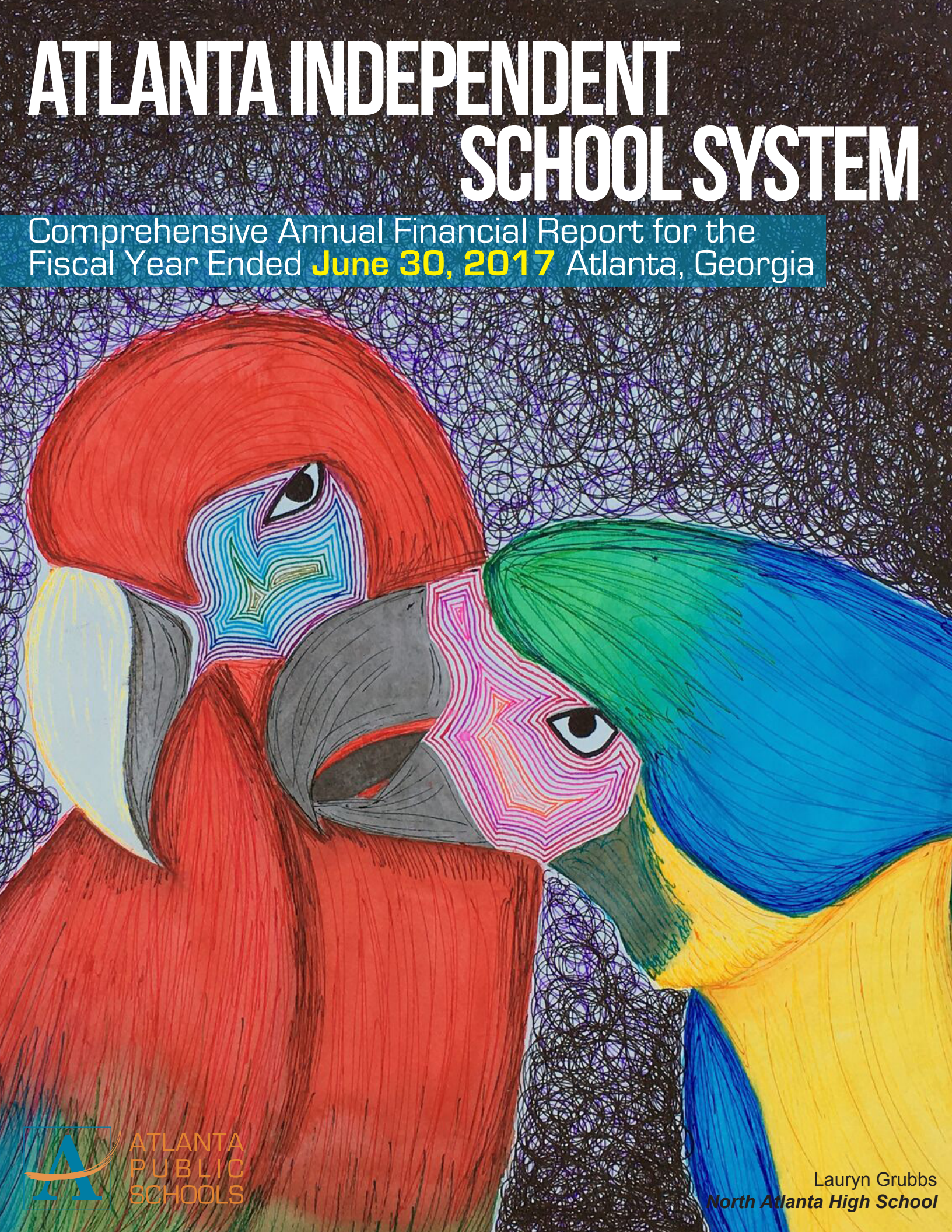
ATLANTA INDEPENDENT SCHOOL SYSTEM

Comprehensive Annual Financial Report for the Fiscal Year Ended **June 30, 2017** Atlanta, Georgia



ATLANTA PUBLIC SCHOOLS

Lauryn Grubbs
North Atlanta High School

ATLANTA INDEPENDENT SCHOOL SYSTEM

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED
JUNE 30, 2017

Office of the Chief Financial Officer
Lisa Bracken

130 Trinity Avenue, SW

Atlanta, Georgia 30303

ATLANTA INDEPENDENT SCHOOL SYSTEM

Comprehensive Annual Financial Report
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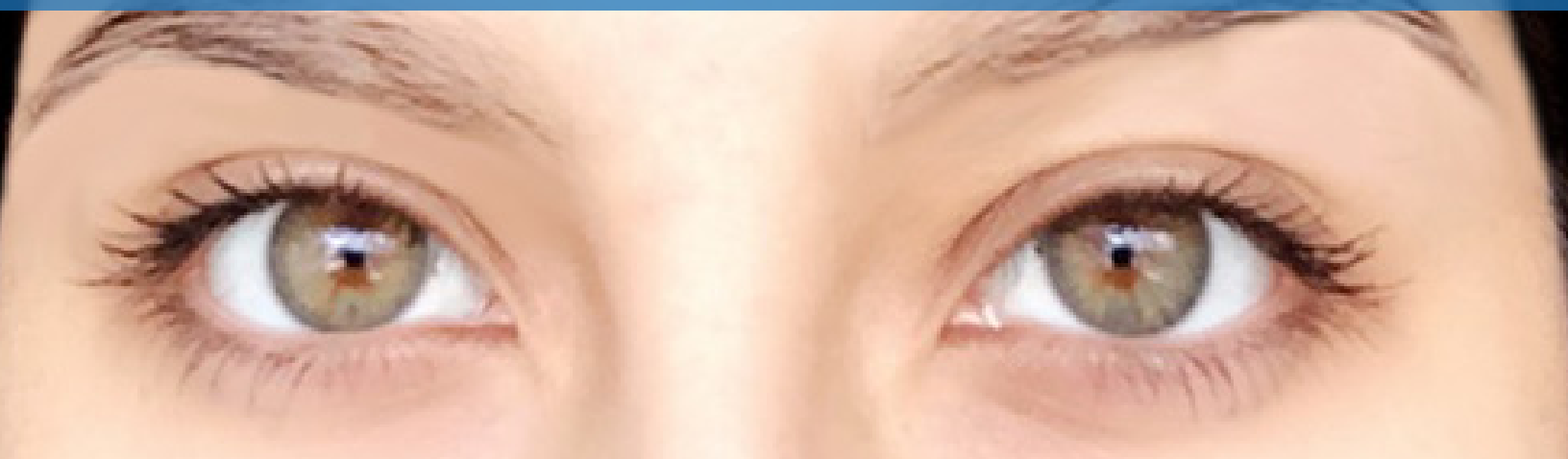
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2017 Introductory SECTION

Catherine Cordova
North Atlanta High School



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Atlanta, GA 30303
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February 13, 2018

Dear Citizens of Atlanta:

Atlanta Public Schools (APS) is pleased to present the Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2017. Atlanta Public Schools financial management officials prepared this report, and it contains information about the scope and character of the District's fiscal activities and accomplishments in fiscal year 2017. It also illustrates the administration's efforts to achieve the goals established by the Atlanta Board of Education for the school year.

This report is intended to fulfill the requirement for audit prescribed by Georgia Statutes for local boards of education.

APS management assumes full responsibility for the completeness and reliability of the information contained in this report, based on a framework of internal controls it has established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective of this report is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

The District operates under the management and control of an elected nine-member Atlanta Board of Education. These members establish and guide policy for APS and approve the budget. The APS superintendent and administrative staff create the budget and manage the District's finances and daily operations.

SNAPSHOT OF ATLANTA PUBLIC SCHOOLS

The school district was established in 1872, making it one of the oldest districts in Georgia. APS is home to many notable alumni, including civil-rights activists, renowned engineers, scientists, entertainers, nationally elected officials, and professional athletes. The District is also home to Booker T. Washington High School, the oldest high school in Atlanta built to educate African-American students.

The District continues to renew its commitment to APS stakeholders through academic excellence, educational equity, ethics and engagement. The District remains focused on becoming a high-performing school district where students love to learn, educators inspire, parents are engaged and the community has trust in the District.

APS began implementing the Common Core Georgia Performance Standards (CCGPS) at the start

of 2013 school year and moved to full implementation of the Standards at the start of the 2014 school year. The CCGPS are more rigorous than Georgia's previous standards and are designed to ensure that students obtain the knowledge and skills required to meet 21st century challenges—such as strong verbal and written communications, perseverance in problem solving, technical reading and writing, literacy across disciplines, and mathematical proficiency.

In April 2014, the School Board appointed Dr. Meria J. Carstarphen as the new APS superintendent, and the District began operating under her leadership July 7, 2014.

As part of a new journey of transformation, APS is striving for even more equity and transparency – to remedy the past and eliminate barriers for education. APS is working toward autonomy and flexibility with a new operating model where principals and school communities make decisions for the benefit of the child. APS is focused on improving quality while increasing efficiency. Most of all, APS is determined to provide students with choice-filled lives.

The District completed a lot of transformational work over the past year including the continued implementation of a district Turnaround Strategy and the rolling out of social-emotional learning. Before the start of the 2016-2017 school year, Atlanta voters renewed a critical penny sales tax for APS capital projects. The District created a new APS Police Department this summer based on a triad model of policing, counseling and teaching. APS continues to address equity – from facilities to students who were victims of the cheating scandal to pay parity for staff.

As part of a new charter system operating model that went into effect in 2016, APS embraced signature theme programming as a way to instructionally align all schools in a given high school cluster. The model of nine high school clusters with distinct feeder patterns has allowed APS to fully staff and provide more support, opportunity and equity to all schools in the District. All students have access to music, arts, foreign language and core academic programs, from kindergarten through grade 12. The cluster model enables elementary, middle and high school teachers and administrators within a cluster to collaborate more when creating strategies that increase student performance and it aligns signature academic themes – STEM, International Baccalaureate and College and Career Preparatory – so as to establish a clear academic pathway from Pre-K to 12th grade.

The new operating model has also led to the creation of GO Teams, school-based governance bodies comprised of parents, educators and community members to assist with decision-making at the school and cluster levels.

This school year, APS completed a district-wide rollout of Social and Emotional Learning or SEL. Such skills are foundational to the academic success of students. If students can persevere – set goals, overcome obstacles and develop healthy relationships – they will be more successful in work and in life. Research shows that SEL skills – the ability to control emotions and actions, develop good relationships, and make good decisions – can be taught. The Atlanta Board of Education approved a contract with The Collaborative for Academic, Social, and Emotional Learning (CASEL) to support its social-emotional learning program within the district.

Also, in 2017, Achieve Atlanta – a partnership spearheaded by The Joseph B. Whitehead Foundation and The Community Foundation for Greater Atlanta – awarded its second series of scholarships to about 800 students, representing a commitment of more than $22 million to help ensure APS graduates have the funding they need to earn their college degrees.

As a result, APS began fiscal year 2018 (FY18) poised to further prepare students for college and careers.

Students

In the 2016-2017 school year, student enrollment stood at about 52,000 students, and the District expects to serve a similar number of students at 95 learning cites throughout Atlanta this school year. About 2,400 seniors graduated from APS high schools in 2017, earning more than $141 million in college scholarships. Large numbers of APS students continue to earn awards for academic achievement on the state and national levels.

The District's budget provides funding for academic and special services that support our diverse student enrollment. APS students represent several ethnic, economic and special needs groups:

- English as a Second Language – 4.1%
- Gifted and Talented – 10.9 %
- Homeless – 3.6%
- English Learners – 5.3%
- Low Income Students – 76.3%
- Student Ethnic Distribution: African American – 74.4%; Caucasian – 15.2%; Hispanic – 7.0%; Multiracial – 2.0%; Asian, American Indian or Pacific Islander – 1.3%
- Students with Disabilities – 10.3%

Employees

Of the 6,003 full time APS employees, 4,798 are teachers, bus drivers, media specialists, paraprofessionals and school administrators who are on the frontlines every school day to ensure every student receives a quality education. There are an additional 1,525 part-time and substitute employees who provide support.

More than 80 percent of the APS workforce are employees who see our children daily. The following are the top ten positions that directly support our students and schools:

- Teacher – 50.2%
- Paraprofessional – 9.8%
- School Bus Driver – 5.1%
- Custodian – 2.6%
- Assistant Principal – 2.3%
- School Counselor – 1.9%
- Instructional Coach – 1.8%

- School Clerk – 1.8%
- School Secretary – 1.3%
- Media Specialist – 1.1%
- School Principal – 1.2%

Research has consistently shown that teachers have more influence on student achievement than any other school-related factor, including school services, facilities and leadership. With this in mind, the District increased teacher professional development offerings during the school year – providing teachers with an unprecedented number of professional learning opportunities.

STRATEGIC PLANNING

The 2015-2020 Strategic Plan for Atlanta Public Schools – created by the Atlanta Board of Education, District administrators, faculty, staff, partners and community members – set the APS vision to be a student-centered, high-performing urban school district, where all students become successful, life-long learners and leaders. It includes a new mission that "with a caring culture of trust and collaboration, every APS student will graduate ready for college and career," and a new vision for the district to be "a high-performing school district where students love to learn, educators inspire, families engage and the community trusts the system."

By aligning budget recommendations with strategic objectives, the District continues to use strategy to drive budgets. Every APS division, department, office and employee is expected to align with our goals to support student achievement. Similarly, employees evaluate and execute their work based on how well it supports schools and students.

The District is fully engaged in the new school year and the School Turnaround Strategy, which has included the addition throughout the district of, more reading and math specialists, accelerated roll-out of social emotional learning and targeted professional development.

The strategy led to the successful openings of three new schools for the 2016-2017 school year – Hollis Innovation Academy, the Tuskegee Airmen Global Academy and Woodson Park Academy. A Purpose Built Schools partnership at Thomasville Heights started off strong in 2016-2017, with similar partnerships work from Purpose Built extended to Slater Elementary and Price Middle schools and from Kindezi at Gideons Elementary School. Turnaround leadership development work with the Rensselaerville Institute continues at Adamsville Primary School, Continental Colony, Finch, Kimberly, Perkerson and Peyton Forest elementary schools; Miles Intermediate School; Sylvan Hills and Young middle schools; and Carver High School.

2017 DISTRICT HIGHLIGHTS

Student Performance

- Cohort of 2017 reached a district high of 77.0 graduation rate. The APS graduation rate represents an 18 percentage point gain in three years and the highest rate the District has

received since the state aligned Georgia-wide graduation rates with the national standard in 2012. Additionally, the cohort reported the largest number of APS graduates in recent years with 2,356 students – an increase of 89 students from the year before.

- 10 APS seniors were named 2015 Posse Scholars earning full, four-year scholarships worth approximately $100,000 each.
- As part of a REACH Statewide Signing Day, APS welcomed 12 eighth and ninth grade students into the Realizing Educational Achievement Can Happen (REACH) Georgia scholarship program for the 2016-2017 school year.

Curriculum/School Achievements

- 56 APS schools – about two-thirds of the System's schools – showed gains on the state's latest College and Career Ready Performance Index or CCRPI. In addition, the District went from 23 schools on the Governor's Office of Student Achievement's Chronically Failing Schools List to 16 schools on its Turnaround Eligible Schools List. The Turnaround Eligible Schools List represents the schools that scored in the bottom five percent of schools in Georgia. The schools on this list have a three-year CCRPI average below 54.0 points.
- 57 APS schools achieved gains on Georgia Milestones when averaged across subject areas, 17 more schools than those that achieved gains last year. 15 of the 16 schools (94%) that received the deepest level of supports, through the District's Targeted Assistance and Purpose-Built School initiatives, achieved gains across all subject areas.
- Morningside Elementary earned two prestigious national academic honors having been named as both a National Blue Ribbon School and a Green Ribbon School. Two APS schools earned prestigious STEM and STEAM designations from the state. M. Agnes Jones Elementary School became the first STEM-certified school in APS, and Charles Drew Charter Elementary Academy is the second STEAM-certified school in the state of Georgia and the first STEAM-certified charter school in Georgia.
- The Office of Schools and Academics completed the critical work of adopting Standards-Based Units of Study for all grades, implementing district-wide instructional practices and launching benchmark assessments.
- The District now operates school-based health centers at Miles and Dobbs elementary schools and Hollis Innovation Academy, which serve students, families and community members in the Mays, South Atlanta and Washington clusters. Modeled after the district's highly successful clinic at the former Whitefoord Elementary School, these centers are federally qualified community health centers and accept Georgia Better Health Care, Medicaid, Peach Care and private insurance. Fees are determined on a sliding scale based on income. These centers are staffed by highly trained and qualified physicians, nurses, dentists and staff who provide a wide range of medical and preventative care and diagnostic testing.
- A new Sheltering Arms Project opened this year at Barack and Michelle Obama Academy to provide families with services and early childhood education for children ages six weeks through Pre-K. Sheltering Arms operates a similar program at Dunbar Elementary.
- With a three-year, $2 million grant from Chick-Fil-A Peach Bowl Inc. and the College Football Playoff Foundation, the district will provide literacy training to hundreds of

teachers on the Orton-Gillingham method. Training for K-1 began during the summer of 2017.

- The Rollins Center provides early literacy support in grades K-3 in the Douglass Cluster.
- Innovations for Learning and Atlanta Public Schools have partnered to bring TutorMate, a web-based online tutoring program to the district. The program allows Atlanta-area office-based professionals to remotely tutor students on literacy for 30 minutes once a week. The program is available for at-risk readers in first-grade classrooms in several APS schools including Fain, Towns and Hope-Hill with plans to expand.
- Delta Airlines has entered into a five-year partnership with Atlanta Public Schools and has pledged a corporate gift of $500,000 to benefit the South Atlanta cluster, which is nearest to Delta headquarters at Hartsfield-Jackson Atlanta International Airport.
- The Westside Future Fund has committed to raise $16 million over five years for investments in Hollis Innovation Academy. Their first $2 million investment is a series of large gifts from Coca-Cola and SunTrust to support 21 additional teachers.
- The District has adopted Family Life and Sexual Health (FLASH), a medically accurate, age-appropriate sexuality education curriculum designed to prevent pregnancy, STDs and sexual violence. Lessons for grades 5-12 cover healthy relationships, abstinence, birth control methods, puberty, pregnancy and reproductive anatomy.

LOCAL ECONOMY

The development of the fiscal year 2017 budget adhered to a consistent and transparent communications process that solicited input from multiple stakeholders. The budget was designed to drive the District toward higher student outcomes by better aligning resources with the District's mission.

Our major General Fund revenue stream for operations is property taxes, which generates 71.0% of the General Fund revenue. Property tax revenues for fiscal year 2017 increased by approximately $6.7 million over fiscal year 2016, due primarily to a 2.4 % increase in taxable assessed property values (a result of the improved economic conditions in the Atlanta metropolitan area).

Our second major General Fund revenue stream is State revenue through the "Quality Basic Education" Act funding which represents 27.1% of General Fund revenue. In fiscal year 2017, QBE state aid of approximately $194.0 million was up from fiscal year 2016 by $8.7 million.

Despite the improvement in economic conditions in the Atlanta metropolitan area, the State of Georgia continues to face tremendous financial challenges which has resulted in budget reductions for school districts. APS has addressed these state cuts by implementing a variety of budget expenditure reductions. With strong financial planning, the District has managed to maintain instructional integrity, address personnel pay parity, and devote additional resources to the school turnaround effort.

FINANCIAL PLANNING

Despite several years of financial adversity as a result of the national recession, APS has been able to maintain core programs while adding new programs that focus more on the classroom and less on administrative functions. The upward trend in students' academic achievement is at the forefront of every new program we develop and every increase we make to the budget. With the growth of charter schools within the district, more resources are being allocated within the budget for these expanded offerings.

Voters in the City of Atlanta overwhelmingly approved the renewal of the E-SPLOST for APS, which will yield about $546 million for the district over the next five years.

APS continues to leverage E-SPLOST dollars to transform our schools into safe and healthy learning environments that promote student attendance and academic success. The following list summarizes the work as completed or in progress at the close of fiscal year 2017.

Adamsville Primary: Adamsville closed in May 2017 with its students now zoned Miles and West Manor elementary schools.
B.E.S.T. Academy: B.E.S.T. students were relocated to the Coretta Scott King Young Women's Leadership Academy, where the schools will continue to operate as single-gender schools.
Harper-Archer Middle: Harper-Archer housed only 7th and 8th grade students as a new middle school launched for the Douglass Cluster.
Michael R. Hollis Innovation Academy: Administrative functions housed at the Hollis were relocated: Raising Expectations to the former Bethune campus, The Parent Center to the Campbell Building, Truancy to the Brewer Building, Special Education to the Campbell Building and Pre-K Administration to the former Whitefoord Elementary School.
John Lewis Invictus Academy: The school opened as the new middle school for the Douglass Cluster in the former B.E.S.T. Academy building, starting with the 6th grade.
Miles Elementary: With the relocation of many K-2 students from Adamsville Primary, Miles became a full K-5 elementary program.
F.A. Toomer Hills Elementary: Following the transfer of students from Whitefoord Elementary, a new student clinic operated by Whitefoord Inc. opened at the school.
West End Academy: West End Academy was relocated to the Crim High School campus.
Whitefoord Elementary School: Whitefoord Elementary closed with students now attending either Toomer Elementary or Burgess-Peterson Academy. APS Pre-K Administration was relocated to Whitefoord, and an early learning center was opened there. The Whitefoord, Inc. Clinic remains in operation.

Renovations

- HVAC projects were completed over the summer months at Cleveland Avenue, Finch and Morningside elementary schools.

The District will work even harder in fiscal year 2018 to ensure that federal funding is optimized to the fullest potential. We are committed to using these funds in a manner that enhances classroom instruction, equips our educators with appropriate and sufficient tools to deliver quality instruction,

and provides additional instructional support and school services to ensure that we are reaching those students who need it most.

FINANCIAL INFORMATION

The CAFR is prepared pursuant to OCGA 36-81-7. Mauldin & Jenkins, LLC, has issued an unmodified ("clean") opinion on the financial statements for fiscal year ended June 30, 2017. The independent auditor's report is located at the front of the financial section of this report.

Using the full accrual basis of accounting, APS has a total net position of approximately $557 million. Further discussion is included in Management's Discussion and Analysis (MD&A), which immediately follows the independent auditor's report and provides an overview and analysis of the basic financial statements. The MD&A section complements this letter of transmittal and should be read in conjunction with it.

FUND ACCOUNTING

APS reports its financial activities through the use of fund accounting. This is a system wherein transactions are reported in self-balancing sets of accounts to reflect the results of activities.

Please see Note A of the Notes to the Basic Financial Statements for a summary of significant accounting policies and a description of the fund types.

INTERNAL CONTROL STRUCTURE

APS financial management officials are responsible for implementing and enforcing a framework of internal controls to protect the assets of APS from loss, theft or misuse and to ensure that reliable accounting data is available for the timely preparation of financial statements in accordance with Generally Accepted Accounting Principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of control should not exceed the benefits likely to be derived and that the evaluation of costs and benefits relies upon estimates and judgments by management.

FINANCIAL AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to APS for its CAFR for the fiscal year ended June 2016. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must also satisfy GAAP and applicable legal requirements.

Further, APS received the Association of School Business Officials International's (ASBO) Certificate of Excellence in Financial Reporting for the CAFR for fiscal year 2016. This is the eighth year the District submitted the CAFR to ASBO. This award certifies that the report substantially conforms to the principles and standards of financial reporting as recommended and adopted by the Association of School Business Officials International. The award is valid for one year, and is granted only after an expert panel of certified public accountants and practicing school business officials complete an intensive review of all financial reports.

CLOSING

Again, we are pleased to present to the Atlanta community the CAFR for fiscal year 2017. This community deserves a student-centered, high-performing school district where all students become successful, life-long learners and leaders. Atlanta Public Schools is moving in the right direction: the teachers and leaders are receiving high-quality professional development and support so that they can work more collaboratively; the students are benefitting from more rigorous standards and instruction; the systems are being re-engineered; the dropout rate is declining; and the most recent class of graduates – the class of 2017 – earned more than $141 million in college scholarship offers.

Equally important, this community deserves accurate financial information and diligent fiscal controls that result in a greater accountability to stakeholders and government entities that serve the needs of the students. Atlanta Public School will continue to strive to meet both goals.

Respectfully submitted,

Meria J. Carstarphen, Ed.D
Superintendent

Lisa Bracken
Chief Financial Officer

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Atlanta Independent School System

Georgia

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2016

Christopher P. Morrill

Executive Director/CEO

ASSOCIATION OF SCHOOL BUSINESS OFFICIALS INTERNATIONAL

The Certificate of Excellence in Financial Reporting
is presented to

Atlanta Independent School System

for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2016.

The CAFR has been reviewed and met or exceeded
ASBO International's Certificate of Excellence standards.

CERTIFICATE OF EXCELLENCE IN FINANCIAL REPORTING

Anthony N. Dragona, Ed.D., RSBA
President

John D. Musso, CAE
Executive Director

ATLANTA INDEPENDENT SCHOOL SYSTEM

List of Principal Officials
June 30, 2017

SCHOOL SYSTEM BOARD MEMBERS



DISTRICT 1: LESLIE GRANT lgrant@atlantapublicschools.us

Leslie Grant grew up just east of downtown Atlanta in Tucker, GA, graduated from Shamrock High School in DeKalb County, studied at: Berry College, Rome, GA as a charter member of the Chick-Fil-A WinShape Center scholarship program; Laval University, Quebec City, Quebec; the College of Architecture at the Georgia Institute of Technology, Atlanta, GA and the Cooper Union, New York, NY. Leslie worked in the offices of John Portman & Associates, Atlanta, GA, and in New York City for Peter Eisenman and Associates, architect Faruk Yorgancioglu, and Flatiron District photographer, Alan Kaplan.

Upon returning to Atlanta in 1993, Leslie worked in the commercial film industry as a location scout and location manager on various film and video projects including Bud Greenspan's Olympic Official Film in 1996.

Leslie and her husband Don have lived in Historic Grant Park since 1995 and have two children, Lucy and Will, who have attended Atlanta Public Schools since kindergarten. Leslie was involved in the startup of both the Neighborhood Charter School in Grant Park (now the K-8, Atlanta Neighborhood Charter School) and the Grant Park Cooperative Preschool and has served on the boards of both.

Leslie is the founder, creator and President of a small business focused on raising healthy kids from scratch, called Chickin Feed. She has volunteered in schools throughout Georgia, served as an advocate of eating REAL FOOD, Farm to School programs through work with Georgia Organics, Atlanta Farm to School, the Grant Park Farmers Market and other organizations.

In 2010, Leslie joined with a group of parents to advocate for a more rigorous high school offering for families in southeast Atlanta. This advocacy group, now known as SEACS (Southeast Atlanta Communities for Schools) builds awareness and educational community to better support all of the schools in SE Atlanta.

In advance of her daughter's attendance at Jackson High, Leslie served on the Local School Council at Jackson, worked to support "big-picture" thinking during the renovation so that the finished space would include classrooms for the orchestra and drama programs; championed the successful implementation of the International Baccalaureate Programme; and has worked to develop an innovative environmental science/urban agriculture program.

The Grants are long-time members of Morningside Presbyterian Church.



DISTRICT 2: BYRON D. AMOS bamos@atlantapublicschools.us

Byron D. Amos, the CEO of Capacity Builders, Inc., is a native Atlantan who has been involved in community organizing for over 20 years and has established deep roots in the Atlanta community. As a dedicated father, community leader and resident of Vine City, he has demonstrated a passionate commitment to service that comes from a desire to see the residents of his community grow and prosper.

