



ARC Revenue Adjustment

O.C.G.A. § 50-8-101
CPI-Driven Dues Increase

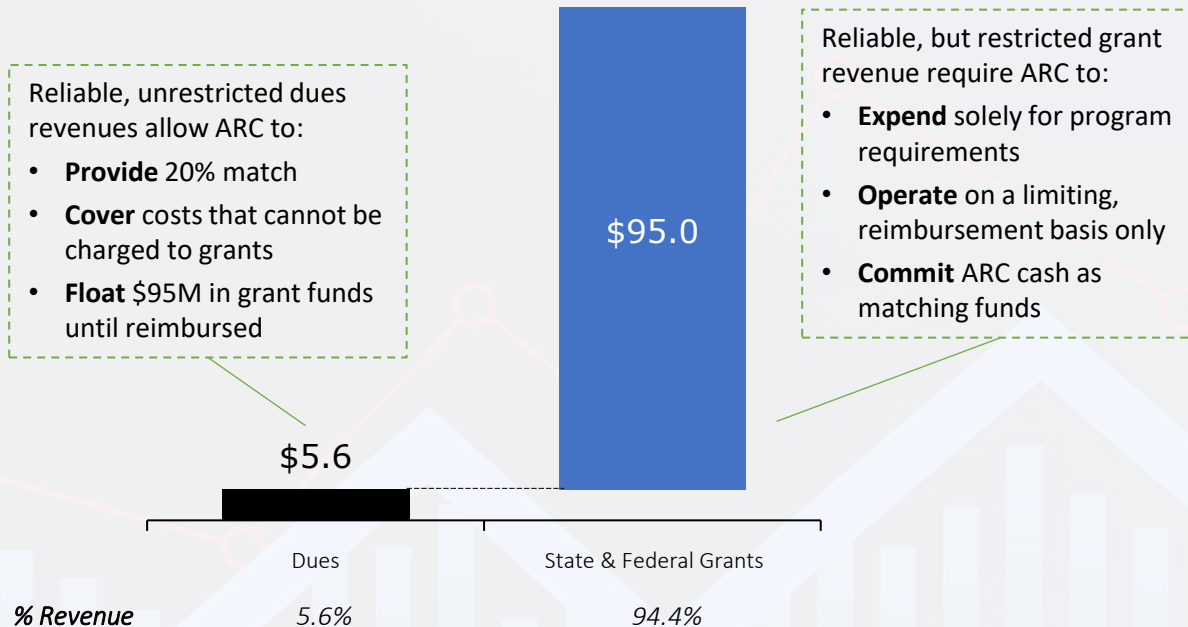
Anna Roach
Executive Director

Executive Summary

- ARC is working hard to prepare the region for **transformative infrastructure investments** and broader economic development.
- The agency **needs more resources** to fulfill its evolving mission.
- We are exploring both near-term and long-term unconstrained **revenue-generating strategies**.
- **A CPI-driven dues increase** to support ARC and its regional objectives for member jurisdictions **is timely and needed**.

