

## “A City that is broke and broken,”

Lisa Borders, City Council President, September 21, 2009

On September 22nd in the AJC, Mayor Shirley Franklin offered her assessment of accomplishments and challenges that her administration faced during her 8 years at the helm of this great city we call Atlanta.

By Mayor Shirley Franklin, AJC 9/22/2009

As my final term ends, I am increasingly asked what I think is my most important accomplishment. Rebuilding the sewer system? Overseeing the largest expansion of the airport in its history? Launching the Belt-line?

While those issues get headlines, I actually believe that my most important contribution will be restoring the professional and ethical management of government back into the city's day-to-day operations. It is what residents expected and deserved.

Eight years ago there were no monthly financial reports being run, operating data was unavailable and no one could tell me how many employees worked for the city. The water service was in chaos with contractors threatening to stop work; potholes were not being filled; and parks were not being maintained.

We needed a comprehensive turnaround plan, which Bain & Co. developed for us. It included 29 specific strategies for re-inventing city government. We also brought in consultants to advise us on how to re-engineer dozens of city businesses including courts management, building permitting, fleet management, solid waste, human resources, IT management and procurement.

As a result of reform measures that we have put in place, we are delivering services more effectively and efficiently. Since 2001, we have reduced the number of general government

employees by 30 percent, from 5,600 to less than 4,000. We did this and hired 300 additional police officers during a period in which the city's population grew by 25 percent.

When we came into office, according to Bain's analysis, we were among our peer cities one of the least efficient city governments. Today, only one city is ahead of us in that ranking.

So how did we make these improvements in just eight years?

First, we began tracking and collecting performance data with the creation of ATLStat, a measurement tool that tracks the information on the city's Web site. We have targets, and managers are accountable for achieving those targets, and they are reviewed in weekly meetings.

Second, we aggressively reorganized our business operations. This included consolidation of the courts, which reduced staffing from 480 to 132, and re-engineered jail operations, which reduced staffing from 640 to 240.

Third, we invested in new technologies to improve productivity in finance, human resources, information technology, planning and police and fire.

*Continued on page 2*

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Fourth, we privatized services where there was a business case to justify doing so. As a result, we realized service improvements and savings in worker's compensation management, public vending, fine collections, parking enforcement and inmate services.

So eight years later, with the hard work of the Cabinet and hundreds of city employees, we are turning the corner. The new mayor will inherit a government that is ethical, professionally managed, transparent and much more efficient.

As my term concludes, I am reminded of a gospel song with the words, "Lord, let my work speak for me." What a great song.

## The Foundation's Response

*"The new mayor will inherit a government that is ethical, professionally managed, transparent and more efficient."*

The facts belie these statements:

- 1. Atlanta's Bond-Rating has been downgraded by Moody's and Standard & Poor to one rank next to "Junk Bonds".**
- 2. Atlanta has a \$1.2 billion shortfall in the three Pension Funds (Police, Fire, General Employees), with over \$100 million annually (17.5%) of the entire General Fund going toward making up this shortfall.**
- 3. The cost of replacing Atlanta's Sewer & Water Infrastructure has escalated from \$3.2 billion to \$4.1 billion, making the cost of water unaffordable to the poor and limited-income residents.**
- 4. A recent Deloitte audit of the Atlanta Finance Department concluded that "The Atlanta Department of Finance is in disarray."**
- 5. Atlanta's own Turnaround Plan of 2002 (prepared pro-bono by Bain & Company) listed as a "critical priority" the outsourcing or managed competition of 12 of the city's largest services at significant potential savings. In eight years, not a single one of these 12 services was outsourced or considered for managed competition. The services and the potential savings include Garbage Collection with a potential savings of 60%; Fleet Management and Operations, 38%; Airport Management & Operations, 40%; Road Maintenance, 50%; Recreational Facilities, 52%; Wastewater Treatment, 30%; Water, 25%.**
- 6. A recent study of Atlanta's Hartsfield-Jackson International Airport stresses that "cronyism continues to dominate contracting and purchasing."**
- 7. A recent audit of the Atlanta Watershed Management Department revealed "Over \$50 million in delinquent bills and a failure to collect millions more each year."**

8. An internal audit of the Atlanta Fleet Management Department indicated that “there are millions of dollars in overcharges” and “maintenance goals for cars and trucks have failed.”

9. According to an article in The Atlanta Journal & Constitution this year, “City of Atlanta employees have used city credit cards for personal use.”

10. Four months ago, the City of Atlanta increased its city taxes by a whopping 42% and this week the President of the City Council, Lisa Borders, states “Atlanta is broke and broken.”

11. According to an op-ed piece in the Buckhead Reporter (9/17/2009), the infamous sewer program is littered with illegalities. In addition, it is unclear how Watershed Management will pay for repairs to treatment plants affected by the Flood of 2009. Watershed loaned their reserves to the City to offset a multi-million dollar budget shortfall.

It is unbelievably disappointing that Mayor Franklin claims that Atlanta is “in good shape” while the list of issues above shows evidence to the contrary (many issues, like disability for Atlanta Police, have not been mentioned here due to lack of space). Even more disappointing are community leaders, elected officials and business owners who have been asleep at the wheel or turning a blind eye as a few profit from the massive mismanagement of Atlanta, while the majority of the city suffers.

It is our hope that the next Mayor break the chain of the status quo and business as usual, that has been choking this city for decades. Atlanta can and should cater to all citizens, regardless of income, race, address or political affiliation. This is our desire and we hope that our readers desire the same by casting this most important vote on November 3rd.

We encourage each of you to express your views with regard to the Mayor’s statement and the Foundation’s response. Your responses may be published for a follow-up article on this subject matter.

Sincerely,



*John S. Sherman*

John S. Sherman  
President



*Barbara Payne*

Barbara Payne  
Executive Director

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