Byron has served as the chairperson of Neighborhood Planning Unit L and as president of the Vine City Civic Association, Inc. In these positions, he served the interests of the community with a deep sense of commitment, dignity, integrity and dedication over the past several years. As a result of his stewardship, Byron has received many honors and awards, including being recognized as a WATL 36 Unsung Hero, as well as an Outstanding Atlantan. Both awards were a testament to his unwavering commitment to community service and leadership. He is also a graduate of the FBI Citizens Academy and the city of Atlanta Citizen Police and Fire Academy. Along with these awards and accomplishments, Byron has had the responsibility of addressing many difficult issues faced by his beloved community.

His record of service to the community includes leading the community through the West Nile Virus scare of 2001; the Vine City sewage overflow and flood of 2002; investment of over $10 million on new housing in the Vine City area; acquisition of more than $2 million in private and public grant dollars for the community; increase of public greenspace in the neighborhood; improvement of communications among the community, schools and businesses in the area; and collaboration with law enforcement to reduce overall crime in the area. Despite the numerous challenges of the northwest Atlanta community, Byron has had a tremendous record of success by building strong collaborations with local, state and federal officials; educational institutions; businesses; and the philanthropic community. Throughout all of his accomplishments and difficult times, he has always remained accessible to those who have asked him for help. “Building capacity in our neighborhoods is a must, for I believe that the only way to create true and sustainable change in our communities is to become the change you want to see in the world,” says Byron.

In December 2011, Byron won a special election to fill an unexpired term for the Atlanta Educational District 2 seat. As a member of the Atlanta Board of Education, he has pledged to be an advocate for parents, teachers and students. He will also be an advocate to a complete educational system that must include math, science, literature, the arts and the return of vocational education.

Byron is the son of Johnny Amos Sr., a retired United States Postal Service employee, and Marietta G. Amos, who retired after 23 years of service in the Atlanta Public Schools system. Byron is a product of Atlanta Public Schools, attending M.M. Bethune Elementary and J.F. Kennedy Middle, graduating from Booker T. Washington High School, and going on to attend Howard University and Clark Atlanta University. Byron Amos is the proud father of three daughters and one son, and is married to Ms. Aisha Carter. He is a member of Beulah Baptist Church in Vine City, where he is a faithful servant on the trustee board.



DISTRICT 3: MATT WESTMORELAND mwestmoreland@atlantapublicschools.us

Matt Westmoreland is the District 3 Representative on the Atlanta Board of Education, where he serves as chair of the Budget Commission and Legislative Liaison to the Georgia General Assembly. He also serves as Assistant Director of Horizons Atlanta, an educational non-profit serving low-income students across Metro Atlanta through summer enrichment programs.

An Atlanta native, Matt attended Morningside Elementary and Inman Middle before graduating from Grady High. He received his bachelor's degree in history from Princeton University, where he served as editor-in-chief of *The Daily Princetonian*.

After graduation, Matt returned to Atlanta as a Teach for America Corps Member and taught history at Carver Early College High School in southeast Atlanta. At Carver, Matt's students earned among the highest pass and exceed rates of any school in Georgia on the state U.S. History End of Course Course Test.

Matt previously worked for the Atlanta Regional Commission, D.C. Public Schools system, in the D.C. Office of Congressman John Lewis, and was an Urban Leaders Fellow with Colorado Senator Mike Johnston.

Named one of the 20 People to Watch in 2014 by Creative Loafing and as one of the "Top 30 Under 30" by the Atlanta Business Chronicle in 2015, Westmoreland is an alum of LEAD Atlanta and New Leaders Council-Atlanta, and serves on the Atlanta Regional Commission's Millennial Advisory Committee.

A lifelong and active member of Peachtree Road United Methodist Church, Matt lives in Midtown.



BOARD VICE-CHAIR DISTRICT 4: NANCY M. MEISTER nmeister@atlantapublicschools.us

As a parent and stakeholder, Nancy M. Meister is passionate about the future of Atlanta Public Schools, and has been personally involved in the district for many years and recognizes the importance of public education. She and her husband have watched their children grow and thrive in the Atlanta Public Schools system. As a residential real estate agent, she understands and appreciates the importance of great neighborhood schools, their impact on attracting new businesses to the city and their contribution to the overall sustainable growth of the metro area.

Some of Nancy's community activities include the following: president, North Atlanta Parents of Public Schools (2006-2009); founding member, North Atlanta High School Foundation (2006); PTA president, North Atlanta High School (2007-2008); PTA president, Sutton Middle School (2004-2006); member, Northern Corridor Task Force (2003); and participant, Susan G. Komen 3-Day Walk, Seattle, Washington, (2007) and San Francisco (2008).

As a member of the Atlanta Board of Realtors, Nancy is currently a residential real estate agent with Beacham and Company. Prior to joining Beacham, she worked in the Buckhead office of Harry Norman Realtors.

ACHIEVEMENTS

- $50 million-plus in career sales
- Top 15 producer in one of metro Atlanta's highest dollar volume offices
- Recipient of the Miss Emmie Award from Harry Norman, REALTORS for highest ethical and professional standards
- Life member, Million Dollar Club
- 2000 Rookie of the Year for outstanding performance
- Numerous professional designations, including senior marketing consultant (SMC), accredited buyer specialist (ABS), and eco-broker
- Licensed as an associate broker
- Atlanta Board of Realtors "Good Neighbor Award" in 2009 for making exceptional contributions to improve the quality of life in the community

A native of Massachusetts, Nancy earned a B.S. in marketing management from Bentley College in Waltham, Massachusetts. She moved from Boston to San Francisco and then to Atlanta in 1987. Nancy and her husband, Steve, have lived in Buckhead for 23 years and have raised two sons: Matthew, a Georgia Tech student, and Andrew, a junior at North Atlanta High School.



DISTRICT 5: STEVEN LEE slee@atlantapublicschools.us

Steven Lee is a community advocate, business owner and father of four. For the last 15 years, Steven has served the community in numerous capacities. As executive director of Unity Network and Counseling Center, he established relationships with neighborhood leaders and federal, state and local government officials, enabling him to develop resources and effectively advocate on behalf of the community.

Over the years, Steven has demonstrated a strong and principled leadership style, while focusing on community-oriented initiatives. He has run a school for special needs children, a merchant association and other nonprofits. Steven Lee is passionate about serving his community and has done so as a mentor, youth counselor, community volunteer and business owner.

Steven's community service experience includes serving as the past president of the board of directors of People TV, chairman of the board of Unity Network and Counseling Center, president of the Martin Luther King Merchant Association, member of the Fulton County Juvenile Court Community Restoration Justice Board, director of the In the Zone After School Program, member of the Zoning Review Board for the city of Atlanta, member of the Hollowell/ML King TAD Advisory Committee, board member of Youthfest and director of the A Guiding Hand Mentoring Program.



DISTRICT 6: ESHÉ P. COLLINS epcollins@atlantapublicschools.us

An Atlanta native and former teacher in Atlanta Public Schools, Eshé P. Collins never wavered from her strong passion for education. Beginning at a young age, she always knew the value of a solid education: a challenging curriculum, a system of great teachers, and strong family and community involvement. Eshé understands the impact of quality education in realizing the potential of the city, and is excited to leverage her passion and experience to provide all students in Atlanta with the education they deserve.

Eshé has an extensive record of commitment and achievement in urban education and communities. As a fourth- and fifth-grade teacher at A.D. Williams Elementary School, 92 percent of her students met or exceeded expectations on the Criterion-Referenced Competency Test for both grade levels. Eshé also led the after-school, and summer tutoring programs for the Bowen Homes community and co-founded the "Reaching Back, Bridging Gaps" reading program, a community-based literacy initiative.

Eshé's work within urban settings has been the combination of her classroom, policy and legal experience on issues that address student achievement and equity in education. She analyzed national education issues and advocated for accessible healthcare at the Children's Defense Fund. Also, Eshe' worked in Cape Town, South Africa, where she helped refugee women and children access quality services and enrollment in local schools.

Currently, Eshe' serves as Georgia State University's project director for Jumpstart, an early education, nonprofit organization that delivers a high-quality curriculum to preschool children in low-income neighborhoods. In this role, she trains adults to teach and lead in their communities; works closely with parents to improve family involvement; and more importantly, inspires children to learn through the love of literacy. Within the program, Eshé has increased community involvement by 150 percent, which has resulted in community members'service of more than 15,000 hours in the classroom and community each year.

In pursuit of her passion, Eshé earned a B.A. degree in psychology from Spelman College; M.S. in urban teacher leadership from Georgia State University; and J.D., *cum laude*, from North Carolina Central University School of Law. She holds Georgia educator certifications in early childhood education and educational leadership, and a license to practice law in the state of Georgia.

Eshé is a woman of many accomplishments and continues to be an avid servant throughout the Atlanta community.



CHAIR, AT-LARGE SEAT 7, DISTRICTS 1 AND 2: COURTNEY D. ENGLISH
cenglish@atlantapublicschools.us

In 2014, Courtney English was unanimously elected chairman of the Atlanta Public Schools (APS) Board of Education. Elected to his first term in 2009 at 24 years old, Chairman English is not only the youngest chairman in the history of the school system, he is the youngest person to be elected citywide in any capacity in the city of Atlanta's history and is the first full-time public school teacher ever elected to the board of education. Since taking office, Courtney has championed school autonomy, increased rigorous course offerings throughout the district, commissioned a district-wide equity audit to close longstanding resource and achievement gaps, fought to give parents more options for their kids and instituted a number of policies to clean up years of administrative mismanagement – including a widespread cheating scandal.

Under his leadership, the district has reduced the size of central office, increased classroom spending to a record high of 66%, and provided long overdue pay raises to district staff. Chairman English led the board through the districts transition to a charter system, and is currently building a coalition to renew the districts 1% sales tax for school construction; an effort that is expected to raise $500 million. Chairman English also led the negotiations of the longstanding dispute between APS and City of Atlanta over the Atlanta Beltline. This resolution protects the multi-billion dollar development project and, most importantly, ensures $100 million in new revenue for Atlanta's students. Most recently, Chairman English led the board to unanimously adopt a massive school turnaround plan geared towards improving the quality of education in the cities lowest performing schools. Taken together, these policy accomplishments represent some of the most aggressive programmatic shifts in APS since integration. When Chairman English joined the board, the district's graduation rate hovered at 50%. Today, that number is 71% and climbing.

Prior to his election, Courtney was a founding teacher at B.E.S.T. Academy at Benjamin S. Carson, the first all-male school in the city of Atlanta in 60 years. Outside the boardroom, Chairman English has worked as a strategy and development consultant for various non-profit organizations, and is currently the Chief Education Officer of Edevate©LLC, a technology provider specializing in developing disruptive technologies for mission driven organizations.

A thought leader in education, Chairman English is frequently a guest lecturer at Emory University, Spelman College, Morehouse College and Harvard University. He has also presented at various conferences on education including the National School Boards Association's annual conference, the Council of Urban Boards of Education, and various programs for Teach for America.

Chairman English is a native Atlantan and a proud graduate of Frederick Douglass High school. He is a graduate of Morehouse College, where he received his Bachelor of Arts degree in Political Science, and of Teachers College, Columbia University with a Masters of Arts in Organizational Psychology. Chairman English is a member of the LEAD Atlanta class of 2011 and serves on the boards of various non-profit organizations including the National Center for Global Engagement, Child First USA, and the Morehouse College Center for Teacher Preparation Advisory board.



AT-LARGE SEAT 8, DISTRICTS 3 AND 4: CYNTHIA BRISCOE BROWN

Cbriscoe_brown@atlantapublicschools.us

Since the early 1990s, Cynthia Briscoe Brown has worked publicly and behind the scenes for all kids, devoting herself to making sure every child gets everything he or she needs to succeed.

A graduate of Davidson College and Vanderbilt Law School, Cynthia uses her 27 years of experience as an attorney to help students, teachers and families across the city. She has assisted several APS schools in forming their own nonprofit foundations and frequently donates her expertise to students with legal issues related to college and scholarship applications.

Cynthia serves or has served on the boards of the Calvin Center, the Atlanta Partnership for Arts in Learning, the Committee for Teaching About the United Nations/Atlanta, and the Alliance Francaise d'Atlanta, creating partnerships with each organization and opportunities for students and teachers across the city to improve their skills and enrich their lives. As a volunteer with Young Audiences of Atlanta, Cynthia helped develop and implement the smART stART program, using visual and performing arts experiences to improve and encourage the reading skills of economically disadvantaged kindergarten students.

During the three terms that she and her husband served as co-presidents of North Atlanta Parents for Public Schools (NAPPS), Cynthia was a unifying force for the North Atlanta cluster of schools and APS as a whole. Cynthia emphasized positive community engagement by supporting APS schools and students, and developing and nurturing strong media relations. She reached out to cluster organizations and community groups across the city to identify common goals and provide a consistent voice for children throughout Atlanta.

Cynthia has served on the PTA executive boards in each of her children's schools. As a trustee of the North Atlanta High School Foundation, she worked to identify and creatively meet the needs of every student. She developed and ran a successful teacher incentive program to engage teachers, build collegiality and reward them for extraordinary support of their students and colleagues. She has participated in several APS facilities construction or renovation project committees on behalf of community stakeholders.

Cynthia and her husband, James F. (Jim) Brown Jr., are both Atlanta natives and practicing attorneys. They are active in music and service ministries at First Presbyterian Church of Atlanta. They have two children, both of whom have attended APS schools since kindergarten.



AT-LARGE SEAT, DISTRICTS 5 AND 6: JASON ESTEVES jesteves@atlantapublicschools.us

Jason Esteves currently serves as an at-large representative on the Atlanta Public Schools Board of Education. He was elected on December 4, 2013 and has focused his efforts at promoting equity and improving the financial outlook of the school system. As an attorney and former educator, Jason is working to ensure every child in Atlanta Public Schools obtains an education that prepares them for college and career.

After graduating from the University of Miami, Jason devoted himself to teaching at an under-performing school in a low-income neighborhood. He worked countless hours with students, teachers, and parents to ensure his kids had the resources they needed to succeed. This experience gave Jason insights into the challenges our children face and the importance of public schools that help children overcome those challenges.

Today, Jason serves as Assistant General Counsel at Equifax Inc., where he manages litigation matters for the company. He was an associate at the law firm of McKenna Long & Aldridge LLP (now Dentons US LLP) after graduating from Emory University School of Law. Jason also serves on various boards of local non-profits, and believes that partnerships with non-profits are vital to ensuring our children have the wraparound services they need to be able to focus on their education and development.

A native of Georgia, Jason was raised in Columbus, Georgia by his parents, Linda and Fernando, a retired Army veteran. At an early age, his parents instilled in him the importance of public service and a good education. Those values are the foundation upon which Jason serves today.

Jason is married to Ariel, a graduate of Kennesaw State University and Emory University's School of Nursing graduate program. Jason met Ariel while he attended Emory Law School. Ariel is a Director at CareSource, serving low-income families across Georgia. Jason and Ariel are proud parents of their son, Jaeden and reside in northwest Atlanta.

ATLANTA INDEPENDENT SCHOOL SYSTEM

APPOINTED OFFICIALS
JUNE 30, 2017

SUPERINTENDENT

Meria J. Carstarphen, Ed.D

SENIOR CABINET

David Jernigan..…….....Deputy Superintendent

Glenn Brock…….……..General Counsel

Pamela Hall……..……..…….....……..... Chief Human Resources Officer

Lisa Bracken…….……..…….Chief Financial Officer

William (Bill) Caritj……...Chief Accountability & Information Officer

Larry Hoskins…….Chief Operating Officer

Angela King Smith…….Chief Engagement Officer

ATLANTA INDEPENDENT SCHOOL SYSTEM

Superintendent of Schools
June 30, 2017



Meria Joel Carstarphen, Ed.D., is superintendent of Atlanta Public Schools. She brings to Atlanta an impressive record in transformative educational leadership that has led to significant student performance gains. Dr. Carstarphen has nearly 20 years of education and experience in diverse, major metropolitan public school districts, including Austin, Texas; Saint Paul, Minnesota; and the District of Columbia. In Atlanta, she leads the district's 50,000 students; 6,300 employees; and 98 learning sites and oversees the system's $1 billion annual budget.

In Atlanta, Dr. Carstarphen's first graduation class – the cohort of 2015 – reached a high for the District's graduation rate with 71.5 percent, more than 12 percentage points higher than the previous graduating class. That reflects similar trends in Austin, where she was superintendent of the Austin Independent School District from 2009 to 2014. With a great team, she made extraordinary achievements in academic excellence that included improved graduation rates that reached an all-time high of 84 percent and reduced dropout rates by 24 percent.

She credits the successes to a deliberate move away from over-reliance on high-stakes testing to an educational culture with great principals and teachers who emphasize the whole child, every child; social and emotional learning; arts-rich environments; alternative pathways to graduation; and alternative education disciplinary program reform.

Dr. Carstarphen began her education career as a middle school teacher in her hometown of Selma, AL. She also has worked with elementary-level children in Seville, Spain and Caracas, Venezuela.

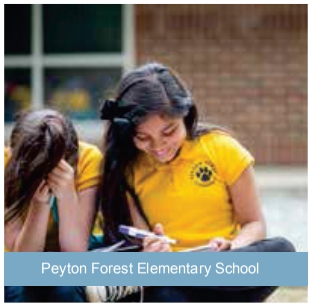
As part of her community involvement, she serves on the boards of the Education Testing Service, the Woodruff Arts Center and the Atlanta Ballet and on the advisory committee for the Harvard Graduate School of Education. She is a member of both the International Women's Forum and the Rotary Club of Atlanta.

Dr. Carstarphen earned a doctorate in administration, planning and social policy, with a concentration in urban superintendency from the Harvard Graduate School of Education. She earned a bachelor of arts in political science and Spanish from Tulane University and master of education degrees from Auburn University and Harvard University. She has also studied at the University of Seville, Spain, and the University of Innsbruck, Austria.

The Atlanta Board of Education voted unanimously to hire Dr. Carstarphen in April 2014. She became superintendent July 2014. Dr. Carstarphen is passionate about leading Atlanta Public Schools and living its mission every day: With a caring culture of trust and collaboration, every student will be ready for college and career.

ATLANTA PUBLIC SCHOOLS
www.atlantapublicschools.us

Organizational Chart


Peyton Forest Elementary School

Public

Board Office

Office of Internal Compliance

Atlanta Board of Education

Superintendent
Dr. Meria J. Carstarphen

Special Assistant to the Superintendent
Erica Long

Deputy Superintendent
David Jernigan

- **Teaching & Learning** — Olivine Roberts
- **School Turnaround** — Raynise Smith
- **Student Programs & Services** — Tammie Workman
- **Federal Programs: Title I & Title II** — Kathleen Yarbrough
- **Associate Superintendents for Schools** — Danielle Battle, Yolanda Brown, Emily Massey, Dan Sims, Tommy Usher
- **Office of Innovation** — Gayle Burnett
- **School Support** — Kelly Day

Chief Operating Officer
Larry Hoskins

- **Facilities Services** — Alvah Hardy
- **Safety & Security** — Marquenta Sands Hall
- **Nutrition** — Marilyn Hughes
- **Transportation** — John Franklin

Chief Financial Officer
Lisa Bracken

- **Procurement & Warehouse Services** — Alisa Morningstar
- **Benefits/ Risk Management** — Saundra Burgess
- **Accounting Services** — Tanisha Oliver
- **Budget Services** — Chris Schwarzer

Chief Engagement Officer
Angela King Smith

- **Partnerships & Development** — Rachel Sprecher
- **Communications & Public Engagement** — Pat St. Claire
- **Charter System & Governance** — Carolyn Barnett
- **Family Engagement** — Sonya Hunte
- **Strategic Management & Organizational Change** — Ashley Layne, Melvynne Reed, Travis Norvell

Chief Accountability & Information Officer
William Caritj

- **Data & Information Group** — Michael Lamont
- **Information Technology** — Femi Aina
- **Instructional Technology** — Aleigha Henderson-Rosser

Chief Human Resources Officer
Pam Hall

- **Deputy Chief** — Skye Duckett
- **Talent Management** — Nicole Lawson
- **HR Services** — Holly Morales
- **Employee Relations** — George Williams

General Counsel
Glenn Brock

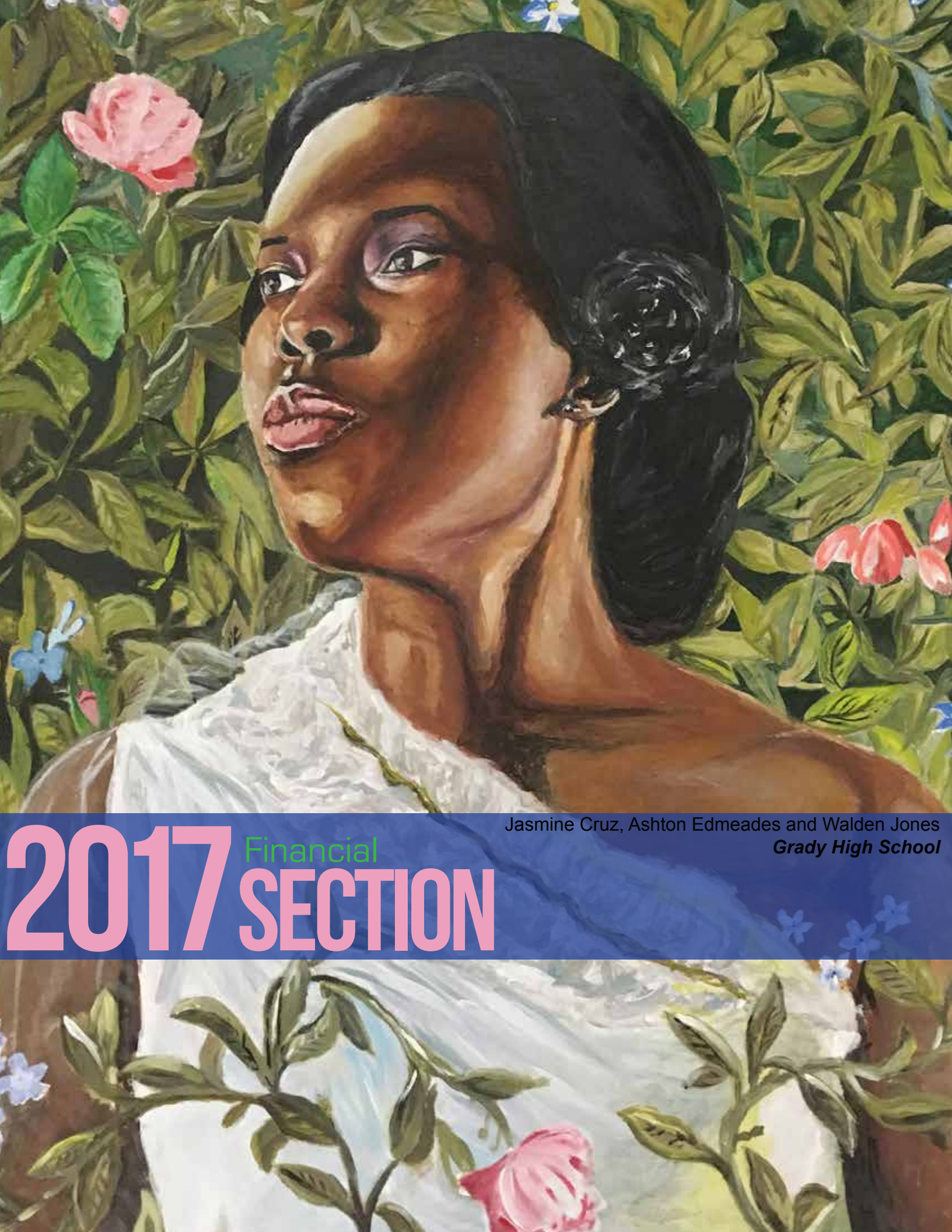
- **Deputy Chief** — Laurance Warco


Inman Middle School


Bunche Middle School


Toomer Elementary School


Grady High School



2017 Financial SECTION

Jasmine Cruz, Ashton Edmeades and Walden Jones
Grady High School

MAULDIN & JENKINS

INDEPENDENT AUDITOR'S REPORT

To the Superintendent and Members of the
Atlanta Independent School System
Atlanta, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the **Atlanta Independent School System** (the "School System") as of and for the fiscal year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the School System's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Atlanta Independent School System as of June 30, 2017, and the respective changes in financial position for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Schedule of Proportionate Share of the Net Pension Liability (Teachers Retirement System of Georgia), the Schedule of School System's Contributions (Teachers Retirement System of Georgia), the Schedule of Changes in the School System's Net Pension Liability and Related Ratios (City of Atlanta General Employees' Pension Fund), the Schedule of School System's Contributions (City of Atlanta General Employees' Pension Fund), and the General Fund Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget to Actual as presented on pages 4 through 16 and pages 56 through 61, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School System's basic financial statements. The other supplementary information section, as listed in the accompanying table of contents, and the schedule of expenditures of federal awards, as required by Title 2, U.S. *Code of Federal Regulations* (CFR), Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, as well as the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Other Information (Continued)

The other supplementary information section and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information section and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 13, 2018 on our consideration of the School System's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School System's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School System's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Atlanta, Georgia
February 13, 2018

MANAGEMENT'S DISCUSSION AND ANALYSIS

ATLANTA INDEPENDENT SCHOOL SYSTEM
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2017

The discussion and analysis of the Atlanta Independent School System's financial performance provides an overview of the fiscal year ended June 30, 2017. The intent of this discussion and analysis is to examine the School System's financial performance as a whole, identify changes in financial position as well as to provide basic financial statements. The Basic Financial Statements should be reviewed by the readers to enhance their understanding of the School System's financial performance as a whole or as an entire operating entity. The Basic Financial Statements contain the following components:

- Government-wide financial statements including the Statement of Net Position and the Statement of Activities, which provide a broad, long-term overview of the School System's finances.

- Fund-level financial statements provide a greater level of detail about the School System's major funds and focus on how well the School System has performed in the short-term in the most significant funds.

- Notes to the Basic Financial Statements.

This report also presents the highlights for the fiscal year ended June 30, 2017 and contains other supplementary information.

FINANCIAL HIGHLIGHTS

Overall, net position in fiscal year 2017 increased by 1.5% over fiscal year 2016. This was primarily due to an increase in tax revenues. The key financial highlights for fiscal year 2017 as represented are the following:

- Total net position for the School System increased from approximately $548.19 million in fiscal year 2016 to approximately $556.60 million in fiscal year 2017, an increase of approximately $8.41 million or 1.5% due to an increase in revenues.

- Total revenues increased from approximately $905.51 million in fiscal year 2016 to approximately $919.48 million in fiscal year 2017, an increase of approximately $13.97 million or 1.5%.

- Total expenses increased approximately $55.78 million or 6.5% from approximately $855.29 million in fiscal year 2016 to approximately $911.07 million in fiscal year 2017.

OVERVIEW OF FINANCIAL STATEMENTS

The School System has prepared its annual financial reports according to the Governmental Accounting Standards Board No. 34 financial operating model. The discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains required supplementary information and other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

The Government–wide financial statements are designed to provide the reader with a broad overview of the School System's finances in a manner similar to those used by private-sector businesses. The Statement of Net Position and the Statement of Activities provide information about the activities of the whole School System, presenting an aggregate and long-term perspective of the finances. These statements include all assets and liabilities using the accrual basis of accounting. This basis of accounting includes all of the current fiscal year's revenues and expenses regardless of when cash is received or paid.

- The ***Statement of Net Position*** presents information on all of the Schools System's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference between these items reported as net position. Increases or decreases in net position may serve as a useful indicator of whether the financial position is improving or deteriorating.