ARC dues underpin the agency's overall budget

ARC Revenues, by Source



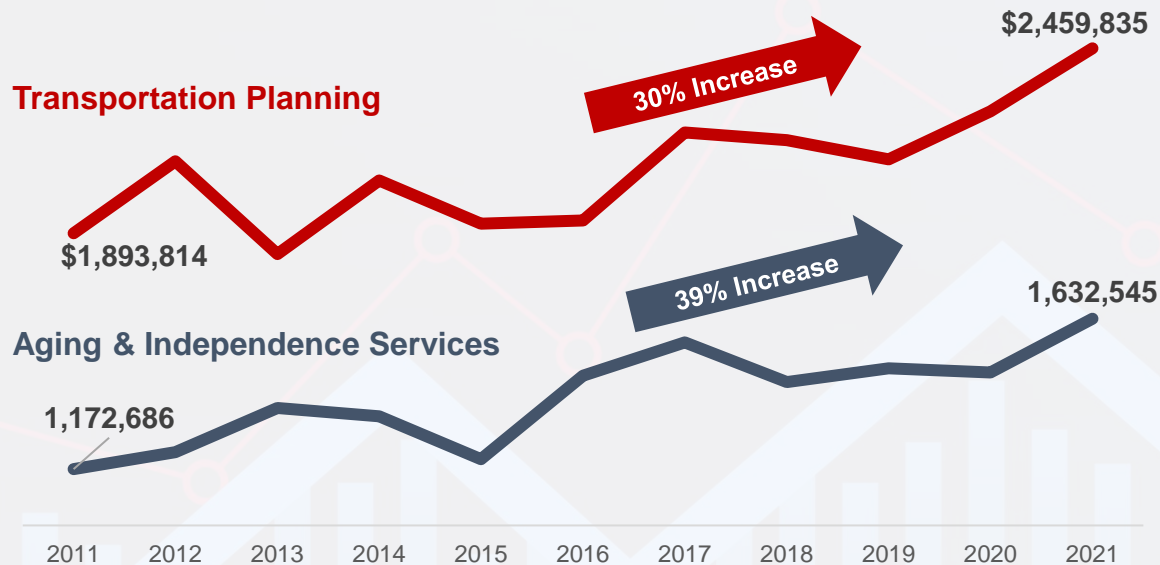
Financial Overview

- Dues are the **Agency's working capital** to provide the required match to federal and state grants.
- Dues **also cover internal programs** (such as natural resources, legislative support, and leadership programming).
- ARC **leverages much of its \$5M in dues to invest \$100M** for Metro Atlanta (~20x multiple).

The current dues level creates cash flow challenges and limits flexibility to pursue additional funding for the region

Grant increases & higher costs pressure ARC Cash

— Increase in Required Match for State & Federal Grants —



— Growing Strain on ARC Working Capital —

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Delayed Revenue:

- Dues have not kept pace with increased match requirements over the last decade

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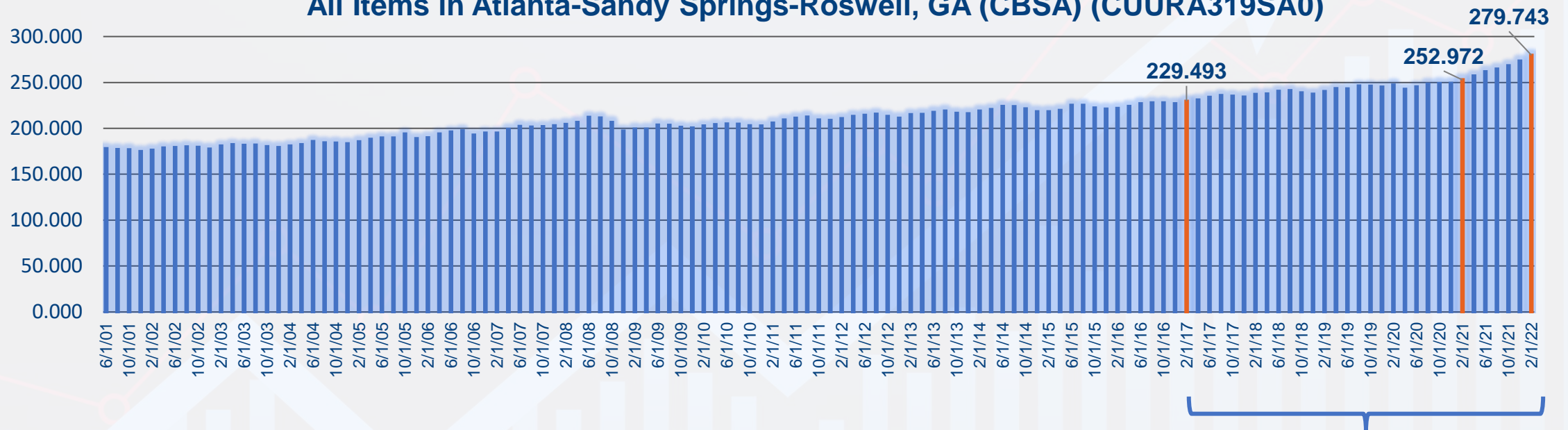
Unanticipated Expenses:

