Collier Overstreet

District 12
Joyce M. Sheperd

Post 1
Michael Julian Bond

Post 2
Matt Westmoreland

Post 3
Andre Dickens

Department of Aviation

Airport General Manager
John Selden



Hartsfield-Jackson
Atlanta International Airport