- The ***Statement of Activities*** presents information showing how net position changed during the fiscal year. All changes in the net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of the related cash flows*. Thus, revenues and expenses are reported in the statement for some items that will result in cash flows in future fiscal periods (for example, uncollected taxes and earned but unused vacation leave).

The Statement of Net Position and Statement of Activities for the School System has one type of activity, Governmental Activities. Most of the School System's programs and services are reported here including instruction, pupil services, improvement of instruction, educational media, general administrative, school administrative, business administration, maintenance and operation of facilities, student transportation, nutrition, and central support.

Table 1 - Condensed Statement of Net Position (in millions of dollars)

	Primary Government		
	Governmental Activities		
	2017	2016	Percentage change
Current and other assets	$ 226.90	$ 225.41	0.7%
Net capital assets	1,407.00	1,423.45	-1.2%
Total assets	1,633.90	1,648.86	-0.9%
Deferred outflows of resources	220.42	121.30	81.7%
Long-term debt outstanding	1,189.21	1,069.04	11.2%
Other liabilities	82.76	94.65	-12.6%
Total liabilities	1,271.97	1,163.69	9.3%
Deferred inflows of resources	25.75	58.28	-55.8%
Net position			
Net investment in capital assets	1,322.36	1,331.10	-0.7%
Restricted for debt service	3.44	3.11	10.6%
Restricted for capital projects	51.30	18.13	183.0%
Restricted for school nutrition program	9.66	9.08	6.4%
Restriced for state and local programs	1.06	1.61	-34.2%
Unrestricted (deficit)	(831.22)	(814.84)	2.0%
Total net position	$ 556.60	$ 548.19	1.5%

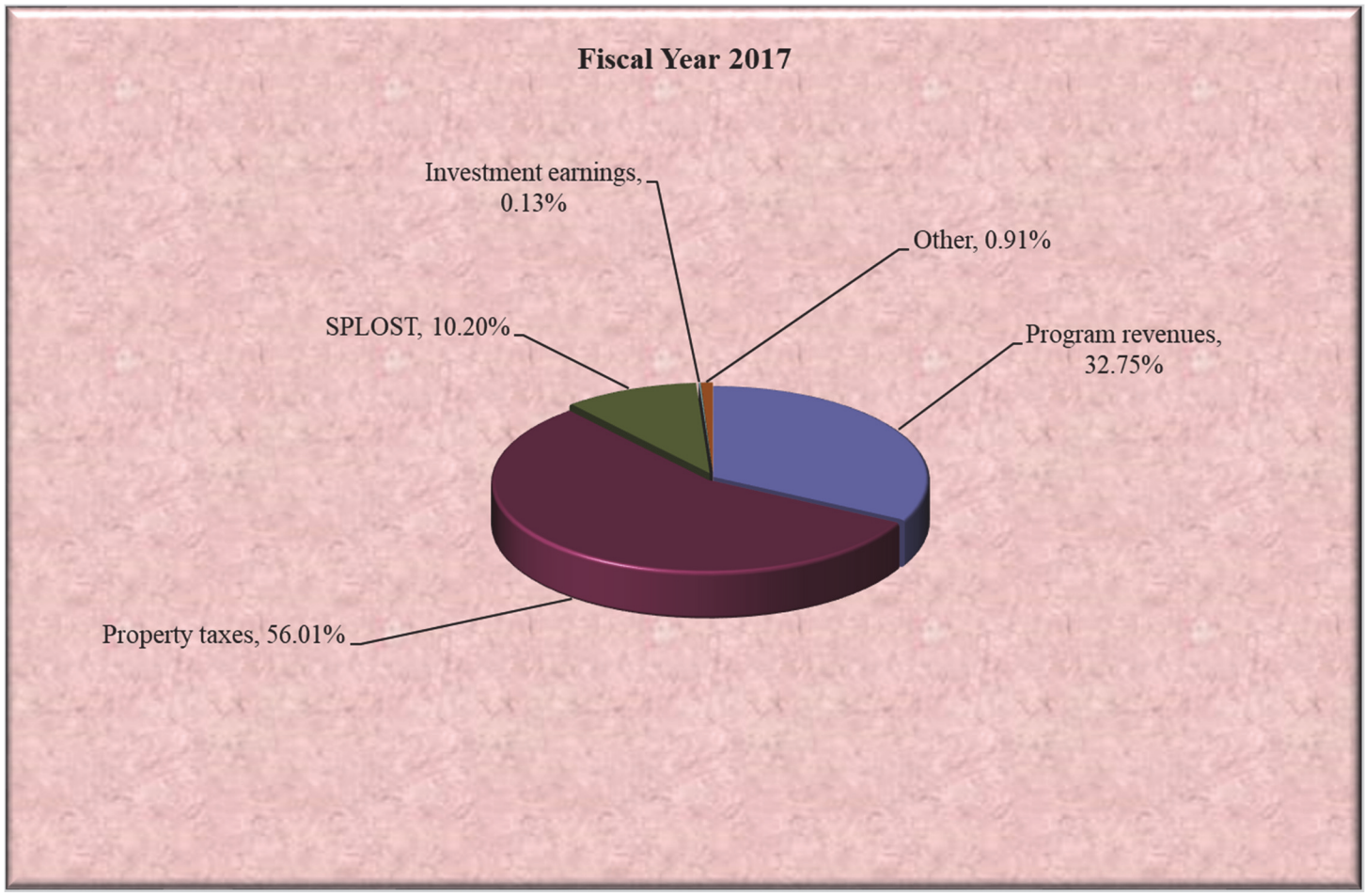
- **Total assets** decreased by roughly $14.96 million or 0.9%.
- **Current and other assets** increased by roughly $1.49 million or 0.7%.
- **Capital assets, net of accumulated depreciation** for all governmental activities decreased by roughly $16.45 million. The decrease primarily represents additions to construction in progress, buildings, building improvements, and vehicles less the current fiscal year's disposals and depreciation expense.
- **Long-term debt outstanding** increased by roughly $120.17 million or 11.2%. The increase was primarily due to an increase in the net pension liabilities.

Table 2 - Condensed Changes in Net Position (in millions of dollars)

	Primary Government		
	Governmental Activities		
	2017	2016	Percentage Change
Revenues			
Program revenues			
Charges for services	$ 6.29	$ 6.17	1.9%
Operating grants and contributions	289.89	281.14	3.1%
Capital grants and contributions	4.93	4.19	17.7%
General revenues			
Property taxes, levied for general purposes	514.31	507.48	1.3%
Special Purpose Local Option Sales Tax	93.79	93.79	0.0%
Investment earnings	1.17	0.61	91.8%
Grants and Contributions not restricted to specific programs	7.53	9.38	-19.7%
Property taxes levied for debt service	0.67	2.57	-74.0%
Gain on sale of capital assets	0.91	0.18	0.0%
Total Revenues	919.48	905.51	1.5%
Expenses:			
Instruction	538.60	509.81	5.6%
Support Services:			
Pupil services	52.33	35.21	48.6%
Improvement of instructional services	49.46	39.68	24.6%
Educational media	8.79	12.13	-27.5%
Federal grant administration	2.24	1.67	0.0%
General administration	11.23	13.46	-16.6%
School administration	43.65	41.75	4.6%
Business administration	9.68	9.45	2.4%
Maintenance and operation of facilities	105.89	102.34	3.5%
Student transportation	34.41	31.92	7.8%
Central support	18.92	20.52	-7.8%
Nutrition	30.47	28.55	6.7%
Interest and fiscal charges	4.41	5.00	-11.8%
Total Expenses	911.06	855.29	6.5%
Change in Net Position	$ 8.41	$ 50.22	-83.2%
Beginning Net Position, as restated	548.19	497.97	
Ending Net Position	$ 556.60	$ 548.19	

Primary Government

Sources of Revenues



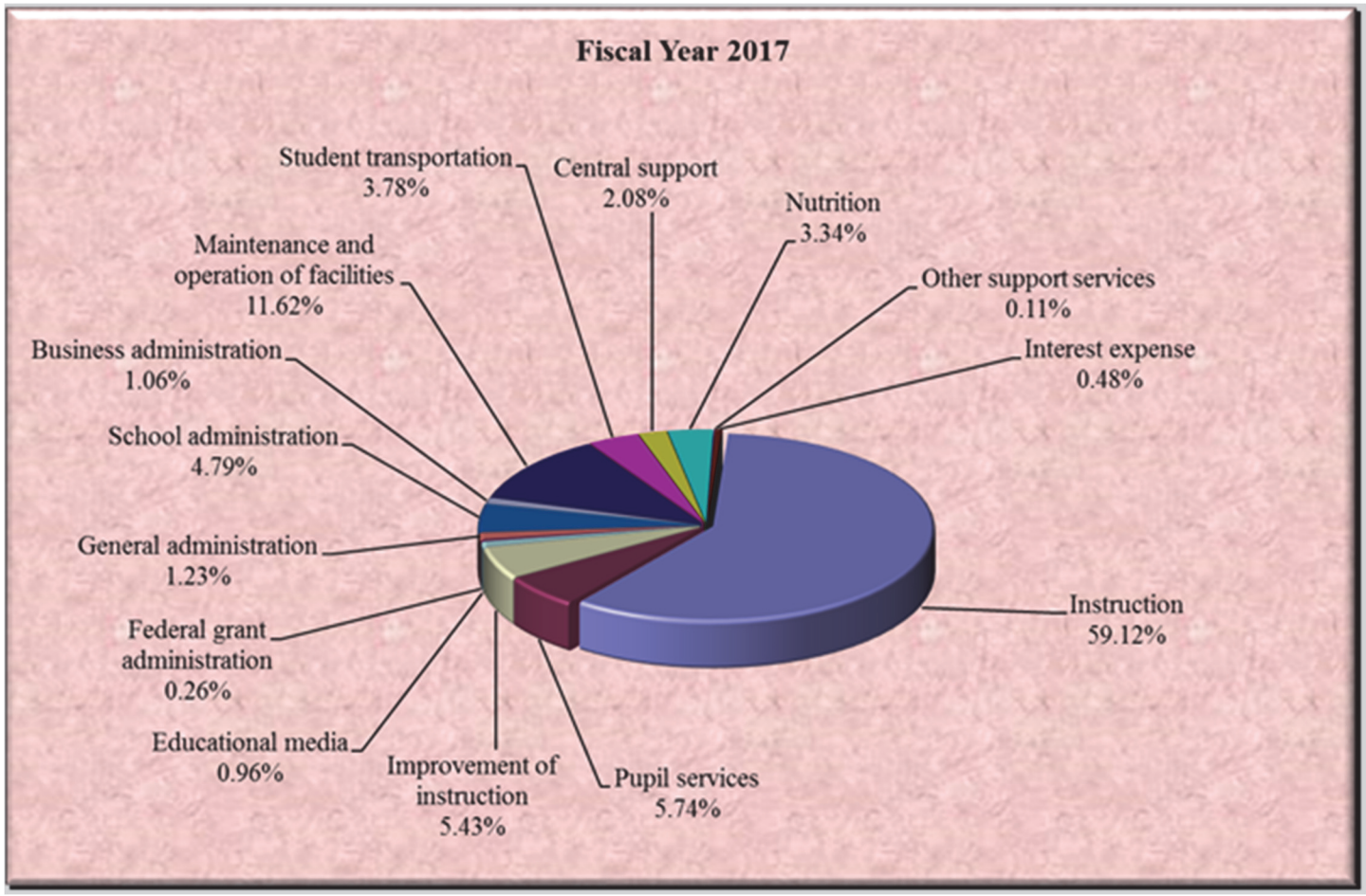
Total revenues, increased $13.97 million or 1.5% from fiscal year 2016 to fiscal year 2017. This change is mainly due to an increase in the Beltline payment received as well as an additional Title Ad Valorem Tax (TAVT) received.

- Program revenues are primarily grant related and account for approximately $301.10 million or 32.75% of total revenues received and include State Quality Basic Education (QBE) revenue.

- General revenues are composed of Property Taxes, SPLOST and Other revenues and they account for 67.3% or $618.38 million of total revenues received in fiscal year 2017.

Primary Government

Expenses



Total expenses increased from 2016 to 2017 by 6.5% or $55.78 million. This increase is primarily due to the addition of the Atlanta Public Schools Police Department.

- Four groups of activities account for 89.0% or $810.85 million of governmental spending: instruction ($538.60 million or 59.12%); pupil services and improvement of instructional services ($101.80 million or 11.2%); administration and business services ($64.56 million or 7.1%); and maintenance and operations ($105.89 million or 11.6%).

Table 3 - Net Cost of Governmental Activities (in millions of dollars)

	Total Cost of Services			Net Cost of Services		
	2017	2016	Percentage Change	2017	2016	Percentage Change
Instruction	$ 538.60	$ 509.81	5.6%	$ 382.20	$ 360.38	6.1%
Support Services :						
Pupil services	52.33	35.21	48.6%	30.11	18.24	65.1%
Improvement of instructional services	49.46	39.68	24.6%	21.91	10.89	101.2%
Educational media	8.79	12.13	-27.5%	6.43	8.73	-26.4%
Federal grant administration	2.24	1.67	34.1%	0.10	(0.04)	-347.5%
General administration	11.23	13.46	-16.6%	7.08	8.15	-13.1%
School administration	43.65	41.75	4.6%	32.35	29.69	9.0%
Business administration	9.68	9.45	2.4%	7.60	7.31	4.0%
Maintenance and operation of facilities	105.89	102.34	3.5%	82.92	81.04	2.3%
Student transportation	34.41	31.92	7.8%	24.24	22.44	8.0%
Central support	18.92	20.52	-7.8%	13.00	14.65	-11.3%
Other support services	0.98	3.80	-74.2%	0.46	0.42	10.2%
Nutrition	30.47	28.55	6.7%	0.55	0.30	83.3%
Interest and fiscal charges	4.41	5.00	-11.8%	1.00	1.60	-37.8%
Total Expenses	$ 911.06	$ 855.29	6.5%	$ 609.95	$ 563.80	8.2%

The net cost of governmental activities represents the cost of operating the School System to be covered by general revenues, including property taxes.

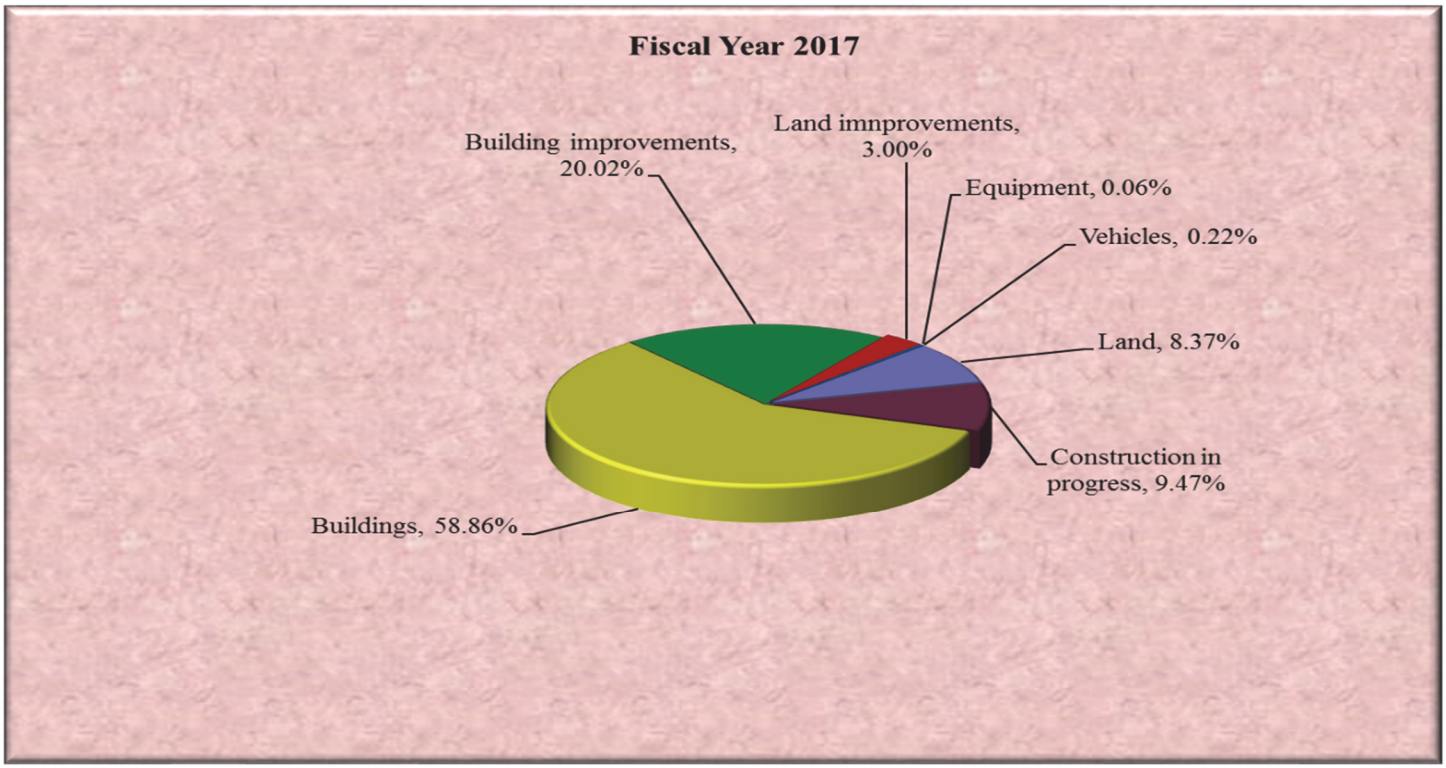
Capital Assets

Capital assets, net of accumulated depreciation for governmental activities for the District was $1.4 billion. The following table provides a summary of capital asset activity:

Table 4 - Capital Assets (net of accumulated depreciation, in millions of dollars)

	Primary Government		
	Governmental Activities		
	2017	2016	Percentage change
Land	$ 117.80	$ 117.83	0.0%
Construction in progress	133.28	146.26	-8.9%
Buildings	828.09	851.93	-2.8%
Building improvements	281.68	262.22	7.4%
Land Improvements	42.24	39.14	7.9%
Furniture and fixtures	0.01	0.02	-50.0%
Equipment	0.84	1.64	-48.8%
Vehicles	3.06	4.41	-30.6%
Total	$ 1,407.00	$ 1,423.45	-1.2%

Construction in Progress and Buildings



SPLOST IV construction programs to renovate or construct academic facilities are in the 60th month of a 60 month program. For more detailed information on the School System's capital assets, see Note G in the Notes to the Basic Financial Statements.

Long-term Debt and Obligations

Long-term Debt and Obligations related to governmental activities for the District was $1.2 billion. The following table provides a summary of long term debt activity:

Table 5 - Outstanding Long-Term Debt (in millions of dollars)

	Total School System		
	2017	2016	Percentage change
Capital leases	$ 1.07	$ 2.11	-49.3%
Intergovernmental agreement- City of Atlanta	3.61	3.80	-4.9%
ERS, Inc (COPS, Series 2006/2007)	4.28	5.04	-15.1%
ERS, Inc (COPS, Series 2011A)	72.46	72.46	0.0%
ERS, Inc (COPS, Series 2011B)	-	7.00	-100.0%
Unamortized premium 2011B	-	0.19	-100.0%
Net pension liabilities	1,097.87	966.90	13.5%
Compensated absences	3.98	4.61	-13.6%
Contingent Liabilities - Legal	0.02	0.39	-94.9%
Workers' compensation	5.92	6.54	-9.5%
	$ 1,189.21	$ 1,069.04	11.2%

Outstanding long-term debt and obligations increased in the current fiscal year due to the increase in net pension liabilities. For more detailed information on the School System's long-term debt, see Note I in the Notes to the Basic Financial Statements.

Fund Financial Statements

Fund financial statements provide detailed information regarding the resources segregated for specific activities or objectives, not Government-wide. Funds are used to track specific sources of revenue and expenditures for particular programs.

The School System has two types of funds:

Governmental funds **–** These funds are used to account for most of the School System's basic services and focus on providing cash flow available for spending. These funds include the General Fund, Capital Projects Fund, and other governmental funds of lesser magnitude. Fund accounting statements use the modified accrual method of accounting, which measures cash and other financial assets that can be readily converted to cash. These statements present a short-term view of the School System's operations and services and do not include the long-term focus presented in the Government-wide financial statements. For an explanation of the differences, see the reconciliations included with the Governmental Fund Statements.

Fiduciary fund – This fund accounts for assets not owned by the School System but for which the School System is responsible for ensuring that the assets in the funds are used for their designated purposes. This fund is not included in the Government-wide financial statements because it cannot be used to finance the School System operations. The School System has one fiduciary fund - Agency Funds (Local School, Club, and Class Funds).

The following table presents a summary of the General Fund, Capital Projects Fund, and other non-major governmental funds by type of revenue for the fiscal year ended June 30, 2017 as compared to June 30, 2016.

Table 6 - Revenues and other financing sources (in millions of dollars)

	Governmental Funds			
	2017	2016	Increase (Decrease)	Percentage Change
Local taxes	$ 518.22	$ 511.49	$ 6.73	1.3%
Sales taxes income	93.79	93.79	-	0.0%
State revenues	202.95	192.40	10.55	5.5%
Federal revenues	86.27	88.56	(2.29)	-2.6%
Investment income	1.16	0.61	0.55	91.0%
Facility rental fees	1.26	1.20	0.06	5.2%
Tuition charges	0.01	0.02	(0.01)	-39.1%
Charges for services	4.98	4.95	0.03	0.6%
Other	12.39	14.33	(1.94)	-13.6%
Proceeds from sale of capital assets	1.20	0.25	0.95	379.7%
Total Revenues and other financing sources	$ 922.23	$ 907.60	$ 14.63	1.6%

The following table presents a summary of the General Fund, Capital Projects Fund, and other governmental funds by type of expenditures for the fiscal year ended June 30, 2017 as compared to June 30, 2016.

Table 7 - Expenditures (in millions of dollars)

	2017	2016	Increase (Decrease)	Percentage Change
Instruction	$ 498.66	$ 477.99	$ 20.67	4.3%
Support services				
Pupil services	51.03	35.73	15.30	42.8%
Improvement of instructional services	47.97	40.40	7.57	18.7%
Educational media	8.42	12.30	(3.88)	-31.6%
Federal grant administration	2.15	1.71	0.44	25.5%
General administration	11.07	13.57	(2.50)	-18.4%
School administration	41.86	42.67	(0.81)	-1.9%
Business administration	7.68	7.77	(0.09)	-1.2%
Maintenance and operation of facilities	87.97	79.70	8.27	10.4%
Student transportation	34.02	30.75	3.27	10.6%
Central support	18.42	20.75	(2.33)	-11.2%
Other support services and nutrition	0.97	3.85	(2.88)	-74.9%
Nutrition	30.37	28.55	1.82	6.4%
Capital outlays	51.66	128.93	(77.27)	-59.9%
Debt service	13.76	14.89	(1.13)	-7.6%
Total Expenditures	906.01	939.56	(33.55)	-3.6%
Excess (deficiency) of revenues over (under) expenditures - See Table 6	16.22	(31.95)	48.17	
Transfers in	2.55	1.40	1.15	
Transfers out	(2.55)	(1.40)	(1.15)	
Fund Balances, Beginning of Fiscal Year	126.66	158.61	(31.95)	
Fund Balances, End of Fiscal Year	$ 142.88	$ 126.66	$ 16.22	

Analysis of Major Funds

The School System has two major funds: the General Fund and Capital Projects Fund. The General Fund is the general operating fund of the School System and is used to account for all financial resources except those funds accounted for in other funds. The Capital Projects Fund is used for the acquisition or construction of major capital facilities and to account for the bond proceeds restricted to renovation and school construction.

General Fund

As of June 30, 2017, total fund balance in the General Fund was approximately $85.61 million. This balance includes $0.63 million nonspendable, $3.44 million restricted, $1.42 million committed, $17.30 million assigned and $63.38 million unassigned fund balance. As a result of operations in fiscal year 2017, the fund balance decreased by approximately $9.33 million. The decrease in fund balance is attributable to an increase in District priorities.

Capital Projects Fund

As of June 30, 2017, total fund balance in the Capital Projects Fund was approximately $44.46 million. This balance includes $44.46 million restricted. The fund balance increased by approximately $25.34 million due primarily to a decrease in SPLOST expenditures because of SPLOST IV ending.

Other Governmental Funds

As of June 30, 2017, total fund balance in Nonmajor Governmental Funds was $12.82 million. This balance included approximately $0.44 million in nonspendable, $9.22 million restricted and approximately $1.06 million assigned. The fund balance increased by approximately $0.22 million.

Current Issues

Currently known facts, decisions, or conditions that are expected to significantly affect the financial position or results of operations are as follows:

The Fulton County Board of Commissioners voted to freeze a portion of the tax digest for reassessed residential properties at 2016 levels. Their decision resulted in a delay in payment of tax revenues in the amount of $485 million which greatly impacted operating cash flows prompting the District to issue a Tax Anticipation Note (TAN).

The Appropriations Act for fiscal year 2018 establishes maintenance of the employer contributions for the Teachers Plan. The fiscal year 2018 annualized teachers plan employer contribution rate is a monthly amount of $945.00 for each certified employee enrolled in the plan and continuing until changed by Board resolution. The Governor has recommended in his fiscal year 2018 proposed budget an increase to the non-certified rate of more than $98.88 per month per employee effective January 2018.

General Fund Budgetary Highlights

The School System's budget is prepared by the Finance Division and is a collaborative effort between the School System and the Atlanta community. The basis for preparation utilizes a zero-based approach because it has systematically provided a more accurate account of anticipated spending levels for the fiscal year.

For Budget to Actual comparison purposes, the General Fund reported excess expenditures over final budget for the following functions, as noted in the table at the top of the following page:

Pupil Services	$1,111,047	Amount includes local school activity funds
Educational Media	$39,443	Actual expenditures exceeded budget due to salary and benefits
Student Transportation	$1,233,039	Actual expenditures exceeded budget due to overtime pay to bus drivers
Other support services	$28,300	Actual expenditures exceeded budget due to underfunding of a Parent liason position
Nutrition	$22,579	Actual expenditures exceeded budget for School Nutrition Workers' Compensation
Maintenance and Operation of Facilities	$131,762	Actual expenditures exceeded budget due to utility costs and overtime pay to maintenance personnel
Debt Service (Principal)	$1,157,648	Actual expenditures exceeded budget
Transfers Out	$99,404	Transfers out exceeded budget due to local grant matching requirements

For Original to Final Budget comparison purposes, the General Fund reported amendments to the original appropriations for the following functions, as noted in the table at the top of the following page:

Instruction	13,039,075	Additional funding from state grants, buy back services, pension cost, and other realignments. For balance usage for FY16 encumbrance rollover and SPED leveling.
Pupil services	(1,180,685)	Reduction due to function and pension costs realignment
Improvement of instructional services	(2,586,812)	Reduction due to function and pension costs realignment and Pre-K pay parity.
Educational media	(794,679)	Reduction due to pension cost realignment
General administration	1,719,981	Additional funding from fund balance for FY16 encumbrances rollover. Additional increases due to realignment to establish Family Engagement program and Legal fees.
School administration	(1,968,655)	Reduction due to realignment of pension costs
Business administration	1,002,773	Additional funding from fund balance for FY16 encumbrances rollover.
Maintenance and operation	2,603,287	Additional funding from state grants and buy back services. Increase from fund balance to cover facility cost due to merged schools.
Student transportation	958,015	Additional funding received from Move on When Ready transportation grant. Additional increases due to realignment to cover Athletics transportation.
Central support	3,731,230	Additional funding from fund balance for rollover of FY16 encumbrances and increase due to Lawson GHR project.
Other support services	544,363	Additional funding to support hourly part-time Parent Liaison and state grant to support Residential Facilities.
Nutrition	20,000	Increase due to realignment of pension costs

Requests for Information

This financial report is designed to provide a general overview of the School System's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the School System's Chief Financial Officer at 130 Trinity Avenue SW, Atlanta, Georgia 30303.