- Bipartisan infrastructure bill passed after adoption of 2022 ARC budget, so required match became an unbudgeted expense
- Increased costs to implement internal and leadership programs
- Increased local TSPLOST revenues have required more ARC support to execute local projects

An increase in dues is timely and needed

O.C.G.A 50-8-101 authorizes the ARC Board to implement a dues increase each time the Consumer Price Index (CPI) raises by 10%+

**Consumer Price Index for All Urban Consumers:
All Items in Atlanta-Sandy Springs-Roswell, GA (CBSA) (CUURA319SA0)**



Since January 2017, the date of the last increase, the CPI increased 21.9%.

A CPI-driven increase would raise \$500K for ARC

| Political Subdivision | Estimated Pop. 4/1/2021 | (Test) Formula for Fiscal Support of Regional Planning | | (Test)Appropriation Due for 2022 Budget | "Added" | Percent Increase |
|------------------------|----------------------------|--|--------------|--|------------------|---------------------|
| Cherokee County | 272,950 | \$1.20 per capita | plus \$2,000 | \$329,540 | \$27,295 | 9.0% |
| Clayton County | 300,085 | \$1.20 per capita | plus \$2,000 | \$362,102 | \$30,009 | 9.0% |
| Cobb County | 772,349 | \$1.20 per capita | plus \$2,000 | \$928,819 | \$77,235 | 9.1% |
| DeKalb County | | | | | | |
| City of Atlanta | 40,280 | \$.48 per capita | \$19,334 | | \$1,611 | 9.1% |
| Outside Atlanta | 729,312 | \$1.20 per capita | \$875,174 | | \$72,931 | 9.1% |
| DeKalb County Total | | | plus \$2,000 | \$896,509 | \$74,542 | 9.1% |
| Douglas County | 146,237 | \$1.20 per capita | plus \$2,000 | \$177,484 | \$14,624 | 9.0% |
| Fayette County | 120,684 | \$1.20 per capita | plus \$2,000 | \$146,821 | \$12,068 | 9.0% |
| Forsyth County | 258,413 | \$1.20 per capita | plus \$2,000 | \$312,096 | \$25,841 | 9.0% |
| Fulton County | | | | | | |
| City of Atlanta | 461,665 | \$.48 per capita | \$221,599 | | \$18,467 | 9.1% |
| Outside Atlanta | 614,305 | \$1.20 per capita | \$737,166 | | \$61,431 | 9.1% |
| Fulton County Total | | | plus \$2,000 | \$960,765 | \$79,897 | 9.1% |
| Gwinnett County | 970,242 | \$1.20 per capita | plus \$2,000 | \$1,166,290 | \$97,024 | 9.1% |
| Henry County | 245,902 | \$1.20 per capita | plus \$2,000 | \$297,082 | \$24,590 | 9.0% |
| Rockdale County | 94,280 | \$1.20 per capita | plus \$2,000 | \$115,136 | \$9,428 | 8.9% |
| City of Atlanta | 501,945 | \$.72 per capita | plus \$2,000 | \$363,400 | \$30,117 | 9.0% |
| Total | 5,026,704 | | | \$6,056,045 | \$502,670 | 9.1% |

The increase will support new regional investments

- Implement ARC's comprehensive engagement strategy for billions in new, formula and discretionary infrastructure funds for the Metro Atlanta Region
- Meet the match requirement for the \$15M in new infrastructure dollars to which ARC is directly entitled for its transportation planning work
- Coordinate a construction-sector workforce development initiative to help ensure execution of infrastructure capital funds
- Pursue discretionary funding opportunities

Next Step to implement the CPI-driven increase

- Approve – July 2022 meeting of the ARC board
- Complete – July Population Estimates
 - Finalize the required update to jurisdictional population figures used to calculate dues rates
 - Apply increase from \$1.10 per capita to \$1.20 per capita to the new population estimates
- Implement dues increase with a January 1, 2023 effective date



Questions?