2017 Basic Financial STATEMENTS

Delong James
Maynard Jackson High School

ATLANTA INDEPENDENT SCHOOL SYSTEM

Statement of Net Position

June 30, 2017

	Primary Government
	Governmental Activities
ASSETS	
Current Assets:	
Cash and cash equivalents	$ 158,928,743
Receivables (net of allowance for uncollectibles):	
Taxes	12,499,828
Other	518,041
Due from other governments	54,451,232
Inventory	442,766
Prepaid items	63,210
Total Current Assets	226,903,820
Noncurrent Assets:	
Capital Assets:	
Nondepreciable capital assets	251,083,445
Depreciable capital assets, net	1,155,922,642
Total Noncurrent Assets	1,407,006,087
TOTAL ASSETS	1,633,909,907
DEFERRED OUTFLOWS OF RESOURCES	
Pension related items	220,419,038
LIABILITIES	
Current Liabilities:	
Accounts payable	31,432,057
Contracts payable	5,899,629
Accrued liabilities	44,488,280
Retainage payable	939,060
Due to other governments	605
Compensated absences payable, current portion	3,264,720
Capital leases payable, current portion	1,068,805
Certificates of participation, current portion	790,000
Claims payable, current portion	2,678,815
Intergovernmental agreement, current portion	188,375
Contingent liabilities, current portion	20,000
Total Current Liabilities	90,770,346
Noncurrent Liabilities:	
Compensated absences payable	716,557
Certificates of participation	75,950,000
Claims payable	3,237,096
Intergovernmental agreement	3,424,300
Net pension liabilities	1,097,870,624
Total Noncurrent Liabilities	1,181,198,577
TOTAL LIABILITIES	1,271,968,923
DEFERRED INFLOWS OF RESOURCES	
Pension related items	25,755,544
NET POSITION	
Net investment in capital assets	1,322,358,593
Restricted for:	
Debt service	3,440,290
Capital projects	51,298,356
School nutrition program	9,666,314
Other state and local programs	1,056,059
Unrestricted (deficit)	(831,215,134)
TOTAL NET POSITION	$ 556,604,478

See accompanying notes to the basic financial statements.

ATLANTA INDEPENDENT SCHOOL SYSTEM

Statement of Activities

For the Fiscal Year Ended June 30, 2017

		Program Revenues			Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
PRIMARY GOVERNMENT:					
Governmental Activities:					
Instruction	$ 538,600,743	$ 12,190	$ 151,457,569	$ 4,933,821	$ (382,197,163)
Support services:					
Pupil services	52,335,789	3,705,644	18,519,800	-	(30,110,345)
Improvement of instructional services	49,457,808	-	27,545,720	-	(21,912,088)
Educational media	8,790,315	-	2,363,675	-	(6,426,640)
Federal grant administration	2,244,931	-	2,145,806	-	(99,125)
General administration	11,228,888	-	4,146,886	-	(7,082,002)
School administration	43,648,857	-	11,304,921	-	(32,343,936)
Business administration	9,679,120	-	2,077,243	-	(7,601,877)
Maintenance and operation of facilities	105,893,809	1,262,666	21,706,603	-	(82,924,540)
Student transportation	34,408,310	-	10,166,765	-	(24,241,545)
Central support	18,918,080	-	5,913,062	-	(13,005,018)
Other support services	979,587	-	516,574	-	(463,013)
Nutrition	30,470,614	1,307,557	28,612,987	-	(550,070)
Interest and fiscal charges	4,406,716	-	3,411,020	-	(995,696)
Total Governmental Activities	911,063,567	6,288,057	289,888,631	4,933,821	(609,953,058)
Total - Primary Government	$ 911,063,567	$ 6,288,057	$ 289,888,631	$ 4,933,821	(609,953,058)

GENERAL REVENUES:	
Taxes:	
Property taxes levied for general purposes	514,306,061
Property taxes levied for debt service	668,480
Special purpose local option sales tax	93,790,758
Unrestricted grants and contributions	7,525,758
Unrestricted investment earnings	1,164,952
Gain on the sale of capital assets	909,142
Total General Revenues	618,365,151
Change in Net Position	8,412,093
NET POSITION, beginning of fiscal year	548,192,385
NET POSITION, end of fiscal year	$ 556,604,478

See accompanying notes to the basic financial statements.

ATLANTA INDEPENDENT SCHOOL SYSTEM

Balance Sheet
Governmental Funds
June 30, 2017

	General Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	$ 104,122,654	$ 44,923,744	$ 9,882,345	$ 158,928,743
Receivables (net of allowance for uncollectibles):				
Taxes	4,773,881	7,725,947	-	12,499,828
Other	272,844	-	245,197	518,041
Due from other governments	42,945,541	-	11,505,691	54,451,232
Prepaid items	63,210	-	-	63,210
Inventory	-	-	442,766	442,766
Due from other funds	9,628,729	-	3,077,659	12,706,388
TOTAL ASSETS	$ 161,806,859	$ 52,649,691	$ 25,153,658	$ 239,610,208
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts payable	$ 30,449,357	$ 974,309	$ 8,391	$ 31,432,057
Contracts payable	-	5,899,629	-	5,899,629
Accrued liabilities	42,949,819	-	101,397	43,051,216
Retainage payable	-	939,060	-	939,060
Due to other governments	-	-	605	605
Due to other funds	110,383	377,026	12,218,979	12,706,388
TOTAL LIABILITIES	73,509,559	8,190,024	12,329,372	94,028,955
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues - property taxes	2,388,444	-	-	2,388,444
Unavailable revenues - intergovernmental	301,948	-	-	301,948
TOTAL DEFERRED INFLOWS OF RESOURCES	2,690,392	-	-	2,690,392
FUND BALANCES				
Nonspendable:				
Prepaid items	63,210	-	-	63,210
Inventory	-	-	442,766	442,766
Restricted:				
School nutrition program	-	-	9,223,548	9,223,548
Debt service	3,440,290	-	-	3,440,290
Capital projects	-	44,459,667	-	44,459,667
Other state and local programs	-	-	1,056,059	1,056,059
Committed:				
School based activities	1,418,790	-	-	1,418,790
Assigned:				
Fiscal year 2018 operations	8,449,099	-	-	8,449,099
Instructional and student services	2,428,423	-	-	2,428,423
Administration	2,169,584	-	-	2,169,584
Facilities and transportation	4,256,700	-	-	4,256,700
Local school programs	-	-	2,101,913	2,101,913
Unassigned	63,380,812	-	-	63,380,812
TOTAL FUND BALANCES	85,606,908	44,459,667	12,824,286	142,890,861
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	$ 161,806,859	$ 52,649,691	$ 25,153,658	$ 239,610,208

See accompanying notes to the basic financial statements.

ATLANTA INDEPENDENT SCHOOL SYSTEM

Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities
June 30, 2017

TOTAL GOVERNMENTAL FUND BALANCES		$ 142,890,861
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		
Nondepreciable	$ 251,083,445	
Depreciable, net of accumulated depreciation	1,155,922,642	1,407,006,087
Other assets are not available to pay for current-period expenditures and, therefore, are deferred inflows of resources in the governmental funds.		2,690,392
Deferred outflows of resources and deferred inflows of resources related to the School System's pension plans are applicable to future periods and, therefore, are not reported in the governmental funds.		
Contributions subsequent to the measurement date	99,311,014	
Changes in proportion and differences between School System contributions and proportionate share of contributions	17,745,963	
Gains or losses resulting from differences between expected and actual experience	8,985,423	
Net difference between projected and actual earnings on pension plan investments	78,743,625	
Differences resulting from changes in actuarial assumptions	15,633,013	
Gains or losses resulting from differences between expected and actual experience	(7,440,058)	
Changes in proportion and differences between School System contributions and proportionate share of contributions	(18,315,486)	194,663,494
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
Accrued interest payable	(1,437,064)	
Capital leases payable	(1,068,805)	
Certificates of participation	(76,740,000)	
Intergovernmental agreement - City of Atlanta	(3,612,675)	
Compensated absences	(3,981,277)	
Workers compensation claims payable	(5,915,911)	
Contingent liabilities	(20,000)	
Net pension liabilities	(1,097,870,624)	(1,190,646,356)
NET POSITION OF GOVERNMENTAL ACTIVITIES		$ 556,604,478

See accompanying notes to the basic financial statements.

ATLANTA INDEPENDENT SCHOOL SYSTEM

Statement of Revenues, Expenditures, and Changes in Fund Balances

Governmental Funds

For the Fiscal Year Ended June 30, 2017

	General Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES				
Local taxes	$ 518,224,539	$ -	$ -	$ 518,224,539
Sales tax income	-	93,790,758	-	93,790,758
State revenues	196,882,236	-	6,066,152	202,948,388
Federal revenues	1,139,105	3,411,020	81,719,476	86,269,601
Investment income	1,073,147	91,805	-	1,164,952
Facility rental fees	1,262,666	-	-	1,262,666
Tuition charges	12,190	-	-	12,190
Charges for services	3,705,644	-	1,273,502	4,979,146
Other	7,525,758	-	4,861,413	12,387,171
TOTAL REVENUES	729,825,285	97,293,583	93,920,543	921,039,411
EXPENDITURES				
Current:				
Instruction	468,309,286	-	30,354,552	498,663,838
Support services:				
Pupil services	44,031,586	-	6,995,751	51,027,337
Improvement of instructional services	27,717,354	-	20,253,577	47,970,931
Educational media	8,231,236	-	187,268	8,418,504
Federal grant administration	-	-	2,145,806	2,145,806
General administration	9,149,035	-	1,921,253	11,070,288
School administration	41,709,474	-	155,131	41,864,605
Business administration	7,639,151	-	36,507	7,675,658
Maintenance and operation of facilities	80,499,796	7,297,815	168,934	87,966,545
Student transportation	30,885,137	1,226,298	1,903,737	34,015,172
Central support	16,251,001	392,670	1,778,783	18,422,454
Other support services	572,663	-	395,029	967,692
Nutrition	419,100	-	29,955,212	30,374,312
Capital outlays	-	51,663,723	-	51,663,723
Debt service:				
Principal	1,988,035	6,995,000	-	8,983,035
Interest and fiscal charges	401,977	4,378,892	-	4,780,869
TOTAL EXPENDITURES	737,804,831	71,954,398	96,251,540	906,010,769
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(7,979,546)	25,339,185	(2,330,997)	15,028,642
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	2,550,527	2,550,527
Transfers out	(2,550,527)	-	-	(2,550,527)
Proceeds from sale of capital assets	1,199,298	-	-	1,199,298
TOTAL OTHER FINANCING SOURCES (USES)	(1,351,229)	-	2,550,527	1,199,298
NET CHANGE IN FUND BALANCES	(9,330,775)	25,339,185	219,530	16,227,940
FUND BALANCES - BEGINNING OF FISCAL YEAR	94,937,683	19,120,482	12,604,756	126,662,921
FUND BALANCES - END OF FISCAL YEAR	$ 85,606,908	$ 44,459,667	$ 12,824,286	$ 142,890,861

See accompanying notes to the basic financial statements.

ATLANTA INDEPENDENT SCHOOL SYSTEM

Reconciliation of Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Government-wide Statement of Activities

For the Fiscal Year Ended June 30, 2017

NET CHANGES IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS		$ 16,227,940
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeded capital outlay in the current period.		
Depreciation expense	$ (50,873,477)	
Capital outlay	34,723,618	(16,149,859)
In the statement of activities, only the gain or loss on the disposal of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the net book value of the assets disposed.		
Gain on the sale of capital assets	909,142	
Proceeds from the sale of capital assets	(1,199,298)	(290,156)
Revenues in the statement of activities that do not provide current financial resources are reported as unavailable revenues in the governmental funds.		
Property taxes	(3,249,998)	
State revenues	212,426	(3,037,572)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of the differences in the treatment of long-term debt and related items.		
Principal retirement - capital leases	1,045,535	
Principal retirement - certificates of participation	7,750,000	
Principal retirement - intergovernmental agreement	187,500	
Amortization of bond premium	188,997	9,172,032
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Compensated absences	630,674	
Workers compensation claims payable	620,398	
Contingent legal liabilities	371,286	
Pension expense	682,194	
Accrued interest payable	185,156	2,489,708
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES		$ 8,412,093

See accompanying notes to the basic financial statements.

ATLANTA INDEPENDENT SCHOOL SYSTEM

Statement of Fiduciary Assets and Liabilities

June 30, 2017

	Agency Fund Local School Club and Class Funds
ASSETS	
Cash and cash equivalents	$ 685,818
LIABILITIES	
Due to local schools and student groups	$ 685,818

See accompanying notes to the basic financial statements.



2017 Notes to the Basic Financial STATEMENTS

Jaylyn Flower
South Atlanta High School

Atlanta Independent School System

Notes to the Basic Financial Statements

June 30, 2017

A. Summary of Significant Accounting Policies

The financial statements of the School System have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The more significant of the School System's accounting policies are summarized here.

1. Reporting Entity

The Atlanta Independent School System (School System or the District) was established by the Georgia State Legislature and is composed of nine publicly elected members serving four-year terms. The School System has the authority to approve its own budget and to provide for the levy of taxes to cover the cost of operations and maintenance and to cover debt service payments. Additionally, the School System has decision-making authority, the power to approve selection of management personnel, the ability to significantly influence operations, and primary accountability for fiscal matters. Accordingly, the School System is a primary government and consists of all the organizations that compose its legal entity.

2. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the School System and its component units (if any). As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. However, any interfund services provided and used are not eliminated as this process would distort the direct costs and program revenues reported in the various functions. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *Business-type activities*, which rely to a significant extent on fees and charges for support.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) fees and charges to applicants who use, or directly benefit from goods, services or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the governmental fund financial statements.

3. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. The agency fund does not have a measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the fiscal year for which they are levied. Grants, private donations, and similar items are recognized as revenue in the fiscal year in which all eligibility requirements imposed by the provider have been satisfied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the School System considers revenues from taxes to be available if they are collected within 30 days of the end of the current fiscal period. Other revenues susceptible to accrual are considered available if they are collected within 180 days of the end of the current fiscal period.

The State of Georgia reimburses the School System for teachers' salaries and operating costs through the Quality Basic Education (QBE) Formula Earnings program. State of Georgia law defines the formula driven grant that determines the cost of an academic school year and the State of Georgia's share in this cost. Generally, teachers are contracted for the fiscal year (July 1 – June 30) and paid over a twelve month contract period, generally August 31 through August 15. In accordance with the requirements of the enabling legislation of the QBE program, the State of Georgia reimburses the School System over the same twelve month period in which teachers are paid, funding the academic school year expenditures. At June 30, the amount of teachers' salaries incurred but not paid until July and August of the subsequent year are accrued as the State of Georgia has only postponed the final payment of their share of the cost until the subsequent appropriations for cash management purposes. By June 30 of each fiscal year, the State of Georgia has a signed appropriation that includes this final amount, which represents the State of Georgia's intent to fund this final payment. Based on guidance in Governmental Accounting Standards Board (GASB) Statement No. 33, paragraph 74, the State of Georgia recognizes its QBE liability for the July and August salaries at June 30, and the School System recognizes the same QBE as a receivable and revenue, consistent with symmetrical recognition.

Property taxes, sales taxes, intergovernmental revenues, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the School System.

Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Fund Financial Statements

The School System uses funds to segregate transactions related to certain School System functions or activities in order to maintain its financial records during the fiscal year. Fund financial statements are provided for governmental and fiduciary funds.

Governmental Funds – Governmental funds are those through which most governmental functions are typically financed. Governmental funds employ the financial position measurement focus and are accounted for on the modified accrual basis of accounting at the fund level. Major individual governmental funds are reported in separate columns. All remaining governmental funds are aggregated and reported as nonmajor funds.

The School System reports the following major governmental funds:

General Fund - The General Fund is the School System's primary operating fund. It accounts for all financial transactions of the School System, except those required to be accounted for in another fund.

Capital Projects Fund - This fund accounts for resources which are used exclusively for acquiring school sites, constructing and equipping new school facilities, and renovating existing facilities. The major revenue sources are from debt proceeds, bond sales, property taxes, the State of Georgia, and special purpose local option sales tax (SPLOST). SPLOST receipts are tax proceeds required to be used for capital outlay for educational purposes as authorized by local referendum.

Fiduciary Funds – Fiduciary funds account for assets held by the School System in a trustee capacity or as an agent on behalf of others.

The School System reports the following fiduciary fund:

Agency Fund - This fund is used to account for local school student club and class accounts. It is custodial in nature, and does not involve measurement of the results of operations.

The fiduciary fund is excluded from the government-wide financial statements.

4. Assets, Liabilities, and Net Position or Equity

a. Cash Equivalents

The School System considers all highly liquid investments with a maturity of three months or less when purchased from authorized financial institutions to be cash equivalents. Georgia Law, OCGA 45-8-14, authorizes the School System to deposit its funds in one or more solvent banks or insured Federal savings and loan associations.

b. Investments

The Official Code of Georgia Annotated Section 36-83-4 authorizes the School System to invest its funds. In selecting among options for investment or among institutional bids for deposits, the highest rate of return shall be the objective, given equivalent conditions of safety and liquidity. Funds may be invested in the following:

1) Obligations issued by the State of Georgia or by other states;

2) Obligations issued by the United States Government;

3) Obligations fully insured or guaranteed by the United States Government or a United States government agency;

4) Obligations of any corporation of the United States Government;

5) Prime banker's acceptances;

6) The Local Government Investment Pool (i.e., Georgia Fund 1) administered by the State of Georgia, Office of Treasury;

7) Repurchase agreements; and

8) Obligations of other political subdivisions of the State of Georgia.

The local government investment pool, "Georgia Fund 1," created by OCGA 36-83-8, is a stable asset value investment pool, which follows Standard and Poor's criteria for AAAf rated money market funds and is regulated by the Georgia Office of the State Treasurer. The pool is not registered with the SEC as an investment company. The pool's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal ($1 per share value). The asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participants' shares sold and redeemed based on $1 per share. The pool also adjusts the value of its investments to fair market value as of year-end and the School System's investment in the Georgia Fund 1 is reported at fair value. The School System considers amounts held in Georgia Fund 1 as cash equivalents for financial statement presentation. Increases or decreases in the fair value during the year are recognized as a component of interest income.

c. Receivables

Receivables consist of amounts due from property and sales taxes, grant reimbursements due on federal, state, private donations or other grants for expenditures made but not reimbursed, and other receivables disclosed from information available. Receivables are recorded when either the asset or revenue recognition criteria has been met.

d. Inventories and Prepaid Items

Inventories are valued at cost using the first-in, first-out method of accounting. The costs of food services fund inventories are recorded as expenditures when consumed (consumption method).

Payments made to vendors for services that will benefit periods beyond June 30, 2017 are recorded as prepaid items in both the government-wide and fund financial statements. In the fund financial statements, these items are recorded as expenditures when consumed (consumption method).

e. Capital Assets

Capital assets purchased, including capital outlay costs, are recorded as expenditures in the fund financial statements at the time of purchase (including ancillary charges). On the government-wide financial statements, all purchased capital assets are valued at cost where historical records are available and at estimated historical cost based on appraisals or deflated current replacement cost where no historical records exist. Donated capital assets are recorded at their estimated acquisition value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not included in the cost of capital assets. The School System does not capitalize book collections or works of art.

Capitalization thresholds and estimated useful lives of capital assets reported in the government-wide statements and proprietary funds are as follows:

	Capitalization Policy	Estimated Useful Life
Land	All	N/A
Land Improvements	$ 50,000	10 to 20 years
Buildings	50,000	20 to 50 years
Building Improvements	50,000	10 to 30 years
Furniture & Fixtures	50,000	3 to 15 years
Vehicles	50,000	5 to 8 years
Equipment	50,000	3 to 15 years
Capital Leases	50,000	3 to 8 years
Intangible Assets	50,000	5 to 10 years

Depreciation is computed using the straight-line method over the estimated useful life of the assets.

f. Compensated Absences

The Atlanta Independent School System's Board authorizes annual leave for personnel employed on a twelve-month basis as follows: less than ten years of service 3.750 hours per pay period; ten to twenty years of service 4.875 hours per pay period; and twenty or more years of service 5.625 hours per pay period. Employees on 220-day assignment prior to May 13, 1986 who continue in said assignment are authorized annual leave as follows: less than 10 years of service 1.0227 hours per pay period; ten to twenty years of service 2.0454 hours per pay period; and twenty or more years of service 3.0681 hours per pay period. An employee may accrue annual leave days up to a maximum of 225 hours (30 working days). Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive salary related compensation are attributable to services already rendered and it is probable that the School System will compensate the employees for the benefits through paid time off or some other means. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported as long-term obligations in the government-wide financial statements and are not liabilities of the governmental funds.

g. Long-term Obligations

In the governmental-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or business-type activities statement of net position. Long-term debt and other long-term liabilities that will be paid from governmental funds are not recognized as a liability in the fund financial statements until due but are reported in the government-wide statements as long-term debt.

h. Implementation of New GASB Standards

In fiscal year 2017, the School System implemented GASB Statement No. 77, *Tax Abatement Disclosures*. The implementation of this Standard required the School System to disclose the gross dollar amount of taxes abated during the period as a result of agreements entered into by other governments that have impacted the School System. Additional information about this new standard can be found in Note S.

i. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Teachers Retirement System of Georgia (TRS) and additions to/deductions from TRS's fiduciary net position have been determined on the same basis as they are reported by TRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City of Atlanta General Employees' Pension Plan (the "Plan") and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

j. Fund Equity

In the fund financial statements, governmental funds report limitations on the purpose for which all or a portion of the resources of the fund balance can be used. The limitations can vary depending upon their source. Financial statements for governmental funds report up to five components of fund balance:

Nonspendable – Fund balance amounts that cannot be spent either because they are in a nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted – Fund balance amounts that can be spent only for specific purposes because of state or federal laws, or externally imposed conditions by grantors or creditors.

Committed – Fund balance amounts that can be used only for specific purposes determined by formal action by the Board of Education. The Board of Education is the School District's highest level of decision-making authority and the formal action that is required to be taken to establish, modify, or rescind a fund balance commitment is a resolution approved by the Board.

Assigned – Fund balance amounts are reported as assigned when amounts are constrained by the School System's intent to be used for specific purposes, but are neither restricted nor committed. The Board has expressly delegated the Superintendent or designee (Chief Financial Officer) the authority to assign fund balances for a particular purpose.

Unassigned – Residual fund balance that has not been restricted, committed or assigned to specific purposes or other funds. The School System reports positive unassigned fund balance only in the General Fund. Negative unassigned fund balances may be reported in all funds.

When multiple categories of fund balance are available for expenditure, the School System will use restricted amounts first, and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, the School System will use fund balance in the following order: committed, assigned, and then unassigned.

k. Net Position

Net position represents the difference between assets, deferred outflows of resources, deferred inflows of resources, and liabilities in reporting which utilizes the economic resources measurement focus. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net position is reported as unrestricted.

The School System applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net positions are available.

l. Deferred Outflows of Resources and Deferred Inflows of Resources

In addition to liabilities, the governmental funds balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of fund balance that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The School System has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenue from property taxes and intergovernmental grants as these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available.

The School System also has deferred inflows of resources and deferred outflows of resources related to the recording of changes in its net pension liability. Certain changes in the net pension liability are recognized as pension expense over time instead of all being recognized in the year of occurrence. Experience gains or losses result from periodic studies by the School System's actuary which adjust the net pension liability for actual experience for certain trend information that was previously assumed, for example the assumed dates of retirement of Plan members. These experience gains or losses are recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension expense over the expected remaining service lives of Plan members. Changes in actuarial assumptions, changes in proportion, and the difference between School System contributions and the proportionate share of contributions, which adjust the net pension liability, are also recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension expense over the expected remaining service lives of Plan members. The difference between projected investment return on pension investments and actual return on those investments is also deferred and amortized against pension expense over a five-year period. Additionally, any contributions made by the School System to the pension plan before fiscal year end but subsequent to the measurement date of the School System's net pension liability are reported as deferred outflows of resources.

Use of Estimates

The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the amounts of assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenue, and expenses including the disclosure of contingent assets and liabilities. Actual amounts could differ from those estimates.

Worker's Compensation:

The School System recognizes in the government-wide statements the liabilities for estimated losses to be incurred from pending worker compensation claims and for worker compensation claims incurred but not reported (IBNR). IBNR claims are estimates of claims that are incurred through the end of the fiscal year but have not yet been reported. These liabilities are based on actuarial valuations.

B. Budgets and Budgetary Accounting

Atlanta Independent School System employs zero-based budgeting for budget preparation. The zero-based budgeting process provides for the identification and prioritization of School System activities and resources starting from zero, and accumulating to the targeted funding level. Each activity is linked to the goal, objectives, and mission of the System and ranked as to its importance. As the proposed budget moves through each level of the organization, program activities and goals are aggregated further and ranked again. The final budget produced, and presented is one, which includes all program activities ranked in order of importance in reaching the System's mission. The District's basis of budget presentation is in accordance with GAAP.

The School System follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Budget requests are normally completed in January.

2. Proposed budgets are consolidated and reviewed by the Budget Department, then submitted to the Senior Cabinet of the District and Budget Commission for additional review prior to the approval by the Atlanta Independent School System's Board.

3. Public hearings on the proposed budget are normally held in March and April.

4. The annual budget is legally adopted by the Board in April for the General Fund and Special Revenue Funds.

5. The administrative level of budgetary control upon adoption is at the program level. Transfer of budgeted amounts between object categories within programs requires the approval of the budget center manager.

6. Revenues and expenditures of the Capital Projects Fund are budgeted on an annual basis.

7. The Atlanta Independent School System's Board approves the budget for the Special Revenue Funds as a whole, which is the legal level of budgetary control (the level at which expenditures may not legally exceed appropriations). The combined Special Revenue Funds budget to actual schedule does not include the Proprietary Fund, which is included when provided to the board for approval.

C. Excess Expenditures over Appropriations of Individual Funds

GENERAL FUND		
Pupil Services	$	1,111,047
Educational Media		39,443
Maintenance and Operation of Facilities		131,762
Student Transportation		1,233,039
Other Support Services		28,300
Nutrition		22,579
Debt Service - Principal		1,157,648
Transfers out		99,404
SPECIAL REVENUE - COMBINED		
Educational Media	$	67,268

These expenditures in excess of appropriations were funded by greater than anticipated revenues and available fund balance, as applicable. For financial statement purposes, the General Fund includes revenues of $3,891,927 and expenditures of $3,770,682 resulting from local school activity accounts. The District does not budget for these Pupil Service specific expenditures.

D. Deposits and Investments Risks

Deposits (Governmental Funds)

The School System's cash and investment policy limits deposits to demand and money market accounts and time deposits at local banks. The School System's deposits shall be secured by Federal Deposit Insurance Corporation (FDIC) coverage and/or bank pledges. State statutes require banks holding public funds to secure the funds by FDIC insurance, securities pledged at par value, and surety bonds at face value in combined aggregate totaling not less than 110 percent of the public funds held. State statutes define acceptable security for collateralization.

At June 30, 2017, all investments of the School System were invested in Georgia Fund 1, the local government investment pool administered by the State of Georgia. The Georgia Fund 1 investment pool is not subject to credit risk classification and the carrying amount of $90,907,392 is reported at fair value. The Georgia Fund 1 was rated AAAf by Standard & Poor's.

Credit risk, value, and interest rate risk at June 30, 2017 are as follows:

Credit Risk	Fair Value	Interest Risk
AAAf rated	$90,907,392	26 day WAM

Categorization of Deposits

As of June 30, 2017, all of the School System's deposits were covered either by FDIC or collateralized by the financial institution or a combination of both.

Categorization of Investments

The School System's investments as of June 30, 2017 are presented in this table. All investments are presented by investment type and debt securities are presented by maturity.

Investment	Fair Value	Investment Maturity Less than One Year
Georgia Fund 1	$ 90,907,392	$ 90,907,392

Interest Rate Risk

Interest rate risk is the risk that a fixed income investment's value will decrease due to a change in the absolute level of interest rates. The School System's investment management policy limits investment maturities to 3 years as a means of managing its exposure to fair value losses arising from increasing interest rates.

Custodial Credit Risk

Custodial credit risks for investments, is the risk that in the event of the failure of the counterparty, the School System will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Because of the collateralization requirements, the School System has no custodial credit risk for its investments.

Credit Quality Risk

Credit quality risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The School System's policy for managing credit quality risk related to community bank certificates of deposits and repurchase agreements states such investments will only be purchased through banks having at least an AA rating.

The investment policy states Repurchase Agreements may only be purchased from a financial institution that has short-term ratings of AA or higher by Standard & Poor's (S&P) or Aa2 by Moody's.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss that may be attributed to the magnitude of a government's investment in a single issuer. The School System has a policy concerning the composition of its investment portfolio and is in compliance with its investment policy.

The investment policy establishes that eligible investments individually are not to exceed the following composition in the portfolios of the General Fund and the Capital Projects Fund:

U.S. Treasury Bills	100%
Federal Agencies (No more than 40% per issuer)	65%
Repurchase Agreements	30%
State of Georgia - Georgia Fund 1	100%
Bank Special Purpose Money Market Funds	25%
Certificates of Deposit	10%
Municipal Securities (No more than 5%)	25%

As of June 30, 2017, the District had 100% of its investments invested in the Georgia Fund 1.

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or deposit. Foreign Investments are prohibited by law in Georgia.

Fair Value Measurements

The School System categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

The Georgia Fund 1 is an investment pool which does not meet the criteria of GASB Statement No. 79 and is thus valued at fair value in accordance with GASB Statement No. 31. As a result, the School System does not disclose the investment in the Georgia Fund 1 within the fair value hierarchy.

E. Due from Other Governments

Due from other governments consists of grant reimbursements due primarily from the Georgia Department of Education for expenditures incurred, but not yet reimbursed and amounts due from City of Atlanta for bonds issued and unspent tax collections, collected and held by the City of Atlanta on behalf of the School System.

F. Property Taxes and Other Receivables

Property taxes are normally levied and billed by July 1, based on property values assessed as of January 1, on all real and personal property located within the City of Atlanta. Property taxes are due by October 15 at which time they become delinquent and penalties and interest may be assessed, and liens may be attached to property. An allowance has been established for estimated amounts that will not be collected. The School System considers revenues to be available if they are collected within 30 days of the end of the current fiscal year.

	Property Tax Receivables	Allowance for Uncollectible	Net Property Tax Receivables
General Fund	$ 18,314,051	$ (13,540,170)	$ 4,773,881

	Other Receivables	Allowance for Uncollectible	Net Other Receivables
General Fund	$ 362,366	$ (89,522)	$ 272,844

	SPLOST Tax Receivables	Allowance for Uncollectible	Net SPLOST Receivables
Capital Projects Fund	$ 7,725,947	$ -	$ 7,725,947

	Other Receivables	Allowance for Uncollectible	Net Other Receivables
Nonmajor governmental funds	$ 245,197	$ -	$ 245,197

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G. Capital Assets

The following is a summary of changes in capital assets during the fiscal year ended June 30, 2017:

	Beginning Balance	Increases	Decreases & Transfers to In Service	Ending Balance
Governmental Activities:				
Land	$ 117,828,938	$ -	$ (26,775)	$ 117,802,163
Construction in Progress	146,263,985	34,440,580	(47,423,283)	133,281,282
Total Non-Depreciable Assets	264,092,923	34,440,580	(47,450,058)	251,083,445
Buildings	1,216,510,611	-	(320,348)	1,216,190,263
Building Improvements	379,035,756	41,030,530	-	420,066,286
Land Improvements	57,594,713	6,392,753	-	63,987,466
Equipment	15,079,199	-	-	15,079,199
Furniture & Fixtures	56,030	-	-	56,030
Vehicles	30,673,568	283,038	(350,914)	30,605,692
Total Depreciable Assets	1,698,949,877	47,706,321	(671,262)	1,745,984,936
Total at Historical Cost	1,963,042,800	82,146,901	(48,121,320)	1,997,068,381
Less Accumulated Depreciation				
Buildings	364,582,701	23,830,783	(310,522)	388,102,962
Building Improvements	116,818,070	21,575,817	-	138,393,887
Land Improvements	18,454,750	3,288,564	-	21,743,314
Equipment	13,442,385	792,374	-	14,234,759
Furniture & Fixtures	39,688	5,603	-	45,291
Vehicles	26,259,104	1,380,336	(97,359)	27,542,081
Total Accumulated Depreciation	539,596,698	50,873,477	(407,881)	590,062,294
Govermental Activities Capital Assets, Net	$ 1,423,446,102	$ 31,273,424	$ (47,713,439)	$ 1,407,006,087

Depreciation expense was charged to governmental functions as follows:

Instruction	$ 45,852,149
Support Services:	
Educational Media Services	14,961
Support Services - Business	1,725,912
Maintenance & Operations	1,892,955
Student Transportation	1,357,700
Nutrition	29,800
Total	$ 50,873,477

H. Short-term Debt and Obligations

Tax Anticipation Note

On September 13, 2016, the School System issued a tax anticipation note (TAN) with a local financial institution. The note was issued in the face amount of $60,000,000 at a premium of $115,200. The TAN was secured by tax revenues to be received by the School System from the Fulton County Tax Commissioner. Interest accrued on the TAN at a rate of 1.50% and was due and payable on December 28, 2016 which was the scheduled maturity date. The School System retired the TAN in full on December 23, 2016, paying interest on the short-term debt in the amount of $148,080.

I. Long-term Debt and Obligations

Capital Leases

The School System has entered into various lease agreements for the purchase of equipment. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at present value of the future minimum lease payments as of the date of inception.

The capital assets acquired through capital leases are as follows:

Asset	Governmental Activities
Buses	$ 9,984,496
Less: Accumulated depreciation	(9,984,496)
	$ -

The following is a schedule of the future minimum lease payments under capital leases and the total present value:

Fiscal Year Ending	Governmental Activities
2018	$ 1,092,703
Total minimum payments	1,092,703
Less: Amount representing interest	(23,898)
Present value of minimum payments	$ 1,068,805

Intergovernmental Agreement

Over the years, the City of Atlanta has issued various annual general obligation bonds and general obligation refunding bonds on behalf of the School System. The debt service for the bonds has been funded through the School System's bonded debt portion of the annual tax levy. The maturity date for the bond is June 30, 2027. The bonded debt portion of property taxes collected by the City on behalf of the School System is retained by the City and used to pay the annual debt service on the outstanding bonds. The debt service payments are calculated using assumptions and estimates based on the most current information available. As of June 30, 2017, $3,440,290 is available and held by the City.

General Obligation Bonds currently outstanding at the City of Atlanta on behalf of the School System are as follows:

Purpose	Interest Rate		Amount
Governmental Activities	3-5%	$	3,612,675

In prior fiscal years, the City of Atlanta and the School System defeased certain bonds by placing funds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the School System's basic financial statements. At June 30, 2017, $21,320,000 of bonds is outstanding and is considered defeased.

Education Reform Success, Inc. (ERS)

In October 2006, ERS issued certificates of participation (COPS) on behalf of the School System in the amount of $10,115,000. The proceeds from the certificates were used to finance the renovations and improvements to the Instructional Service Center.

In June 2011, ERS issued COPS on behalf of the School System in the amount of $104,415,000 (Series 2011A, $72,460,000) and (Series 2011B, $31,955,000). The proceeds from the certificates were used to finance the construction and renovation of North Atlanta High School. Payments are due on March 1 and September 1 of each year until maturity. Maturity dates for Series 2011A and Series 2011B are March 1, 2027 and March 1, 2017 respectively. Interest rates vary from 5.457% to 5.657% for Series 2011A and from 2% to 5% for Series 2011B.

Changes in long-term debt and obligations during the fiscal year ended June 30, 2017 were as follows:

	Beginning Balance	Additions	Deductions	Ending Balance	Amounts Due within One Year
Governmental activities:					
Long-term debt					
Capital leases	$ 2,114,340	$ -	$ (1,045,535)	$ 1,068,805	$ 1,068,805
Intergovernmental agreement-					
City of Atlanta	3,800,175	-	(187,500)	3,612,675	188,375
ERS, Inc (COPS, Series 2006/2007)	5,035,000	-	(755,000)	4,280,000	790,000
ERS, Inc (COPS, Series 2011A)	72,460,000	-	-	72,460,000	-
ERS, Inc (COPS, Series 2011B)	6,995,000	-	(6,995,000)	-	-
Unamortized premium 2011B	188,997	-	(188,997)	-	-
Total long-term debt	90,593,512	-	(9,172,032)	81,421,480	2,047,180
Other long-term liabilities					
Net pension liabilities	966,906,833	258,145,455	(127,181,664)	1,097,870,624	-
Compensated absences	4,611,951	3,468,562	(4,099,236)	3,981,277	3,264,720
Contingent legal liabilities	391,286	20,000	(391,286)	20,000	20,000
Workers' compensation	6,536,309	3,576,465	(4,196,863)	5,915,911	2,678,815
Total other long-term liabilities	978,446,379	265,210,482	(135,869,049)	1,107,787,812	5,963,535
Total long-term obligations	$ 1,069,039,891	$ 265,210,482	$ (145,041,081)	$ 1,189,209,292	$ 8,010,715

The General Fund has been typically used to liquidate the liability for the net pension liabilities, compensated absences, contingent liabilities, and workers' compensation.

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At June 30, 2017, payments due by fiscal year, which include principal and interest for the capital leases, intergovernmental agreement payable, and COPS debt are as follows:

Fiscal Year Ending	Capital Leases		Intergovernmental Agreements City of Atlanta	
	Principal	Interest	Principal	Interest
2018	$ 1,068,805	$ 23,898	$ 188,375	$ 142,165
2019	-	-	227,300	138,570
2020	-	-	864,525	120,765
2021	-	-	921,225	84,935
2022	-	-	817,175	45,380
2023-2027	-	-	594,075	70,766
Total Principal and Interest	$ 1,068,805	$ 23,898	$ 3,612,675	$ 602,581

Fiscal Year Ending	Education Reform Success, Inc. Certificates of Participation 2006/2007		Education Reform Success, Inc. Certificates of Participation 2011A	
	Principal	Interest	Principal	Interest
2018	$ 790,000	$ 176,742	$ -	$ 4,029,142
2019	820,000	144,120	-	4,029,142
2020	855,000	110,258	-	4,029,142
2021	890,000	74,950	-	4,029,142
2022	925,000	38,200	-	4,029,142
2023-2027	-	-	72,460,000	16,305,177
Total Principal and Interest	$ 4,280,000	$ 544,270	$ 72,460,000	$ 36,450,887

J. Inter-fund Receivables

Inter-fund Receivables and payables balances as of June 30, 2017 are as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Nonmajor Funds	$ 9,628,729
Nonmajor Funds	Nonmajor Funds	2,590,250
Nonmajor Funds	Capital Projects Fund	377,026
Nonmajor Funds	General Fund	110,383
		$ 12,706,388

During the course of its operations, the School System makes transfers between funds to finance operations, provide services, and acquire assets. To the extent that certain transfers among funds had not been received as of fiscal year-end, balances of inter-fund amounts receivable or payable have been recorded. It is management's intent to repay inter-fund balances within the next fiscal year**.**

K. Inter-fund Transfers

Transfers within the governmental funds for the fiscal year ended June 30, 2017 are as follows:

	Transfers In	Transfers Out
Governmental funds:		
General Fund	$ -	$ (2,550,527)
Nonmajor Governmental Funds	2,550,527	-
	$ 2,550,527	$ (2,550,527)

Transfers were used to fund grant matching requirements in nonmajor governmental funds.

L. Risk Management

The School System is exposed to various risks of losses related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The School System is self-insured for workers' compensation claims and unemployment compensation. The School System purchases commercial insurance in amounts deemed prudent by management for all other risks of loss. Settled claims have not yet exceeded purchased commercial insurance coverage in any of the past three fiscal years.

Unemployment Compensation

The School System is self-insured for unemployment compensation. The state bills the School System quarterly for the outstanding claims and the School System pays the claims at that time. Changes in the unemployment compensation claims liability during the last two fiscal years are as follows:

	Beginning of Fiscal Year Liability	Claims and Changes in Estimates	Claims Paid	End of Fiscal Year Liability
Fiscal year 2016	$ -	$ 224,580	$ (224,580)	$ -
Fiscal year 2017	$ -	$ 224,653	$ (224,653)	$ -

Workers' Compensation

The School System is fully self-insured for workers' compensation claims of its employees. The School System accounts for claims within the General Fund with expenditures and liabilities being reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. An accrued liability for the estimated costs of claims and related settlement costs incurred but not paid and/or reported as of fiscal year-end is reported on the governmental activities financial statements. The calculation of the present value of future workers' compensation liabilities is based on a discount rate of 3.5%. There have not been any significant changes in insurance coverage from the prior fiscal year.

	Beginning of Fiscal Year	Claims and Changes in Estimates	Claims Paid	Balance at End of Fiscal Year
Fiscal year 2016	$ 4,879,416	$ 4,069,376	$ (2,412,483)	$ 6,536,309
Fiscal year 2017	$ 6,536,309	$ 3,576,465	$ (4,196,863)	$ 5,915,911

M. Nonmonetary Transactions

The School System received from the United States Department of Agriculture through the Georgia Department of Education approximately $2,140,358 in donated food commodities for its lunchroom programs. The federally assigned value of these commodities is reflected as revenue and expensed as used in the School Food Service Fund.

N. On-Behalf Payments for Fringe Benefits

The School System has recognized revenues and expenditures in the amount of $197,884 for pension costs paid by the Georgia Department of Education to the Teachers' Retirement System of Georgia on the School System's behalf.

O. Retirement Plans

General Information about the Teachers Retirement System

Plan description: All teachers of the School System as defined in §47-3-60 of the *Official Code of Georgia Annotated* (O.C.G.A.) and certain other support personnel as defined by §47-3-63 are provided a pension through the Teachers Retirement System of Georgia (TRS). TRS, a cost-sharing multiple-employer defined benefit pension plan, is administered by the TRS Board of Trustees (TRS Board). Title 47 of the O.C.G.A. assigns the authority to establish and amend the benefit provisions to the State Legislature. TRS issues a publicly available financial report that can be obtained at www.trsga.com/publications.

Benefits provided: TRS provides service retirement, disability retirement, and death benefits for its members. Normal retirement benefits are determined as 2% of the average of the employee's two highest paid consecutive years of service, multiplied by the number of years of creditable service up to 40 years. An employee is eligible for normal service retirement after 30 years of creditable service, regardless of age, or after 10 years of service and attainment of age 60. Ten years of service is required for disability and death benefits eligibility. Disability benefits are based on the employee's creditable service and compensation up to the time of disability. Death benefits equal the amount that would be payable to the employee's beneficiary had the employee retired on the date of death. Death benefits are based on the employee's creditable service and compensation up to the date of death.

Contributions: Per Title 47 of the O.C.G.A., contribution requirements of active employees and participating employers, as actuarially determined, are established and may be amended by the TRS Board. Pursuant to O.C.G.A. §47-3-63, the employer contributions for certain full-time public school support personnel are funded on behalf of the employer by the State of Georgia. Contributions are expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Employees were required to contribute 6.00 % of their annual pay during fiscal year 2017. The School System's contractually required contribution rate for the fiscal year ended June 30, 2017 was 14.27 % of annual payroll. School System contributions to TRS were $47,311,014 for the fiscal year ended June 30, 2017.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

At June 30, 2017, the School System reported a liability for its proportionate share of the net pension liability that reflected a reduction for support provided to the School System by the State of Georgia for certain public school support personnel. The amount recognized by the School System as its proportionate share of the net pension liability, the related State of Georgia support, and the total portion of the net pension liability that was associated with the School System were as follows:

School System's proportionate share of the net pension liability	$ 603,157,662
State of Georgia's proportionate share of the net pension liability	4,133,857
Total	$ 607,291,519

The net pension liability was measured as of June 30, 2016. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of June 30, 2015. An expected total pension liability as of June 30, 2016 was determined using standard roll-forward techniques. The School System's proportion of the net pension liability was based on contributions to TRS during the fiscal year ended June 30, 2016. At June 30 2016, the School System's proportion was 2.923534%, which was a decrease of 0.102067% from its proportion measured as of June 30, 2015.

For the fiscal year ended June 30, 2017, the School System recognized pension expense of $67,700,716 and revenue of $564,679 for support provided by the State of Georgia for certain support personnel. At June 30, 2017, the School System reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	$ 76,301,928	$ -
Differences between expected and actual experience	8,985,423	2,982,619
Changes of assumptions	15,633,013	-
Changes in proportion and differences between School System contributions and proportionate share of contributions	17,745,963	18,315,486
School System contributions subsequent to the measurement date	47,311,014	-
Total	$ 165,977,341	$ 21,298,105

School System contributions subsequent to the measurement date of $47,311,014 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal year ending June 30:	
2018	$ 14,290,246
2019	14,290,217
2020	42,044,554
2021	26,224,238
2022	518,967
Total	$ 97,368,222

Actuarial assumptions: The total pension liability as of June 30, 2016 was determined by an actuarial valuation as of June 30, 2015 using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Salary increases	3.75 - 9.00%, average, including inflation
Investment rate of return	7.50%, net of pension plan investment expense, including inflation
Post-retirement benefit increases	1.50% semi-annually

Postretirement mortality rates were based on the RP-2000 White Collar Mortality Table with future mortality improvement projected to 2025 with the Society of Actuaries' projection scale BB (set forward one year for males) for service requirements and dependent beneficiaries. The RP-2000 Disabled Mortality table with future mortality improvement projected to 2025 with Society of Actuaries' projection scale BB (set forward two years for males and four years for females) was used for the death after disability retirement. Rates of mortality in active service were based on the RP-2000 Employee Mortality Table projected to 2025 with projection scale BB. There is a margin for future mortality improvements in the tables used by the School System. Based on the results of the most recent experience study adopted by the Board on November 18, 2015, the numbers of expected future deaths are 8-11% less than the actual number of deaths that occurred during the study period for healthy retirees and 9-11% less than expected under the selected table for disabled retirees.

The actuarial assumptions used in the June 30, 2015 valuation were based on the results of an actuarial experience study for the period July 1, 2009 – June 30, 2014.

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected nominal returns, net of pension plan investment expense and the assumed rate of inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset class	Target allocation	Long-term expected real rate of return*
Fixed income	30.00%	-0.50%
Domestic large equities	39.80	9.00
Domestic mid equities	3.70	12.00
Domestic small equities	1.50	13.50
International developed market equities	19.40	8.00
International emerging market equities	5.60	12.00
Total	100.00%	

* Rates shown are net of the 2.75% assumed rate of inflation

Discount rate: The discount rate used to measure the total pension liability was 7.5%. The projection of cash flows used to determine the discount rate assumed that Plan member contributions will be made at the current contribution rate and that employer and State of Georgia contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current Plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the School System's proportionate share of the net pension liability to changes in the discount rate: The following presents the School System's proportionate share of the net pension liability calculated using the discount rate of 7.5%, as well as what the School System's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.5%) or 1-percentage-point higher (8.5%) than the current rate:

	1% Decrease (6.5%)	Current discount rate (7.5%)	1% Increase (8.5%)
School System's proportionate share of the net pension liability	$ 938,822,341	$ 603,157,662	$ 326,793,128

Pension plan fiduciary net position: Detailed information about the pension plan's fiduciary net position is available in the separately issued TRS financial report which is publically available at www.trsga.com/publications.

Payables to the pension plan: As of June 30, 2017, the School System reports a payable to TRS in the amount of $1,726,704. This amount is included in the accounts payable balance reported by the General Fund and is comprised of employer and employee contributions owed to TRS but not yet remitted as of the end of the fiscal year.

General Information about the City of Atlanta General Employee's Pension Plan

Plan Description: All permanent employees of the School System who are not covered under the Teachers' Retirement System of Georgia (TRS) are eligible to participate in the City of Atlanta General Employees' Pension Plan (the "Plan"). In addition, certain School System employees employed prior to July 1, 1979 who participate in TRS may also be eligible to participate in the Plan. The Plan provides retirement and disability benefits, annual cost of living adjustments, and death benefits to Plan members and beneficiaries. Benefits are provided by the Plan whereby retirees receive, initially, 2% of the employee's highest average monthly base compensation over any 36-month period. A participant in the Plan may retire at age 65 or, after 15 years of service, at age 60. Cost-of-living increases are awarded annually, up to a 3% maximum increase.

The Plan is an agent multiple-employer plan administered by a Board of Trustees which includes the Mayor of the City of Atlanta or his/her designee, the City's Chief Financial Officer, one member of the Atlanta City Council, one member of the School System, one member elected by eligible employees of the City, one member elected by eligible employees of the School System, one member elected by retired employees of the School System, and one member elected by retired employees of the City. The Board of Trustees has the authority to establish and amend the benefit provisions of the Plan. The Plan issues a publicly available financial report that includes all financial statements and required supplementary information for the Plan. The report may be obtained from the following address:

GEM Group
225 Peachtree Street, Northeast
Suite 1460
Atlanta, Georgia 30303
404-525-4191

Plan Membership. As of July 1, 2016, the date of the most recent actuarial valuation, the pension plan membership consisted of the following:

Retired participants and beneficiaries currently receiving benefits	2,028
Terminated participants entitled to but not receiving benefits	134
Active Plan members	738
Total	2,900

Contributions. Obligations to contribute to the Plan are subject to minimum funding standards of the Georgia Public Retirement Systems Standards law and are established by the Board of Trustees. Previously, the School System's policy was to contribute to the Plan based on a level percent of payroll amortization method using a closed amortization period with 12.5 years remaining. By resolution adopted by the Atlanta Independent School System's Board on June 2, 2014, the School System changed its funding policy whereby each year's employer contribution will be equal to the prior year's amount, increased by 3%, until the Plan is fully funded. In addition, active participants are required to contribute 7% of pay to the Plan (8% if a participant is married or elects to name a covered beneficiary). For the fiscal year ended June 30, 2017, the School System's contributions to the Plan were $52,000,000.

Net Pension Liability of the School System. The School System's net pension liability was measured as of June 30, 2016. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as July 1, 2015 with update procedures performed by the actuary to roll forward to the total pension liability measured as of June 30, 2016.

Actuarial assumptions. The total pension liability in the July 1, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Salary increases	3.50% plus age-related salary scale
Investment rate of return	7.50%, net of pension plan investment expense, including inflation

Healthy mortality rates were based on the sex-distinct RP-2000 Combined Healthy Mortality Table, set back one year for males only. No provision was made for future mortality improvement after the valuation date as the current tables were determined to contain provision appropriate to reasonably reflect future mortality improvement based on the review of mortality experience for the 2003 through 2011 period.

The actuarial assumptions used in the July 1, 2015 valuation were based on the results of an actuarial experience study for the period January 1, 2003 to June 30, 2011.

Benefits are adjusted annually on January 1 of each year based on the change in the Consumer Price Index from November 1 through October 31 of the preceding year. Such annual adjustments cannot exceed 3%.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2016 are summarized in the following table:

Asset class	Target allocation	Long-term expected real rate of return
Domestic equity	50%	6.80%
Fixed income	25%	1.80
International equity	20%	7.90
Alternative investments	5%	5.90
Cash	—%	—
Total	100%	

Discount rate. The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that Plan member contributions will be made at the current contribution rate and that School System contributions will be made in accordance with the Board of Education's funding policy. For this purpose, only employer contributions that are intended to fund benefits of current Plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future Plan members and their beneficiaries, as well as projected contributions from future Plan members, are not included. Based on these assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments for current Plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in the Net Pension Liability of the School System. The changes in the components of the net pension liability of the School System for the fiscal year ended June 30, 2017, were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at 6/30/16	$ 631,716,126	$ 125,427,000	$506,289,126
Changes for the fiscal year:			
Service cost	4,617,642	-	4,617,642
Interest	45,347,072	-	45,347,072
Differences between expected and actual experience	(8,914,878)	-	(8,914,878)
Contributions—employer	-	50,400,000	(50,400,000)
Contributions—employee	-	1,663,000	(1,663,000)
Net investment income	-	765,000	(765,000)
Benefit payments, including refunds of employee contributions	(54,177,000)	(54,177,000)	-
Administrative expense	-	(202,000)	202,000
Net changes	(13,127,164)	(1,551,000)	(11,576,164)
Balances at 6/30/17	$ 618,588,962	$ 123,876,000	$494,712,962

The required schedule of changes in the School System's net pension liability and related ratios immediately following the notes to the financial statements presents multiyear trend information about whether the value of Plan assets is increasing or decreasing over time relative to the total pension liability.

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the City, calculated using the discount rate of 7.5%, as well as what the School System's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.5%) or 1-percentage-point higher (8.5%) than the current rate:

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
School System's net pension liability	$ 552,393,685	$ 494,712,962	$ 445,325,597

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of June 30, 2016 and the current sharing pattern of costs between employer and employee.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. For the fiscal year ended June 30, 2017, the School System recognized pension expense of $31,492,783. At June 30, 2017, the School System reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	$ 2,441,697	$ -
Differences between expected and actual experience	-	4,457,439
School System contributions subsequent to the measurement date	52,000,000	-
Total	$ 54,441,697	$ 4,457,439

School System contributions subsequent to the measurement date of $52,000,000 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as shown in the following table:

Fiscal Year ending June 30:	
2018	$ (5,078,986)
2019	(621,547)
2020	1,973,758
2021	1,711,033
Total	$ (2,015,742)

P. Postemployment Benefits

Georgia Retiree Health Benefit Fund

Plan Description - The Georgia School Personnel Postemployment Health Benefit Fund (School OPEB Fund) is a cost-sharing multiple-employer defined benefit postemployment healthcare plan that covers eligible former employees of public school systems, libraries, and regional educational service agencies. The School OPEB Fund provides health insurance benefits to eligible former employees and their qualified beneficiaries through the State Employees Health Insurance Plan administered by the Georgia Department of Community Health. The Official Code of Georgia Annotated (OCGA) assigns the authority to establish and amend the benefit provisions of the group health plans, including benefits for retirees, to the Board of Community Health (Board). The Georgia Department of Community Health issues a publicly available financial report that includes financial statements and required supplementary information for the School OPEB Fund. That report may be obtained from the Georgia Department of Community Health at 2 Peachtree Street, Atlanta, Georgia 30303.

Funding Policy - The contribution requirements of Plan members and participating employers are established by the Board in accordance with the current Appropriations Act and may be amended by the Board. Contributions of Plan members or beneficiaries receiving benefits vary based on Plan election, dependent coverage, and Medicare eligibility and election. On average, Plan members pay approximately twenty-five percent (25%) of the cost of health insurance coverage.

Participating employers are statutorily required to contribute in accordance with the employer contribution rate established by the Board. This contribution rate is established to fund all benefits due under the health insurance plans for both the active and retired employees based on projected pay-as-you-go financing requirements. Contributions are not based on the actuarially calculated annual required contribution (ARC) which represents a level of funding that, if paid on an on-going basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

The employer contribution rates for the combined active and retiree plans for the fiscal year ending June 30, 2017, were as follows:

Certificated Employees	
July 2016- June 2017	$945.00 per member per month
Non-Certificated Employees	
July 2016- December 2016	$746.20 per member per month
January 2017- June 2017	$846.20 per member per month

The School System's contribution to the health insurance plans for the fiscal years June 30, 2017, June 30, 2016, and June 30, 2015 were $54,345,805, $51,585,660, and $56,576,015, respectively. These contributions equaled the required contribution/annual OPEB cost.

Q. Commitments and Contingencies

Construction Commitments

The School System has active construction projects as of June 30, 2017. The projects relate to construction, renovation of school buildings, and other projects. At fiscal year-end, the School System's commitments with contractors were $9,823,105.

Litigation and Other Contingencies

The School System is a defendant in various lawsuits, which arose, in the ordinary course of its activities. The School System believes its liability in these matters is $20,000. In addition, the School System has identified cases that either the outcome is reasonably probable but cannot be reasonably estimated or the amount is reasonably estimable; however, the outcome is still uncertain. The School System has estimated $5,935,000 in such cases that is not accrued as a contingent liability as of the June 30, 2017.

In December 2016, the School System received a letter from the City of Atlanta claiming that the School System owes the City related to the City's defeasement of certain City bonds, which included bonds issued by the City for school purposes. The bonds were defeased in 2014 and 2015 with accumulated balances in the City's bond sinking fund. The letter claims that the City disproportionately contributed to the accumulated balances in the debt sinking funds used to defease the bonds and asks the School System to pay to the City $11,146,937. The School System disputes this liability and contends that it is not legally obligated to pay the sums requested by the City. As a result, the School System considers this to be a contingent liability where the amount is reasonably estimable however, the outcome is still uncertain and, therefore, the School System has disclosed this amount that is not accrued in its financial statements as of June 30, 2017.

Amounts received or receivable from the federal government are subject to audit and review by grantor agencies. This could result in requests for reimbursement to the grantor agency for any costs which are disallowed under grant terms. The School System believes that such disallowances, if any, will be immaterial to its overall financial position.

R. Pollution Remediation Obligations

GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*, establishes accounting and financial reporting criteria for liabilities that address current or potential detrimental effects of existing pollution by participating in pollution remediation activities. When one of five obligating events identified by the GASB occurs, the components of the expected pollution remediation outlays must be estimated and a determination made whether the outlays should be accrued as a liability or capitalized when goods and services are acquired, as appropriate. Pollution remediation liabilities must be measured based on the pollution remediation outlays expected to be incurred to settle these liabilities. It must be based on "reasonable and supportable" assumptions of future events that may affect the eventual settlement of the liability, and should be measured and reported at current value. The current value of the liability should be based on applicable federal, state or local laws or regulations that have been approved, regardless of their effective date, and the technology expected to be used for the cleanup.

Outlays for pollution remediation obligations should be recognized as liabilities if goods and services used for pollution remediation activities are liquidated with expendable available financial resources (modified accrual accounting). However, pollution remediation outlays should be capitalized in the government-wide or proprietary fund statements when goods and services are acquired for certain specific purposes; these amounts are recorded as expenditures at the fund level. In government-wide and proprietary fund financial statements, the liability should be recorded at the current value of the costs the government expects to incur to perform the work. This amount should be estimated using the expected cash flow technique, which measures the liability as the sum of probability-weighted amounts in a range of possible estimated amounts – the estimated mean or average.

The School System paid $827,886 during fiscal year 2017 for remediation activities which included removal of mold, asbestos, and other waste from various sites owned by the School System. Each of these activities were undertaken on an as needed basis and completed and thus there is no further liability for remediation activities at these sites.

S. Tax Abatements

For the fiscal year ended June 30, 2017, School System tax revenues were reduced by $7,139,673 and $4,977,068 as a result of agreements entered into by the Development Authority of Fulton County and the City of Atlanta, respectively. Under these agreements, taxes on both real and personal property are reduced based on incentives and economic development programs offered by the Development Authority of Fulton County and the City of Atlanta, respectively.

T. Subsequent Event

On September 8, 2017, the School System issued a short-term Tax Anticipation Note (TAN), Series 2017 in the par amount of $100,000,000. The TAN was issued at a premium of $133,500 and carries an interest rate of 1.07%. The TAN was repaid on December 28, 2017 and the School System's total interest expense on the borrowing was $329,000.



2017 Required Supplementary INFORMATION

Myome Bell
Washington High School

ATLANTA INDEPENDENT SCHOOL SYSTEM

Required Supplementary Information
Schedule of Proportionate Share of Net Pension Liability
Teachers Retirement System of Georgia
For the Fiscal Years Ended June 30

	2017	2016	2015
School System's proportion of the net pension liability	2.923534%	3.025601%	3.069435%
School System's proportionate share of the net pension liability	$ 603,157,662	$ 460,617,707	$ 387,782,626
State of Georgia's proportionate share of the net pension liability associated with the District	4,133,857	2,567,833	2,346,201
Total	$ 607,291,519	$ 463,185,540	$ 390,128,827
School System's covered-employee payroll	$ 320,682,313	$ 319,369,924	$ 313,487,362
School System's proportionate share of the net pension liability as a percentage of its covered-employee payroll	188.09%	144.23%	123.70%
Plan fiduciary net position as a percentage of the total pension liability	76.06%	81.44%	84.03%

Note: Schedule is intended to show information for the last 10 fiscal years. Additional years will be displayed as they become available.

ATLANTA INDEPENDENT SCHOOL SYSTEM

Required Supplementary Information
Schedule of School System's Contributions
Teachers Retirement System of Georgia
For the Fiscal Years Ended June 30

	2017	2016	2015	2014	2013
Contractually required contributions	$ 47,311,014	$ 45,761,366	$ 41,997,145	$ 38,496,248	$ 35,714,946
Contributions in relation to the contractually required contributions	47,311,014	45,761,366	41,997,145	38,496,248	35,714,946
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
School System's covered-employee payroll	331,541,794	320,682,313	319,369,924	313,487,362	313,014,426
Contributions as a percentage of covered-employee payroll	14.27%	14.27%	13.15%	12.28%	11.41%

Contractually required contributions	2012	2011	2010	2009	2008
	$ 33,138,997	$ 32,515,502	$ 32,863,759	$ 30,872,725	$ 29,935,263
Contributions in relation to the contractually required contributions	33,138,997	32,515,502	32,863,759	30,872,725	29,935,263
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
School System's covered-employee payroll	322,363,784	316,298,658	337,410,257	332,680,226	322,578,265
Contributions as a percentage of covered-employee payroll	10.28%	10.28%	9.74%	9.28%	9.28%

Changes of assumptions: In 2010 and later, the expectation of retired life mortality was changed to the RP-2000 Mortality Tables rather than the 1994 Group Annuity Mortality Table, which was used prior to 2010. In 2010, rates of withdrawal, retirement, disability, and mortality were adjusted to more closely reflect actual experience. In 2010, assumed rates of salary increase were adjusted to more closely reflect actual and anticipated experience.

Method and assumptions used in calculations of actuarially determined contributions: The actuarially determined contribution rates in the schedule of contributions are calculated as of June 30, three (3) years prior to the end of the fiscal year in which contributions are reported. The following actuarial methods and assumptions were used to determine the contractually required contributions for the fiscal year June 30, 2017 reported in that schedule:

Valuation date	June 30, 2014
Actuarial cost method	Entry age
Amortization method	Level percentage of payroll, open
Remaining amortization period	30 years
Asset valuation method	7-year smoothed market
Inflation rate	3.00%
Salary increases	3.75 - 7.00%, including inflation.
Investment Rate of Return	7.50%, net of pension plan investment expense including inflation.
Post-Retirement Benefit Increases	1.50% semi-annually

ATLANTA INDEPENDENT SCHOOL SYSTEM

Required Supplementary Information
Schedule of Changes in the School System's
Net Pension Liability and Related Ratios
City of Atlanta General Employees' Pension Fund

	2017	2016	2015
Total pension liability			
Service cost	$ 4,617,642	$ 4,306,062	$ 4,432,230
Interest	45,347,072	46,057,856	46,411,606
Differences between expected and actual experience	(8,914,878)	(5,223,539)	-
Benefit payments, including refunds of employee contributions	(54,177,000)	(55,058,000)	(56,063,000)
Net change in total pension liability	(13,127,164)	(9,917,621)	(5,219,164)
Total pension liability - beginning	631,716,126	641,633,747	646,852,911
Total pension liability - ending (a)	$ 618,588,962	$ 631,716,126	$ 641,633,747
Plan fiduciary net position			
Contributions - employer	$ 50,400,000	$ 48,905,000	$ 48,000,000
Contributions - employee	1,663,000	1,684,000	1,554,000
Net investment income	765,000	819,000	21,358,000
Benefit payments, including refunds of employee contributions	(54,177,000)	(55,058,000)	(56,063,000)
Administrative expense	(202,000)	(278,000)	(1,003,000)
Net change in plan fiduciary net position	(1,551,000)	(3,928,000)	13,846,000
Plan fiduciary net position - beginning	125,427,000	129,355,000	115,509,000
Plan fiduciary net position - ending (b)	$ 123,876,000	$ 125,427,000	$ 129,355,000
School System's net pension liability - ending (a) - (b)	$ 494,712,962	$ 506,289,126	$ 512,278,747
Plan fiduciary net position as a percentage of the total pension liability	20.03%	19.85%	20.16%
Covered-employee payroll	$ 20,072,615	$ 21,786,097	$ 22,914,238
School System's net pension liability as a percentage of covered-employee payroll	2464.62%	2323.91%	2235.64%

Notes to the Schedule:
This schedule will present 10 years of information once it is accumlated

ATLANTA INDEPENDENT SCHOOL SYSTEM

Required Supplementary Information

Schedule of School System's Contributions

City of Atlanta General Employees' Pension Fund

	2017	2016	2015
Actuarially determined contribution	$ 51,900,000	$ 50,400,000	$ 48,900,000
Contributions in relation to the actuarially determined contribution	52,000,000	50,400,000	48,900,000
Contribution deficiency (excess)	$ (100,000)	$ -	$ -
Covered-employee payroll	$ 21,585,554	$ 20,072,615	$ 21,786,097
Contributions as a percentage of covered-employee payroll	240.90%	251.09%	224.46%

Notes to the Schedule

(1) Actuarial Assumptions:

Valuation Date	July 1, 2015
Cost Method	Entry Age Normal
Actuarial Asset Valuation Method	Market value of assets less unrecognized returns in each of the last five years. Unrecognized return is equal to the difference between the actual market return and the expected return on the market value, and is recognized over a five-year period, further adjusted, if necessary, to be within 20% of the market value.
Assumed Rate of Return on Investments	7.50%, net of pension plan investment expense (including inflation)
Projected Salary Increases	3.50% plus age-related salary scale
Cost-of-living Adjustment	3.00%, compounded annually
Amortization Method	Closed level percent of payroll
Remaining Amortization Period	14.1 years remaining
Inflation	2.75%
Retirement Rates	Rates vary from age 50 to 70 for service greater or less than 30 years.
Mortality	Healthy: RP-2000 Combined Healthy Mortality Table Disabled: RP-2000 Disabled Retiree Mortality Table

(2) This schedule will present 10 years of information once it is accumulated.

ATLANTA INDEPENDENT SCHOOL SYSTEM

General Fund

Schedule of Revenues, Expenditures, and Changes in

Fund Balances - Budget and Actual (GAAP BASIS)

For the Fiscal Year Ended June 30, 2017

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Local taxes	$ 515,731,145	$ 515,731,145	$ 518,224,539	$ 2,493,394
Investment income	1,030,000	1,030,000	1,073,147	43,147
Tuition charges	-	-	12,190	12,190
Facility rental fees	1,000,000	1,288,069	1,262,666	(25,403)
State revenues	192,807,017	194,061,839	196,882,236	2,820,397
Federal revenues	1,000,000	1,000,000	1,139,105	139,105
Charges for services	-	-	3,705,644	3,705,644
Other	21,543,069	21,078,123	7,525,758	(13,552,365)
TOTAL REVENUES	$ 733,111,231	$ 734,189,176	$ 729,825,285	$ (4,363,891)
EXPENDITURES				
Current:				
Instruction	$ 469,209,913	$ 482,248,988	$ 468,309,286	$ 13,939,702
Support services				
Pupil services	44,101,224	42,920,539	44,031,586	(1,111,047)
Improvement of instructional services	35,326,020	32,739,208	27,717,354	5,021,854
Educational media	8,986,472	8,191,793	8,231,236	(39,443)
General administration	7,465,568	9,185,549	9,149,035	36,514
School administration	45,159,775	43,191,120	41,709,474	1,481,646
Business administration	8,054,963	9,057,736	7,639,151	1,418,585
Maintenance and operation of facilities	77,764,747	80,368,034	80,499,796	(131,762)
Student transportation	28,694,083	29,652,098	30,885,137	(1,233,039)
Central support	18,277,009	22,008,239	16,251,001	5,757,238
Other support services	-	544,363	572,663	(28,300)
Nutrition	376,521	396,521	419,100	(22,579)
Debt service:				
Principal	830,387	830,387	1,988,035	(1,157,648)
Interest and fiscal charges	469,613	469,613	401,977	67,636
TOTAL EXPENDITURES	744,716,295	761,804,188	737,804,831	23,999,357
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(11,605,064)	(27,615,012)	(7,979,546)	19,635,466
OTHER FINANCING SOURCES (USES)				
Transfers out	(1,446,525)	(2,451,123)	(2,550,527)	(99,404)
Proceeds from sale of capital assets	-	250,000	1,199,298	949,298
TOTAL OTHER FINANCING SOURCES (USES)	(1,446,525)	(2,201,123)	(1,351,229)	849,894
NET CHANGE IN FUND BALANCES	(13,051,589)	(29,816,135)	(9,330,775)	20,485,360
FUND BALANCES - BEGINNING OF FISCAL YEAR	94,937,683	94,937,683	94,937,683	-
FUND BALANCES - END OF FISCAL YEAR	$ 81,886,094	$ 65,121,548	$ 85,606,908	$ 20,485,360

Note: See footnote B and C of the basic financial statements for budgetary policies.



2017 Other Supplementary INFORMATION

India Davis
North Atlanta High School

Combining and Individual Fund Statements and Schedules:

Combining Balance Sheet – Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds

Schedules of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – All Special Revenue Funds:

Title I Fund

Title II Fund

Title VI-B Fund

School Food Service Fund

Lottery Grants Fund

Other Federal Programs Fund

Other Special Projects Fund

Schedules of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Capital Projects Fund

Combining Statement of Changes in Fiduciary Assets and Liabilities – Agency Fund

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenues that are legally restricted or committed for specific purposes.

The School System's Special Revenue Funds have been established primarily on the basis of program purpose and include the following funds and primary funding sources:

Title I Fund was established to account for federal grant funds passed through the Georgia Department of Education to provide remedial education in the areas of reading and mathematics and to provide a special education program for children who are physically handicapped.

Title II Fund was established to account for federal grant funds passed through the Georgia Department of Education, for the purpose of improving teacher quality and increasing the number of highly quality teachers, para-professionals, and principals.

Title VI-B Fund was established to account for federal grant funds passed through the Georgia Department of Education, for the purpose of providing special education programs for children in pre-kindergarten through the twelfth grade.

School Food Service Fund was established to account for the operation of the School System's school nutrition program and includes federal grant funds from the U.S. Department of Agriculture passed through the Georgia Department of Education as well as the charges for services related to meals served at each of the schools.

Lottery Grants Fund was established to account for State of Georgia lottery funds passing through the State of Georgia Department of Education for various programs as established by the state.

Other Federal Programs Fund was established to account for other federal funds for which separate presentation is not considered necessary.

Other Special Projects Fund was established to account for other state and local funds for which separate presentation in not considered necessary.

ATLANTA INDEPENDENT SCHOOL SYSTEM

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2017

	Special Revenue Funds							
	Title I Fund	Title II Fund	Title VI-B Fund	School Food Service Fund	Lottery Grants Fund	Other Federal Programs Fund	Other Special Projects Fund	Total Nonmajor Governmental Funds
ASSETS								
Cash and cash equivalents	$ -	$ -	$ -	$ 9,882,345	$ -	$ -	$ -	$ 9,882,345
Other receivables	-	-	-	245,197	-	-	-	245,197
Due from other governments	7,713,547	656,630	1,864,740	228,323	-	433,221	609,230	11,505,691
Due from other funds	-	-	-	-	100,064	-	2,977,595	3,077,659
Inventory	-	-	-	442,766	-	-	-	442,766
TOTAL ASSETS	$ 7,713,547	$ 656,630	$ 1,864,740	$ 10,798,631	$ 100,064	$ 433,221	$ 3,586,825	$ 25,153,658
LIABILITIES AND FUND BALANCES								
LIABILITIES								
Accounts payable	$ -	$ -	$ -	$ 8,391	$ -	$ -	$ -	$ 8,391
Accrued liabilities	-	-	-	101,397	-	-	-	101,397
Due to other governments	-	-	-	-	605	-	-	605
Due to other funds	7,713,547	656,630	1,864,740	1,022,529	99,459	433,221	428,853	12,218,979
TOTAL LIABILITIES	7,713,547	656,630	1,864,740	1,132,317	100,064	433,221	428,853	12,329,372
FUND BALANCES								
Nonspendable:								
Inventories	-	-	-	442,766	-	-	-	442,766
Restricted:								
School nutrition program	-	-	-	9,223,548	-	-	-	9,223,548
Other state and local programs	-	-	-	-	-	-	1,056,059	1,056,059
Assigned:								
Local school programs	-	-	-	-	-	-	2,101,913	2,101,913
TOTAL FUND BALANCES	-	-	-	9,666,314	-	-	3,157,972	12,824,286
TOTAL LIABILITIES AND FUND BALANCES	$ 7,713,547	$ 656,630	$ 1,864,740	$ 10,798,631	$ 100,064	$ 433,221	$ 3,586,825	$ 25,153,658

ATLANTA INDEPENDENT SCHOOL SYSTEM

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Nonmajor Governmental Funds

For the Fiscal Year Ended June 30, 2017

	Special Revenue Funds							
	Title I Fund	Title II Fund	Title VI-B Fund	School Food Service Fund	Lottery Grants Fund	Other Federal Programs Fund	Other Special Projects Fund	Total Nonmajor Governmental Funds
REVENUES								
State revenues	$ -	$ -	$ -	$ 616,834	$ 4,073,762	$ -	$ 1,375,556	$ 6,066,152
Federal revenues	36,262,343	4,233,407	10,546,701	27,098,577	-	2,952,781	625,667	81,719,476
Charges for services	-	-	-	1,273,502	-	-	-	1,273,502
Other	-	-	-	34,055	-	-	4,827,358	4,861,413
TOTAL REVENUES	36,262,343	4,233,407	10,546,701	29,022,968	4,073,762	2,952,781	6,828,581	93,920,543
EXPENDITURES								
Current:								
Instruction	15,016,599	68,134	7,096,334	-	5,064,654	1,443,616	1,665,215	30,354,552
Support services								
Pupil services	3,009,407	-	2,099,360	-	457	107,211	1,779,316	6,995,751
Improvement of instructional services	15,224,590	3,697,267	121,014	-	51,583	288,197	870,926	20,253,577
Educational media services	-	-	-	-	-	-	187,268	187,268
Federal grant administration	1,878,227	128,143	45,710	-	-	93,726	-	2,145,806
General administration	435,257	-	2,841	-	-	7,923	1,475,232	1,921,253
School administration	-	-	-	-	-	-	155,131	155,131
Business administration	-	-	-	-	-	-	36,507	36,507
Maintenance and operation of facilities	-	-	-	-	-	-	168,934	168,934
Student transportation	554,079	-	1,181,442	-	28,495	73,112	66,609	1,903,737
Central support	-	339,863	-	-	-	-	1,438,920	1,778,783
Other support services	144,184	-	-	-	-	41,420	209,425	395,029
Nutrition	-	-	-	29,057,636	-	897,576	-	29,955,212
TOTAL EXPENDITURES	36,262,343	4,233,407	10,546,701	29,057,636	5,145,189	2,952,781	8,053,483	96,251,540
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	(34,668)	(1,071,427)	-	(1,224,902)	(2,330,997)
OTHER FINANCING SOURCES								
Transfers in	-	-	-	-	1,049,404	-	1,501,123	2,550,527
TOTAL OTHER FINANCING SOURCES	-	-	-	-	1,049,404	-	1,501,123	2,550,527
NET CHANGE IN FUND BALANCES	-	-	-	(34,668)	(22,023)	-	276,221	219,530
FUND BALANCES, BEGINNING OF FISCAL YEAR	-	-	-	9,700,982	22,023	-	2,881,751	12,604,756
FUND BALANCES, END OF FISCAL YEAR	$ -	$ -	$ -	$ 9,666,314	$ -	$ -	$ 3,157,972	$ 12,824,286

ATLANTA INDEPENDENT SCHOOL SYSTEM

All Special Revenue Funds Combined
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2017

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
State revenues	$ 4,518,270	$ 6,267,160	$ 6,066,152	$ (201,008)
Federal revenues	87,887,341	99,304,555	81,719,476	(17,585,079)
Charges for services	-	-	1,273,502	1,273,502
Other	9,019,647	10,273,447	4,861,413	(5,412,034)
TOTAL REVENUES	101,425,258	115,845,162	93,920,543	(21,924,619)
EXPENDITURES				
Current:				
Instruction	27,460,385	35,181,006	30,354,552	4,826,454
Support services:				
Pupil services	4,024,806	7,962,368	6,995,751	966,617
Improvement of instructional services	23,730,783	27,514,547	20,253,577	7,260,970
Educational media	81,007	120,000	187,268	(67,268)
Federal grant administration	2,537,344	3,865,860	2,145,806	1,720,054
General administration	3,001,609	4,040,836	1,921,253	2,119,583
School administration	1,558,626	178,317	155,131	23,186
Business administration	233,720	192,030	36,507	155,523
Maintenance and operation of facilities	39,786	376,117	168,934	207,183
Student transportation	2,525,411	2,927,582	1,903,737	1,023,845
Central support	443,212	2,053,232	1,778,783	274,449
Other support services	3,374,920	970,741	395,029	575,712
Nutrition	32,413,649	32,913,649	29,955,212	2,958,437
TOTAL EXPENDITURES	101,425,258	118,296,285	96,251,540	22,044,745
DEFICIENCY OF REVENUES UNDER EXPENDITURES	-	(2,451,123)	(2,330,997)	120,126
OTHER FINANCING SOURCES				
Transfers in	-	2,451,123	2,550,527	99,404
TOTAL OTHER FINANCING SOURCES	-	2,451,123	2,550,527	99,404
NET CHANGE IN FUND BALANCES	-	-	219,530	219,530
FUND BALANCES - BEGINNING OF FISCAL YEAR	12,604,756	12,604,756	12,604,756	-
FUND BALANCES - END OF FISCAL YEAR	$ 12,604,756	$ 12,604,756	$ 12,824,286	$ 219,530

ATLANTA INDEPENDENT SCHOOL SYSTEM

Title I Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2017

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Federal revenues	$ 38,326,876	$ 48,961,391	$ 36,262,343	$ (12,699,048)
TOTAL REVENUES	38,326,876	48,961,391	36,262,343	(12,699,048)
EXPENDITURES				
Current:				
Instruction	16,267,239	19,769,865	15,016,599	4,753,266
Support services:				
Pupil services	214,203	3,351,858	3,009,407	342,451
Improvement of instructional services	14,264,249	19,610,637	15,224,590	4,386,047
Federal grant administration	2,145,349	3,433,648	1,878,227	1,555,421
General administration	2,143,052	712,275	435,257	277,018
Student transportation	1,056,901	1,345,393	554,079	791,314
Other support services	2,235,883	737,715	144,184	593,531
TOTAL EXPENDITURES	38,326,876	48,961,391	36,262,343	12,699,048
NET CHANGE IN FUND BALANCES	-	-	-	-
FUND BALANCES - BEGINNING OF FISCAL YEAR	-	-	-	-
FUND BALANCES - END OF FISCAL YEAR	$ -	$ -	$ -	$ -

ATLANTA INDEPENDENT SCHOOL SYSTEM

Title II Special Revenue Fund

Schedule of Revenues, Expenditures, and Changes in

Fund Balances - Budget and Actual

For the Fiscal Year Ended June 30, 2017

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Federal revenues	$ 6,899,160	$ 6,867,356	$ 4,233,407	$ (2,633,949)
TOTAL REVENUES	6,899,160	6,867,356	4,233,407	(2,633,949)
EXPENDITURES				
Current:				
Instruction	27,818	21,818	68,134	(46,316)
Support services:				
Improvement of instructional services	6,286,227	6,105,564	3,697,267	2,408,297
Federal grant administration	215,737	256,440	128,143	128,297
General administration	72,616	-	-	-
Central support	288,912	483,534	339,863	143,671
Other support services	7,850	-	-	-
TOTAL EXPENDITURES	6,899,160	6,867,356	4,233,407	2,633,949
NET CHANGE IN FUND BALANCES	-	-	-	-
FUND BALANCES - BEGINNING OF FISCAL YEAR	-	-	-	-
FUND BALANCES - END OF FISCAL YEAR	$ -	$ -	$ -	$ -

ATLANTA INDEPENDENT SCHOOL SYSTEM

Title VI-B Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2017

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Federal revenues	$ 9,526,900	$ 10,686,183	$ 10,546,701	$ (139,482)
TOTAL REVENUES	9,526,900	10,686,183	10,546,701	(139,482)
EXPENDITURES				
Current:				
Instruction	5,129,430	6,912,477	7,096,334	(183,857)
Support services:				
Pupil services	1,695,248	2,259,289	2,099,360	159,929
Improvement of instructional services	1,146,458	128,363	121,014	7,349
Federal grant administration	89,006	51,865	45,710	6,155
General administration	338,501	116,545	2,841	113,704
Student transportation	1,128,257	1,217,644	1,181,442	36,202
TOTAL EXPENDITURES	9,526,900	10,686,183	10,546,701	139,482
NET CHANGE IN FUND BALANCES	-	-	-	-
FUND BALANCES - BEGINNING OF FISCAL YEAR	-	-	-	-
FUND BALANCES - END OF FISCAL YEAR	$ -	$ -	$ -	$ -

ATLANTA INDEPENDENT SCHOOL SYSTEM

School Food Service Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2017

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Federal revenues	$ 28,162,854	$ 28,662,854	$ 27,098,577	$ (1,564,277)
State revenues	896,632	896,632	616,834	(279,798)
Charges for services	-	-	1,273,502	1,273,502
Other	2,554,163	2,554,163	34,055	(2,520,108)
TOTAL REVENUES	31,613,649	32,113,649	29,022,968	(3,090,681)
EXPENDITURES				
Current:				
Support services:				
Nutrition	31,613,649	32,113,649	29,057,636	3,056,013
TOTAL EXPENDITURES	31,613,649	32,113,649	29,057,636	3,056,013
NET CHANGE IN FUND BALANCES	-	-	(34,668)	34,668
FUND BALANCES - BEGINNING OF FISCAL YEAR	9,700,982	9,700,982	9,700,982	-
FUND BALANCES - END OF FISCAL YEAR	$ 9,700,982	$ 9,700,982	$ 9,666,314	$ (34,668)

ATLANTA INDEPENDENT SCHOOL SYSTEM

Lottery Grants Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2017

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
State revenues	$ 2,378,638	$ 4,045,023	4,073,762	$ 28,739
Federal revenues	566,164	-	-	-
TOTAL REVENUES	2,944,802	4,045,023	4,073,762	28,739
EXPENDITURES				
Current:				
Instruction	2,942,863	4,869,345	5,064,654	(195,309)
Support services:				
Pupil services	-	1,926	457	1,469
Improvement of instructional services	-	75,690	51,583	24,107
Student transportation	1,939	48,062	28,495	19,567
TOTAL EXPENDITURES	2,944,802	4,995,023	5,145,189	(150,166)
DEFICIENCY OF REVENUES UNDER EXPENDITURES	-	(950,000)	(1,071,427)	(121,427)
OTHER FINANCING SOURCES				
Transfers in	-	950,000	1,049,404	99,404
NET CHANGE IN FUND BALANCES	-	-	(22,023)	(22,023)
FUND BALANCES - BEGINNING OF FISCAL YEAR	22,023	22,023	22,023	-
FUND BALANCES - END OF FISCAL YEAR	$ 22,023	$ 22,023	$ -	$ (22,023)

ATLANTA INDEPENDENT SCHOOL SYSTEM

Other Federal Programs Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2017

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Federal revenues	$ 3,210,916	$ 3,425,771	$ 2,952,781	$ (472,990)
TOTAL REVENUES	3,210,916	3,425,771	2,952,781	(472,990)
EXPENDITURES				
Current:				
Instruction	1,554,506	1,710,707	1,443,616	267,091
Support services:				
Pupil services	154,182	184,951	107,211	77,740
Improvement of instructional services	378,316	398,200	288,197	110,003
Federal grant administration	87,252	123,907	93,726	30,181
General administration	35,040	15,344	7,923	7,421
Student transportation	105,177	145,944	73,112	72,832
Other support services	96,443	46,718	41,420	5,298
Nutrition	800,000	800,000	897,576	(97,576)
TOTAL EXPENDITURES	3,210,916	3,425,771	2,952,781	472,990
NET CHANGE IN FUND BALANCES	-	-	-	-
FUND BALANCES - BEGINNING OF FISCAL YEAR	-	-	-	-
FUND BALANCES - END OF FISCAL YEAR	$ -	$ -	$ -	$ -

ATLANTA INDEPENDENT SCHOOL SYSTEM

Other Special Projects Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2017

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
State revenues	$ 1,243,000	$ 1,325,505	$ 1,375,556	$ 50,051
Federal revenues	1,194,471	701,000	625,667	(75,333)
Other	6,465,484	7,719,284	4,827,358	(2,891,926)
TOTAL REVENUES	8,902,955	9,745,789	6,828,581	(2,917,208)
EXPENDITURES				
Current:				
Instruction	1,538,529	1,896,794	1,665,215	231,579
Support services:				
Pupil services	1,961,173	2,164,344	1,779,316	385,028
Improvement of instructional services	1,655,533	1,196,093	870,926	325,167
Educational media services	81,007	120,000	187,268	(67,268)
General administration	412,400	3,196,672	1,475,232	1,721,440
School administration	1,558,626	178,317	155,131	23,186
Business administration	233,720	192,030	36,507	155,523
Maintenance and operation of facilities	39,786	376,117	168,934	207,183
Student transportation	233,137	170,539	66,609	103,930
Central support	154,300	1,569,698	1,438,920	130,778
Other support services	1,034,744	186,308	209,425	(23,117)
TOTAL EXPENDITURES	8,902,955	11,246,912	8,053,483	3,193,429
DEFICIENCY OF REVENUES UNDER EXPENDITURES	-	(1,501,123)	(1,224,902)	276,221
OTHER FINANCING SOURCES				
Transfers in	-	1,501,123	1,501,123	-
TOTAL OTHER FINANCING SOURCES	-	1,501,123	1,501,123	-
NET CHANGE IN FUND BALANCES	-	-	276,221	276,221
FUND BALANCES - BEGINNING OF FISCAL YEAR	2,881,751	2,881,751	2,881,751	-
FUND BALANCES - END OF FISCAL YEAR	$ 2,881,751	$ 2,881,751	$ 3,157,972	$ 276,221

ATLANTA INDEPENDENT SCHOOL SYSTEM

Capital Projects Fund
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2017

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Sales tax income	$ 97,202,070	$ 97,202,070	$ 93,790,758	$ (3,411,312)
Federal revenues	6,123,911	6,123,911	3,411,020	(2,712,891)
Investment income	74,019	74,019	91,805	17,786
TOTAL REVENUES	103,400,000	103,400,000	97,293,583	(6,106,417)
EXPENDITURES				
Current:				
Support services:				
General administration	105,787	108,323	-	108,323
Maintenance and operation of facilities	6,939,942	15,061,007	7,297,815	7,763,192
Student transportation	3,164,612	3,998,757	1,226,298	2,772,459
Central support	1,493,196	2,515,534	392,670	2,122,864
Debt service:				
Principal retirements	-	7,000,000	6,995,000	5,000
Interest	11,400,000	4,790,462	4,378,892	411,570
Capital outlays:				
Facilities acquisition and construction	136,622,743	150,765,884	51,663,723	99,102,161
TOTAL EXPENDITURES	159,726,280	184,239,967	71,954,398	112,285,569
NET CHANGE IN FUND BALANCES	(56,326,280)	(80,839,967)	25,339,185	106,179,152
FUND BALANCES - BEGINNING OF FISCAL YEAR	19,120,482	19,120,482	19,120,482	-
FUND BALANCES - END OF FISCAL YEAR	$ (37,205,798)	$ (61,719,485)	$ 44,459,667	$ 106,179,152

ATLANTA INDEPENDENT SCHOOL SYSTEM

Statement of Changes in Fiduciary Assets and Liabilities
Agency Fund
For the Fiscal Year Ended June 30, 2017

	Balance June 30, 2016	Additions	Deductions	Balance June 30, 2017
ASSETS				
Cash and cash equivalents	$ 625,647	$ 2,133,387	$ (2,073,216)	$ 685,818
LIABILITIES				
Due to local schools and student groups	$ 625,647	$ 2,133,387	$ (2,073,216)	$ 685,818

Quality Basic Education Programs – Program Expenditures

General Fund – Quality Basic Education Project (QBE) – Schedule of Allotments and Expenditures by Program

Lottery Programs – Schedule of Expenditures by Object

Schedule of Approved Local Options Sales Tax Projects

Schedule of State Revenues

Atlanta Independent School System
Quality Basic Education Programs -
Program Expenditures
For the Fiscal Year Ended June 30, 2017

The Official Code of Georgia Annotated Section 20-2-172 (a) Expenditure Controls for fiscal years 2007 and 2008 state:

For each program identified in Code Section 20-2-161, each local School System shall spend 100 percent of funds designated for direct instructional costs on the direct instructional costs of such program on one or more of the programs identified in Code Section 20-2-161 at the system level, with no requirement that the School System spend any specific portion of such funds at the site where such funds were earned.

The following pages are presented for purposes of additional analysis and reflect overall minimum expenditure requirements compared to overall program expenditures made by the School System as described above and also reflect minimum program expenditure requirements compared to actual expenditures made by the School System on a program basis.

ATLANTA INDEPENDENT SCHOOL SYSTEM BOARD OF EDUCATION
GENERAL FUND - QUALITY BASIC EDUCATION PROGRAM(QBE)
SCHEDULE OF ALLOTMENTS AND EXPENDITURES - BY PROGRAM
FISCAL YEAR ENDED JUNE 30, 2017

DESCRIPTION	ALLOTMENTS FROM GEORGIA DEPARTMENT OF EDUCATION (1)	ELIGIBLE QBE PROGRAM COSTS SALARIES	ELIGIBLE QBE PROGRAM COSTS OPERATIONS	TOTAL
Direct Instructional Programs				
Kindergarten Program	$ 22,661,171	$ 19,856,670	$ -	$ 19,856,670
Kindergarten Program-Early Intervention Program	4,715,028	1,634,624	-	1,634,624
Primary Grades (1-3) Program	53,003,003	53,224,825	3,467,341	56,692,166
Primary Grades-Early Intervention (1-3) Program	16,984,121	9,483,615	-	9,483,615
Upper Elementary Grades (4-5) Program	21,682,665	37,344,354	2,485	37,346,839
Upper Elem Grades-Early Intervention (4-5) Program	11,943,021	5,253,320	-	5,253,320
Middle Grades (6-8) Program	-	522,526	11,375	533,901
Middle School (6-8) Program	35,382,480	33,674,313	913,315	34,587,628
High School General Education (9-12) Program	30,589,645	51,649,381	1,662,003	53,311,384
Vocational Laboratory (9-12) Program	5,319,969	5,681,418	363,258	6,044,676
Students with Disabilities				
Category I	4,984,430	3,129,396	3,850,548	6,979,944
Category II	2,858,828	1,579,775	-	1,579,775
Category III	20,840,843	40,224,067	-	40,224,067
Category IV	5,256,365	1,619,394	-	1,619,394
Category V	2,207,155	133,224	-	133,224
Gifted Student - Category VI	12,620,146	12,685,025	215,424	12,900,449
Remedial Education Program	5,175,148	3,860,749	353,468	4,214,217
Alternative Education Program	2,400,954	130,821	-	130,821
English Speakers of Other Languages (ESOL)	3,179,766	5,634,684	191,265	5,825,949
TOTAL DIRECT INSTRUCTIONAL PROGRAMS	$ 261,804,738	$ 287,322,181	$ 11,030,482	$ 298,352,663
Media Center Program	7,312,615	7,500,157	654,816	8,154,973
Staff and Professional Development	1,131,567	47,208	1,458,282	1,505,490
TOTAL QBE FORMULA FUNDS	$ 270,248,920	$ 294,869,546	$ 13,143,580	$ 308,013,126
Twenty days additional Instruction		-	-	-
Pupil Transportation		18,097,806	7,563,166	25,660,972
On behalf		-	-	-
Indirect costs - Central Admin.		-	-	-
Indirect costs - School Admin.		-	-	-
Indirect costs - Facilities M&O		-	-	-
Nurses		2,922,087	-	2,922,087
		$ 315,889,439	$ 20,706,746	$ 336,596,185

(1) Comprised of State Funds plus Local Five Mill Share.

ATLANTA INDEPENDENT SCHOOL SYSTEM

Lottery Programs
Schedule of Expenditures by Object
For the Fiscal Year Ended June 30, 2017

	Pre-Kindergarten Program
Salaries	$ 3,542,749
Employee benefits	1,135,555
Employee travel	1,550
Other purchased services	220,703
Materials and supplies	244,632
	$ 5,145,189

ATLANTA INDEPENDENT SCHOOL SYSTEM

SCHEDULE OF APPROVED LOCAL OPTION SALES TAX PROJECTS

YEAR ENDED JUNE 30, 2017

PROJECT	ORIGINAL ESTIMATED COST (1)	CURRENT ESTIMATED COSTS (2)	AMOUNT EXPENDED IN CURRENT YEAR (3)	AMOUNT EXPENDED IN PRIOR YEARS (4)	PROJECT STATUS
SPLOST III					
Dekalb County					
Capital outlay projects consisting of construction, renovations, modifications, additions and equipment for the following facilities: The Howard School, Lin Elementary School and Whitefoord Elementary School and any future updates: Crim High School, Coan, Springdale	20,511,000	24,228,342	-	24,228,342	Complete
Fulton County					
Capital outlay projects including new school construction, classroom additions, renovations, infrastructure improvements, upgrading security system, technology improvements, land acquisition, site preparation, providing staff development and instructional	552,357,776	466,741,223	-	454,644,999	Ongoing
SPLOST IV					
Fulton County					
Capital outlay projects including new school construction, classroom additions, renovations, infrastructure improvements, upgrading security system, technology improvements, land acquisition, site preparation, providing staff development and instructional	499,962,831	489,462,831	69,624,437	321,346,069	Ongoing
Dekalb County					
Capital outlay projects including new school construction, classroom additions, renovations, infrastructure improvements, upgrading security system, technology improvements,relocations, site preparation, providing staff development and instructional	19,500,463	30,000,463	1,261,545	29,191,347	Ongoing
Totals	$ **1,092,332,070**	$ **1,010,432,859**	$ **70,885,983**	$ **829,410,757**	

Reconciliation of the Schedule of Approved Local Option Sales Tax Projects expenditures to the Capital Projects Fund total expenditures on the Statement of Revenues, Expenditures, and Changes in Fund Balances Governmental Funds:

Expenditures from above paid by SPLOST funding	70,885,983
Expenditures not reflected above that were paid from other local sources of the School System	$1,041,434
Total Capital Projects Expenditures	**$71,927,417**

(1) The School System's original cost estimate as specified in the resolution calling for the imposition of the Local Option Sales Tax.

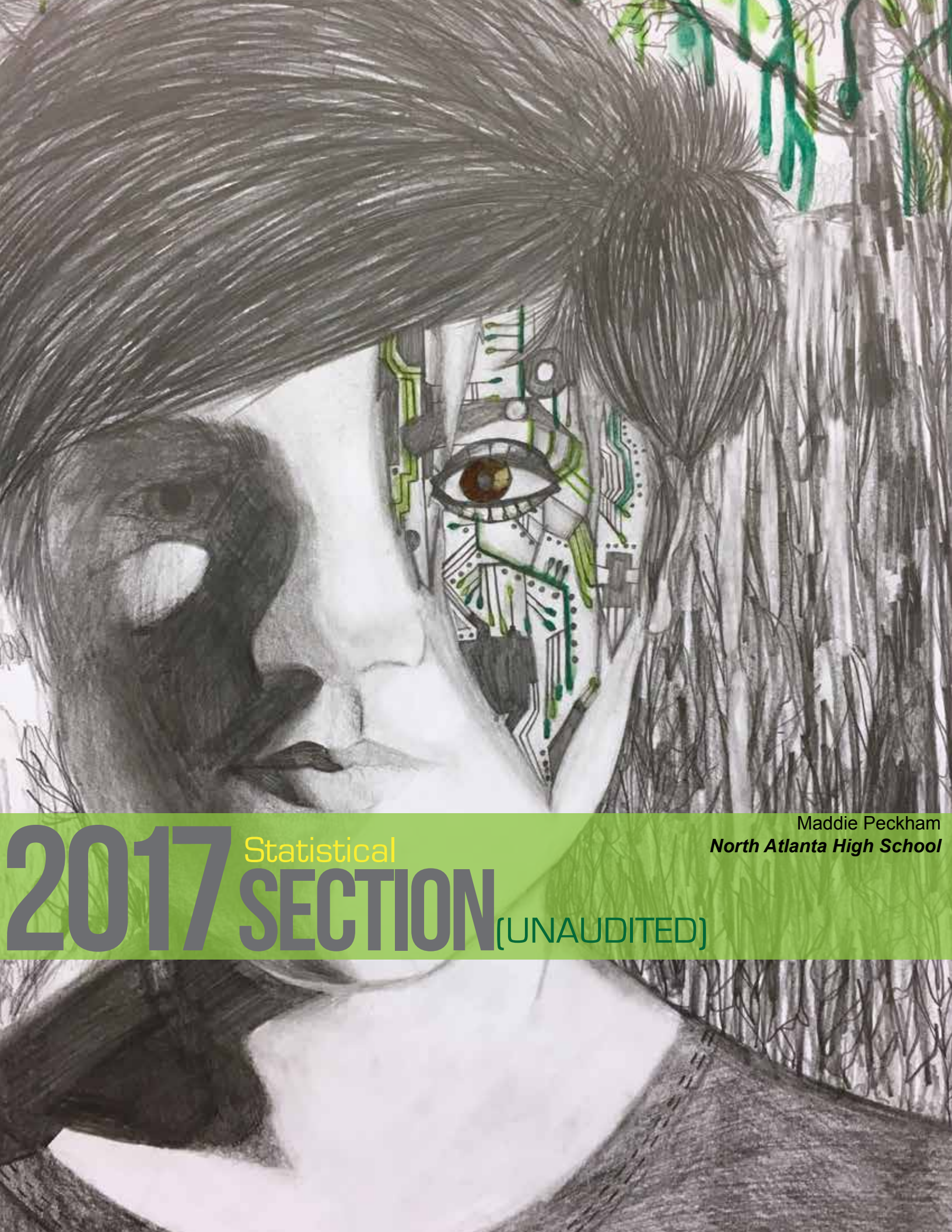
(2) The School System's current estimate of total cost for the projects. Includes all cost from project inception to completion.

(3) The voters of Fulton and Dekalb Counties approved the imposition of a 1% sales tax to fund the above projects and retire associated debt. Amounts expended for these projects may include sales tax proceeds, state, local property taxes and/or other funds over the life of the projects.

(4) The School System's amounts expended in prior years related to the above projects.

ATLANTA INDEPENDENT SCHOOL SYSTEM
SCHEDULE OF STATE REVENUE
FISCAL YEAR ENDED JUNE 30, 2017

AGENCY/FUNDING	GOVERNMENTAL FUND TYPES: GENERAL FUND	GOVERNMENTAL FUND TYPES: OTHER NONMAJOR GOVERNMENTAL FUNDS	TOTAL
GRANTS			
Georgia Department of Early Care and Learning			
Bright from the Start (Lottery)			
Pre-Kindergarten Program	$ -	$ 4,073,762	$ 4,073,762
Education, Georgia Department of			
Quality Basic Education			
Direct Instructional Cost			
Kindergarten Program	13,764,255	-	13,764,255
Kindergarten Program - Early Intervention Program	2,841,660	-	2,841,660
Primary Grades (1-3) Program	32,279,413	-	32,279,413
Primary Grades - Early Intervention (1-3) Program	10,318,773	-	10,318,773
Upper Elementary Grades (4-5) Program	13,236,018	-	13,236,018
Upper Elementary Grades - Early Intervention (4-5) Program	7,375,716	-	7,375,716
Middle School (6-8) Program	21,478,671	-	21,478,671
High School General Education (9-12) Program	18,541,952	-	18,541,952
Vocational Laboratory (9-12) Program	3,233,130	-	3,233,130
Students with Disabilities - All Categories	22,394,058	-	22,394,058
Gifted Student - Category VI	7,790,490	-	7,790,490
Remedial Education Program	3,255,761	-	3,255,761
Alternative Education Program	1,458,638	-	1,458,638
English Speakers of Other Languages (ESOL)	1,946,526	-	1,946,526
Media Center Program	4,459,386	-	4,459,386
20 Days Additional Instruction	1,336,744	-	1,336,744
Staff and Professional Development	690,123	-	690,123
Principal Staff and Prof Development	16,328	-	16,328
Indirect Cost			
Central Administration	3,237,266	-	3,237,266
School Administration	9,272,739	-	9,272,739
Facility Maintenance and Operations	9,280,456	-	9,280,456
Categorical Grants			
Pupil Transportation			
Regular	3,110,118	-	3,110,118
Nursing Services	1,053,403	-	1,053,403
Austerity Reduction	(2,788,225)	-	(2,788,225)
Other State Programs			
Charter Schools - Facilities	574,000	-	574,000
Charter System Grant	4,406,400	-	4,406,400
CTAE - Apprenticeship	35,926	-	35,926
CTAE - CTE Extended Day	199,342	-	199,342
CTAE - Supervision	25,129	-	25,129
CTAE - Audio Visual Technology	30,000	-	30,000
CTAE - Vocational Construction Bond	120,886	-	120,886
Vocational Industry Certification	70,275	-	70,275
Industry Certification Related Equipment - State Bonds			-
Math and Science Supplement	379,127	-	379,127
Move on When Ready Grant	109,310	-	109,310
Teacher of the Year	507	-	507
Preschool Handicapped State Grant	615,044	-	615,044
Residential Treatment Centers Grant	535,007	-	535,007
Teacher's Retirement	197,884	-	197,884
Georgia SHAPE Grant	-	14,482	14,482
Dept. of Family and Children Services	-	345,963	345,963
Governors Office of Student Achievement	-	428,750	428,750
HUD Choice Neighborhood	-	166,965	166,965
Technical and Adult Education, Georgia Department of			
Adult Education	-	419,396	419,396
School Nutrition			
State School Nutrition Service Program	-	616,834	616,834
	$ 196,882,236	$ 6,066,152	$ 202,948,388



Maddie Peckham
North Atlanta High School

2017 Statistical SECTION (UNAUDITED)

Atlanta Independent School System

Introduction to the Statistical Section

(Unaudited)

This part of Atlanta Independent School Systems Comprehensive Annual Financial Report presents detailed information as a context for understanding this fiscal year's financial statements, note disclosures, and supplementary information. This information is unaudited.

Contents — Schedule

Financial Trends 79-85

These tables contain trend information that may assist the reader in assessing the School System's current financial performance by placing it in a historical perspective.

Revenue Capacity 86-92

The schedules contain information to help the reader assess the School System's major revenue sources.

Debt Capacity 93-95

These schedules contain information to help the reader assess the affordability of the School System's current levels of outstanding debt and the ability to issue additional debt in the future.

Demographic and Economic Information 96-101

These tables present demographic and economic information intended (1) to assist users in understanding the socioeconomic environment within which the School System operates and (2) to provide information that facilitates comparisons of financial statement information over time.

Operating Information 102-105

These tables contain service indicators that can inform ones' understanding how the information in the School System's financial statements relates to the services the School System provides and the activities it performs.

Data Source:

Unless otherwise noted, the information in these tables is derived from the Comprehensive Annual Financial Report for the applicable fiscal year.

Atlanta Independent School System
Net Position by Component
Last Ten Fiscal Years
Schedule 1

Fiscal Year Ended June 30,	2008	2009	2010	2011	2012	Restated 2013	Restated 2014	Restated 2015	2016	2017
Governmental Activities										
Net investment in capital assets	$ 854,305,957	$ 959,621,519	$ 1,056,744,474	$ 1,104,601,221	$ 1,171,493,160	$ 1,187,165,191	$ 1,215,512,729	$ 1,265,539,647	$ 1,331,099,338	$ 1,322,358,593
Restricted	182,517,605	152,371,189	111,943,417	112,855,070	116,028,486	119,946,096	103,222,132	70,686,257	31,929,343	65,461,019
Unrestricted (deficit)	191,270,394	168,743,024	128,194,970	147,834,977	95,879,455	101,540,763	96,220,509	(838,250,590)	(814,836,296)	(831,215,134)
Total Governmental Activities Net Position	1,228,093,956	1,280,735,732	1,296,882,861	1,365,291,268	1,383,401,101	1,408,652,050	1,414,955,370	497,975,314	548,192,385	556,604,478
Business-Type Activities										
Net investment in capital assets	-	-	-	-	-	141,550	111,750	-	-	-
Unrestricted	484,935	1,972,799	2,038,487	2,183,644	4,893,181	5,481,550	7,038,771	-	-	-
Total Business-Type Activities Net Position	484,935	1,972,799	1,972,799	2,183,644	4,893,181	5,623,100	7,150,521	-	-	-
Primary Government Activities										
Net investment in capital assets	854,305,957	959,621,519	1,056,744,474	1,104,601,221	1,171,493,160	1,187,306,741	1,215,624,479	1,265,539,647	1,331,099,338	1,322,358,593
Restricted	182,517,605	152,371,189	111,943,417	112,855,070	116,028,486	119,946,096	103,222,132	70,686,257	31,929,343	65,461,019
Unrestricted (deficit)	191,755,329	170,715,823	130,233,457	150,018,621	100,772,636	107,022,313	(849,286,646)	(838,250,590)	(814,836,296)	(831,215,134)
Total Primary Government Activities Net Position	**$ 1,228,578,891**	**$ 1,282,708,531**	**$ 1,298,921,348**	**$ 1,367,474,912**	**$ 1,388,294,282**	**$ 1,414,275,150**	**$ 469,559,965**	**$ 497,975,314**	**$ 548,192,385**	**$ 556,604,478**

Source: **Atlanta Independent School System Financial Reports for previous years and fiscal year ended June 30, 2017**
Note: **All restatements are due to prior period adjustments for change in accounting principle. For fiscal year 2013, see Note S of FY2014 APS CAFR.**
Beginning in FY2015 (with a restatement for FY2014), the School System implemented GASB 68 which required the reporting of the School System's net pension liabilities.
Starting with fiscal year 2016, food service balances are treated as part of governmental rather than business-type activities.

Atlanta Independent School System
Change in Net Position
Last Ten Fiscal Years
Schedule 2

Fiscal Year Ended June 30,	2008	2009	2010	2011	2012	Restated 2013	Restated 2014	Restated 2015	2016	2017
Expenses										
Governmental Activities										
Instruction	$ 442,325,531	$ 427,131,947	$ 438,036,127	$ 377,491,180	$ 405,995,101	$ 426,037,447	$ 463,069,508	$ 481,535,172	$ 509,804,437	$ 538,600,743
Pupil Services	36,915,697	36,130,943	37,303,898	39,024,421	29,543,231	25,105,338	27,826,272	30,763,057	35,198,187	52,335,789
Improvement of instructional services	42,180,829	38,598,585	40,427,290	50,496,694	38,215,985	42,917,654	40,341,847	48,046,569	39,684,582	49,457,808
Educational media	11,637,527	9,220,728	8,394,083	9,616,559	8,958,197	8,869,786	9,056,362	10,921,506	12,132,847	8,790,315
Federal grant administration	-	-	-	-	1,118,206	1,973,342	2,217,909	2,405,337	1,669,202	2,244,931
General administration	18,659,059	15,698,105	14,110,681	14,514,905	17,882,230	14,324,803	13,450,517	16,697,432	13,464,419	11,228,888
School administration	34,558,215	26,425,185	28,239,428	33,287,126	30,826,584	40,648,067	42,089,001	41,929,991	41,752,774	43,648,857
Business administration	11,483,553	24,150,131	15,327,591	17,889,836	22,610,577	15,157,828	12,480,379	12,353,040	9,453,803	9,679,120
Maintenance and operation of facilities	91,600,184	88,484,674	90,747,017	96,333,469	97,084,662	80,783,550	89,278,591	100,306,868	102,343,863	105,893,809
Student transportation	42,709,556	53,662,233	39,593,169	28,898,209	29,770,071	24,892,766	30,987,580	29,800,605	31,922,287	34,408,310
Central support	32,899,945	38,798,862	48,566,805	36,729,914	28,379,529	28,361,651	25,040,308	24,684,505	20,521,363	18,918,080
Community services	-	-	-	-	-	-	-	-	-	-
Other support services	9,330,309	3,707,098	3,350,291	4,382,181	13,035,152	3,011,547	13,929,445	3,563,951	3,796,962	979,587
Nutrition	-	-	-	15,657	358,681	910,473	1,209,017	1,083,116	28,548,019	30,470,614
Interest and fiscal charges	1,788,213	2,295,941	2,022,585	2,258,183	6,418,786	5,851,816	5,603,226	5,475,553	5,003,615	4,406,716
Total Governmental Activities Expenses	776,088,617	764,304,432	766,118,965	710,938,335	730,196,992	718,846,068	776,579,962	809,566,702	855,296,360	911,063,567
Business-Type Activities										
Food services	30,519,130	21,752,821	23,222,029	23,800,532	22,705,598	23,680,487	23,898,174	25,167,134	-	-
Total Business-Type Activities Expenses	30,519,130	21,752,821	23,222,029	23,800,532	22,705,598	23,680,487	23,898,174	25,167,134	-	-
Total Primary Government Activities Expenses	**806,607,747**	**786,057,253**	**789,340,994**	**734,738,867**	**752,902,590**	**742,526,555**	**800,478,136**	**834,733,836**	**855,296,360**	**911,063,567**
Program Revenues										
Governmental Activities										
Charges for Services										
Instruction	114,350	140,047	90,084	31,492	3,490	2,591	26,383	12,616	22,056	12,190
Pupil services	-	-	-	-		3,373,883	3,237,092	4,596,681	4,953,646	3,705,644
School administration	-	-	-	-	-	-	-	-	-	-
Maintenance and operation of facilities	-	1,246,236	995,042	783,989	996,731	1,158,726	988,989	1,006,553	1,197,526	1,262,666
Other support services	-	-	-	670,918	724,400	-	-	-	-	-
Nutrition	3,749,416	767,347	754,773	-	-	-	-	-	-	1,307,557
Operating Grants and Contributions										
Instruction	168,958,774	108,327,712	110,873,809	111,426,958	110,219,318	113,724,544	120,464,226	134,257,445	145,331,457	151,457,569
Pupil services	18,133,132	20,282,835	14,470,057	18,641,247	11,780,166	8,489,114	10,715,721	10,295,171	12,003,494	18,519,800
Improvement of instructional services	16,110,597	20,193,588	27,647,132	33,328,056	30,489,786	34,826,333	32,986,455	37,136,248	28,683,276	27,545,720
Educational media	3,745,884	2,899,356	1,404,768	2,000,787	-	2,223,907	2,389,577	2,939,771	3,400,017	2,363,675
Federal grant administration	-	-	-	-	1,118,206	1,973,342	2,217,909	2,440,200	1,708,350	2,145,806
General administration	3,104,288	5,788,541	3,705,087	5,053,926	7,689,306	6,213,208	7,024,079	9,321,899	5,317,536	4,146,886
School administration	3,498,951	5,874,998	6,841,227	7,958,215	7,325,735	10,237,170	11,077,536	11,438,765	12,059,944	11,304,921
Business administration	9,106,449	3,933,403	2,925,304	4,077,543	4,105,440	3,227,896	2,653,498	2,608,697	2,148,730	2,077,243
Maintenance and operation of facilities	9,262,487	17,293,612	15,521,798	20,416,518	22,290,143	18,353,454	18,959,112	18,473,478	20,108,020	21,706,603
Student transportation	5,337,639	8,537,786	8,286,759	6,735,023	8,218,788	6,767,808	8,914,204	8,283,087	9,482,254	10,166,765
Central support	660,429	7,680,398	9,984,164	9,260,421	7,961,419	5,947,248	6,540,388	6,422,446	5,867,185	5,913,062
Community Services	226,806	2,811,038	2,116,177	-	-	-	-	-	-	-
Other support services	1,307,102	-	-	2,845,306	4,210,388	2,467,522	11,980,412	3,175,348	3,371,346	516,574
Nutrition	-	12,691	-	14,696	358,681	407,762	771,988	26,044,389	28,252,937	28,612,987
Interest and fiscal charges	-	-	-	-	2,520,803	3,659,230	3,368,321	3,408,579	3,401,254	3,411,020
Capital Grants and Contributions										
Instruction	-	-	-	25,367,686	8,803,308	3,904,228	7,268,111	10,245,276	4,075,810	4,933,821
Improvement of instructional services	-	-	-	-	-	135,500	576,500	1,165,151	115,325	-
Maintenance and operation of facilities	2,207,605	-	-	-	-	135,650	-	60,759	-	-
Student transportation	653,047	-	-	-	-	-	-	-	-	-
Total Governmental Activities Program Revenues	246,176,956	205,789,588	205,616,181	248,612,781	228,816,108	227,229,116	252,160,501	293,332,559	291,500,163	301,110,509
Business-Type Activities										
Charges for Services										
Food Services	2,187,375	2,291,777	1,836,912	1,695,061	1,638,841	1,279,087	958,435	-	-	-
Operating Grants and Contributions										
Food Services	20,877,018	20,948,908	21,442,603	22,233,560	23,774,887	23,131,319	24,467,160	-	-	-
Total Business-Type Activities Program Revenues	23,064,393	23,240,685	23,279,515	23,928,621	25,413,728	24,410,406	25,425,595	-	-	-
Total Primary Government Activities Program Revenues	**$ 269,241,349**	**$ 229,030,273**	**$ 228,895,696**	**$ 272,541,402**	**$ 254,229,836**	**$ 251,639,522**	**$ 277,586,096**	**$ 293,332,559**	**$ 291,500,163**	**$ 301,110,509**

Continued on next page

Note: **Starting with fiscal year 2016, food service balances are treated as part of governmental rather than business-type activities.**

Atlanta Independent School System
Change in Net Position
Last Ten Fiscal Years
Schedule 2

Fiscal Year Ended June 30,	2008	2009	2010	2011	2012	Restated 2013	Restated 2014	Restated 2015	2016	2017
Net (Expense)/Revenue										
Governmental Activities										
Instruction	$ (273,252,407)	$ (318,664,187)	$ (327,072,234)	$ (240,665,044)	$ (286,968,985)	$ (308,406,084)	$ (335,310,788)	$ (337,019,835)	$ (360,375,114)	$ (382,197,163)
Pupil Services	(18,782,565)	(15,848,107)	(22,833,841)	(20,383,174)	(17,763,065)	(13,242,341)	(13,873,459)	(17,085,558)	(18,241,047)	(30,110,345)
Improvement of instructional services	(26,070,232)	(18,404,997)	(12,780,158)	(17,168,638)	(7,726,199)	(7,955,821)	(6,778,892)	(9,745,170)	(10,885,981)	(21,912,088)
Educational media	(7,891,643)	(6,321,372)	(6,989,315)	(7,615,772)	(8,958,197)	(6,645,879)	(6,666,785)	(7,981,735)	(8,732,830)	(6,426,640)
Federal grant administration	-	-	-	-	-	-	-	34,863	39,148	(99,125)
General administration	(15,554,771)	(9,909,564)	(10,405,594)	(9,460,979)	(10,192,924)	(8,111,595)	(6,426,438)	(7,375,533)	(8,146,883)	(7,082,002)
School administration	(31,059,264)	(20,550,187)	(21,398,201)	(25,328,911)	(23,500,849)	(30,410,897)	(31,011,465)	(30,491,226)	(29,692,830)	(32,343,936)
Business administration	(2,377,104)	(20,216,730)	(12,402,287)	(13,812,293)	(18,505,137)	(11,929,932)	(9,826,881)	(9,744,343)	(7,305,073)	(7,601,877)
Maintenance and operation of facilities	(80,130,092)	(69,944,826)	(74,230,177)	(75,132,962)	(73,797,788)	(61,135,720)	(69,330,490)	(80,766,078)	(81,038,317)	(82,924,540)
Student transportation	(36,718,870)	(45,124,446)	(31,306,410)	(22,163,186)	(21,551,283)	(18,124,958)	(22,073,376)	(21,517,518)	(22,440,033)	(24,241,545)
Central support	(32,239,516)	(31,118,464)	(38,582,641)	(27,469,493)	(20,418,110)	(22,414,403)	(18,499,920)	(18,262,059)	(14,654,178)	(13,005,018)
Community Services	(8,023,207)	2,811,038	2,116,177	-	-	-	-	-	-	-
Other support services	226,806	(3,707,098)	(3,350,291)	(865,957)	(8,100,364)	(544,025)	(1,949,033)	(388,603)	(425,616)	(463,013)
Nutrition	3,749,416	780,038	754,773	(961)	-	(502,711)	(437,029)	1,008,492	(295,082)	(550,070)
Interest and fiscal charges	(1,788,213)	(2,295,941)	(2,022,585)	(2,258,183)	(3,897,983)	(2,192,586)	(2,234,905)	(2,066,974)	(1,602,361)	(995,696)
Total Governmental Activities Net (Expenses)/Revenues	(529,911,661)	(558,514,843)	(560,502,784)	(462,325,554)	(501,380,884)	(491,616,952)	(524,419,461)	(541,401,277)	(563,796,197)	(609,953,058)
Business-Type Activities										
Food Services	(7,454,737)	1,487,864	57,486	128,089	2,708,130	729,919	1,527,421	-	-	-
Total Business-Type Activities Net (Expenses)/Revenues	(7,454,737)	1,487,864	57,486	128,089	2,708,130	729,919	1,527,421	-	-	-
Total Primary Government Activities Net Expense	**(537,366,398)**	**(557,026,979)**	**(560,445,298)**	**(462,197,465)**	**(498,672,754)**	**(490,887,033)**	**(522,892,040)**	**(541,401,277)**	**(563,796,197)**	**(609,953,058)**
General Revenues and Other Charges in Net Position										
Governmental Activities										
Taxes										
Property Taxes levied for general purposes	470,036,120	479,629,504	498,921,379	469,310,346	414,313,637	416,364,236	429,448,006	450,321,405	507,480,889	514,306,061
Property Taxes levied for debt Services	1,153,847	1,262,460	1,271,739	1,174,306	1,111,471	1,910,601	2,385,690	2,319,188	2,568,017	668,480
Special Local Option Sales Tax & Other Taxes	115,735,907	108,957,224	63,438,076	52,901,075	93,699,732	85,376,919	88,603,776	92,655,880	93,792,152	93,790,758
Grants and Contributions not restricted to specific programs	1,347,241	4,328,538	1,306,947	1,310,441	11,613,166	20,946,374	10,216,768	12,209,288	9,384,782	7,525,758
Investment Earnings	13,648,335	6,419,960	230,484	124,833	134,088	198,096	68,541	156,570	609,138	1,164,952
Other	6,855,522	15,296,550	10,583,834	5,298,494	-	-	-	2,870,395	-	-
Gain on sale of capital assets	-	528,432	897,453	614,466	-	-	-	9,283,900	178,290	909,142
Transfers	(9,400,000)	-	-	-	-	-	-	-	-	-
Extra ordinary items	-	-		-	-	(7,928,325)	-	-	-	-
Total Governmental Activities	599,376,972	616,422,668	576,649,912	530,733,961	520,872,094	516,867,901	530,722,781	569,816,626	614,013,268	618,365,151
Business-Type Activities										
Investment Earnings	-	-	8,202	17,068	1,407	-	-	-	-	-
Transfers	9,400,000	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total Business-Type Activities	9,400,000	-	8,202	17,068	1,407	-	-	-	-	-
Total Primary Government Activities	**608,776,972**	**616,422,668**	**576,658,114**	**530,751,029**	**520,873,501**	**516,867,901**	**530,722,781**	**569,816,626**	**614,013,268**	**618,365,151**
Change in Net Position										
Governmental Activities	69,465,311	57,907,825	16,147,128	68,408,407	19,491,818	25,250,949	6,303,320	27,088,373	50,217,071	8,412,093
Business-Type Activities	1,945,263	1,487,864	65,688	145,157	2,709,537	729,919	1,527,421	1,326,976	-	-
Total Primary Government	**$ 71,410,574**	**$ 59,395,689**	**$ 16,212,816**	**$ 68,553,564**	**$ 22,201,355**	**$ 25,980,868**	**$ 7,830,741**	**$ 28,415,349**	**$ 50,217,071**	**$ 8,412,093**

Source: **Atlanta Independent School System Financial Reports for previous years and fiscal year ended June 30, 2017**

Notes: **In fiscal year 2008, change in pension expense allocation.**
In fiscal year 2010, sales tax decreased due to sales tax refund/repayment.
Decrease in Sales Tax revenue in fiscal years 2011 and 2012 due in part to the economic downturn.
All restatements are due to prior period adjustments for change in accounting principle. For fiscal year 2014, see Note S of FY2014 CAFR.
Starting with fiscal year 2016, food service balances are treated as part of governmental rather than business-type activities.

ATLANTA INDEPENDENT SCHOOL SYSTEM
GOVERNMENTAL FUND BALANCES
LAST TEN FISCAL YEARS
Schedule 3

Fiscal Year Ended June 30,	2008	2009	2010
Pre-GASB 54			
General Fund			
Reserved	$ 20,198,038	$ 72,359,684	$ 33,799,205
Unreserved	131,566,427	85,541,272	75,928,012
Total General Fund	151,764,465	157,900,956	109,727,217
All Other Governmental Funds			
Reserved	168,623,662	149,939,551	136,951,993
Unreserved, reported in:			
Capital Project Funds	23,702,646	-	-
Special Revenue Funds	14,193,822	11,995,289	11,767,769
Total All Other Governmental Funds	206,520,130	161,934,840	148,719,762
Total	$ 358,284,595	$ 319,835,796	$ 258,446,979

	2011	2012	Restated 2013	2014	Restated 2015	Restated 2016	2017
GASB 54							
General Fund							
Nonspendable	$ 456,347	$ 1,023,447	$ -	$ -	$ -	$ 227,162	$ 63,210
Restricted	1,104,717	299,867	395,553	955,364	1,732,429	3,106,199	3,440,290
Committed	16,995,134	1,589,097	1,139,666	1,124,458	1,089,486	1,292,525	1,418,790
Assigned	16,000,000	28,351,208	25,300,000	25,000,000	2,800,000	24,005,021	17,303,806
Unassigned	46,711,357	50,754,070	55,989,982	61,387,638	69,746,719	66,306,776	63,380,812
Total General Fund	81,267,555	82,017,689	82,825,201	88,467,460	75,368,634	94,937,683	85,606,908
All Other Governmental Funds							
Capital Projects							
Restricted	56,905,042	112,372,048	113,874,603	99,474,791	67,300,552	18,129,315	44,459,667
Assigned	28,898,894	21,363,504	15,219,006	9,190,881	3,591,004	991,167	-
Special Revenue Funds							
Nonspendable	-	-	-	-	-	618,881	442,766
Restricted	54,845,311	49,926,602	5,810,236	2,791,977	1,653,276	10,693,829	10,279,607
Assigned	2,210,361	2,129,346	2,364,322	3,076,229	2,305,708	1,292,046	2,101,913
Total All Other Governmental Funds	142,859,608	185,791,500	137,268,167	114,533,878	74,850,540	31,725,238	57,283,953
Total	$ 224,127,163	$ 267,809,189	$ 220,093,368	$ 203,001,338	$ 150,219,174	$ 126,662,921	$ 142,890,861

Source: **Atlanta Independent School System Financial Report for previous years and fiscal year ended June 30, 2017**

Note: **GASB Statement number 54 established a hierarchy of fund balance classifications based primarily on the extent to which governments are bound by constraints placed on resources. The effective date for implementation of GASB 54 was for periods beginning after June 15, 2010. Presentation for years 2008-2010 is pre GASB 54. Fiscal Year 2011 is when the standard was implemented.**
All restatements are due to prior period adjustment for change in accounting principle. See Note S of the respective years' CAFR.

ATLANTA INDEPENDENT SCHOOL SYSTEM
CHANGES IN GOVERNMENTAL FUND BALANCES
LAST TEN FISCAL YEARS
Schedule 4

Fiscal Year Ended June 30,	2008	2009	2010	2011	2012	Restated 2013	2014	Restated 2015	2016	2017
Revenues										
Local Taxes	$ 471,313,094	$ 507,895,487	$ 493,825,791	$ 445,986,671	$ 445,177,849	$ 413,467,525	$ 433,996,780	$ 454,927,297	$ 511,492,393	$ 518,224,539
Sales taxes income	106,562,802	103,765,261	95,443,229	57,678,243	93,097,083	85,979,568	88,603,776	92,655,880	93,792,152	93,790,758
State revenues	163,747,188	129,106,908	110,942,787	132,033,597	142,661,322	146,333,340	166,924,818	170,977,501	192,400,197	202,948,388
Federal revenues	71,651,548	70,336,278	82,463,268	84,046,858	75,794,627	67,825,396	78,966,352	113,265,229	88,560,089	86,269,601
Investment income	13,648,335	6,419,960	410,218	282,686	134,088	198,096	68,541	156,570	609,138	1,164,952
Facility rental fees	1,604,301	1,246,236	995,042	783,989	996,731	1,158,726	988,989	1,006,553	1,197,526	1,262,666
Tuition charges	114,350	140,047	90,084	31,492	3,490	2,591	26,383	12,616	22,056	12,190
Charges for services	3,749,416	767,348	754,773	670,918	724,400	3,373,883	3,237,092	4,596,681	4,953,646	4,979,146
Other	13,512,915	23,817,861	22,081,274	13,897,009	20,717,752	31,594,799	14,590,435	16,082,334	14,330,549	12,387,171
Total Revenues	**845,903,950**	**843,495,386**	**807,006,466**	**735,411,463**	**779,307,342**	**749,933,924**	**787,403,166**	**853,680,661**	**907,357,746**	**921,039,411**
Expenditures										
Current Expenditures										
Instruction	373,703,960	394,246,196	403,804,829	373,889,853	369,977,089	384,975,252	406,426,726	452,833,641	477,989,545	498,663,838
Support Services:										
Pupil Services	33,795,599	35,859,316	36,234,070	38,474,947	29,461,159	25,023,266	27,819,145	31,526,739	35,726,688	51,027,337
Improvement of instructional services	38,823,821	38,318,666	39,447,284	49,820,431	38,215,985	42,917,654	40,368,632	48,830,299	40,399,037	47,970,931
Educational media	10,507,784	9,081,715	8,145,710	9,446,870	8,916,740	8,828,329	9,019,486	11,238,567	12,305,325	8,418,504
Federal grant administration	-	-	-	-	1,118,206	1,973,342	2,217,909	2,440,200	1,708,350	2,145,806
General administration	17,134,640	15,572,414	13,763,790	14,320,518	17,882,230	14,324,803	13,474,897	16,913,708	13,572,077	11,070,288
School administration	32,147,765	26,227,397	27,509,235	32,841,337	30,826,584	40,648,067	42,213,686	43,525,481	42,672,757	41,864,605
Business administration	23,625,597	17,182,008	15,934,176	16,837,414	16,653,106	12,509,036	9,829,649	9,951,233	7,768,723	7,675,658
Maintenance and operation of facilities	84,456,521	89,297,173	90,301,296	96,145,841	98,718,040	77,738,813	77,358,846	77,195,740	79,699,348	87,966,545
Student transportation	37,822,559	51,723,141	36,256,980	26,016,620	27,596,737	22,567,164	28,399,995	28,708,916	30,747,886	34,015,172
Central Support	29,586,277	38,517,074	47,399,446	36,238,019	28,294,967	28,361,651	25,140,028	25,095,644	20,746,465	18,422,454
Other support services	983,284	3,676,062	-	4,323,494	13,035,152	3,011,547	13,929,494	3,608,149	3,855,684	967,692
Nutrition	49,014	12,500	-	15,657	358,681	910,473	1,209,017	26,201,178	28,547,837	30,374,312
Other	-	-	3,274,650	-	-	-	-	-	-	-
Food Services Operation	-	-	-	-		-	-	-	-	-
Other Operations of Non-Instructional Services	7,974,781	-	-	-	-	-	-	-	-	-
Capital Outlays	67,911,787	151,389,516	139,770,104	170,374,153	46,053,815	117,779,131	91,461,362	114,183,045	128,932,728	51,663,723
Debt Service:										
Principal	2,387,590	6,800,416	2,022,585	5,934,366	7,904,791	9,538,823	9,188,890	9,643,101	9,439,490	8,983,035
Interest and fiscal charges	1,788,213	2,295,941	5,755,506	1,803,937	5,331,323	6,684,960	6,488,819	6,140,938	5,447,694	4,780,869
Bond issuance cost	-	-	-	1,466,547	-	-	-	-		
Total Expenditures	**$ 762,699,192**	**$ 880,199,535**	**$ 869,619,661**	**$ 877,950,004**	**$ 740,344,605**	**$ 797,792,311**	**$ 804,546,581**	**$ 908,036,579**	**$ 939,559,634**	**$ 906,010,769**

ATLANTA INDEPENDENT SCHOOL SYSTEM
CHANGES IN GOVERNMENTAL FUND BALANCES
LAST TEN FISCAL YEARS
Schedule 4

Fiscal Year Ended June 30,	2008	2009	2010	2011	2012	2013	Restated 2014	Restated 2015	2016	2017
Excess / (Deficiency) of Revenues over (under) Expenditures	**$ 83,204,756**	**$ (36,704,149)**	**$ (62,613,195)**	**$ (142,538,541)**	**$ 38,962,737**	**$ (47,858,387)**	**$ (17,143,415)**	**$ (54,355,918)**	**$ (32,201,888)**	**$ 15,028,642**
Other Financing Sources (Uses)										
Proceeds from Bonds	-	-	-	104,415,000	-	-	-	-	-	-
Premium on bonds	-	-	-	3,097,709	-	-	-	-	-	-
Proceeds from Capital Leases	20,000,000	-	-	-	4,467,505	-	-	-	-	-
Proceeds from sale of capital assets	909,104	932,980	1,224,378	706,016	251,784	142,566	51,385	2,930,530	250,088	1,199,298
Proceeds from issuance of notes payable	-	-	-	-	-	-	-	-		
Transfers in	25,307,215	34,055,410	44,664,147	10,974,126	600,090	5,925,802	1,238,300	288,955	1,402,164	2,550,527
Transfers out	(34,707,215)	(34,055,410)	(44,664,147)	(10,974,126)	(600,090)	(5,925,802)	(1,238,300)	(288,955)	(1,402,164)	(2,550,527)
Total Other Financing Sources/(Uses)	**11,509,104**	**932,980**	**1,224,378**	**108,218,725**	**4,719,289**	**142,566**	**51,385**	**2,930,530**	**250,088**	**1,199,298**
Net Change in Fund Balances	94,713,862	(35,771,169)	(61,388,817)	(34,319,816)	43,682,026	(47,715,821)	(17,092,030)	(51,425,388)	(31,951,800)	16,227,940
Fund Balance at Beginning of Fiscal Year	263,570,733	355,606,965	323,846,887	258,446,979	224,127,163	267,809,189	220,093,368	210,040,109	158,614,721	126,662,921
Prior Period Corrections	-	-	-	-	-	-	-	-	-	-
Change in accounting practice	-	-	(4,011,091)	-	-	-	-	-	-	-
FUND BALANCE AT END OF FISCAL YEAR	**$ 358,284,596**	**$ 319,835,796**	**$ 258,446,979**	**$ 224,127,163**	**$ 267,809,189**	**$ 220,093,368**	**$ 203,001,338**	**$ 158,614,721**	**$ 126,662,921**	**$ 142,890,861**
FUND BALANCE AT END OF FISCAL YEAR	$ 358,284,596	$ 319,835,796	$ 258,446,979	$ 224,127,163	$ 267,809,189	$ 220,093,368	$ 203,001,338	$ 158,614,721	$ 126,662,921	$ 142,890,861
Debt service as a percentage of noncapital expenditures	0.60%	1.26%	1.08%	1.30%	1.91%	2.39%	2.16%	1.99%	1.79%	1.58%

Source: **Atlanta Independent School System Financial Reports for previous years and fiscal year ended June 30, 2017.**

Notes: **In fiscal year 2008 change in pension expenditure.**
Large fluctuations in expenditures due to reclasses within functions in FY2009-2011 .
Decrease in Sales tax income between FY10 and FY11 was due in part to the adjustment for overpayement of SPLOST proceeds.
All restatements are due to prior period adjustment for change in accounting principle. See Notes S and R of the respective years' CAFR.
Starting with fiscal year 2016, food service balances are treated as part of governmental rather than business-type activities.

Atlanta Independent School System
General Fund Expenditures by Function
Last Ten Fiscal Years
Schedule 5

Fiscal Year	Instruction [1]	Pupil Services	General and School Admin. Services	Business Services [2]	Capital Outlay	Other [3]	Total	Total current expenditures % of change from prior year	Total capital outlay % of change from prior year	Total expenditures % of change from prior year
2008	$ 346,276,544	$ 16,742,092	$ 41,041,883	$ 140,274,918	$ 8,257,558	$ 39,184,963	$ 591,777,958	9.25%	213.02%	10.25%
2009	385,984,855	20,045,172	36,636,052	133,410,584	-	42,590,714	618,667,377	4.54%	0.00%	4.54%
2010 [4]	397,022,707	19,336,072	36,787,333	136,817,366	-	40,770,273	630,733,751	1.95%	0.00%	1.95%
2011 [4]	370,061,246	24,014,862	42,918,150	133,081,824	-	39,937,929	610,014,011	-3.29%	0.00%	-3.29%
2012	354,658,932	23,126,330	43,942,259	136,262,413	-	46,644,887	604,634,821	-0.88%	0.00%	-0.88%
2013	375,555,820	22,019,608	49,946,736	105,425,858	-	25,836,983	578,785,005	-4.28%	0.00%	-4.28%
2014	392,615,401	22,987,226	50,096,842	106,235,157	-	24,962,789	596,897,415	3.13%	0.00%	3.13%
2015	440,936,459	28,028,356	52,951,820	108,345,064	-	26,213,781	656,475,480	9.98%	0.00%	9.98%
2016	479,682,810	32,066,457	52,506,041	109,262,530	-	21,813,684	695,331,522	5.92%	0.00%	5.92%
2017	504,257,876	44,031,586	50,858,509	119,024,084	-	19,632,776	737,804,831	6.11%	0.00%	6.11%

Source: **Atlanta Independent School System Financial Reports for previous years and fiscal year ended June 30, 2017.**

Notes:
1 Instruction includes Improvement of Instructional Services and Educational Media.
2 Business Services includes Business Administration , Maintenance and Facilites, and Student Transportation.
3 Other includes Central Support, Community Services, Other Operations, Principal and Interest.
4 Expenditures for Charter Schools were reclassed to Instruction in fiscal year 2010 and 2011.

Atlanta Independent School System
General Fund Revenues by Source
Last Ten Fiscal Years
Schedule 6

Fiscal Year	Taxes	State Grants	Federal Grants	Other	Total	% of total Local	State	Federal	Other
2008	$ 480,152,929	$ 154,892,058	$ 1,347,241	$ 17,353,301	$ 653,745,529	73%	23.69%	0.21%	2.65%
2009	514,075,346	122,514,004	4,328,538	16,548,410	657,466,298	78%	18.63%	0.66%	2.52%
2010	493,825,791	107,237,545	15,452,007	9,262,323	625,777,666	79%	17.14%	2.47%	1.48%
2011	445,986,671	127,235,844	10,747,543	7,841,900	591,811,958	75%	21.50%	1.82%	1.33%
2012	445,177,849	140,134,932	1,409,596	14,525,430	601,247,807	74%	23.31%	0.23%	2.42%
2013	413,467,525	143,710,200	1,315,257	26,882,771	585,375,753	71%	24.55%	0.22%	4.59%
2014	433,996,780	153,279,702	1,297,845	15,152,262	603,726,589	72%	25.39%	0.21%	2.51%
2015	454,927,297	167,216,672	1,248,478	17,342,632	640,735,079	71%	26.10%	0.19%	2.71%
2016	511,492,393	187,972,496	1,156,562	15,431,196	716,052,647	71%	26.25%	0.16%	2.16%
2017	518,224,539	196,882,236	1,139,105	13,579,405	729,825,285	71%	26.98%	0.16%	1.86%

Source: **Atlanta Independent School System Financial Reports for previous years and fiscal year ended June 30, 2017.**

Atlanta Independent School System
Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
Schedule 7

Fiscal Year Ended	Residential Property	Commercial Property	Industrial Property	Other Property [1]	Less Tax-Exempt Property [2]	Total Taxable Assessed Value [3]	Estimated Actual Value [3]	Total Direct Tax Rate
June 30, 2008	$ 13,980,076,949	$ 13,067,992,615	$ 1,031,326,231	$ 1,615,241,347	$ 2,093,949,974	$ 27,600,687,168	$ 69,001,717,920	30.49%
June 30, 2009	13,611,726,261	11,379,465,585	801,084,215	1,758,938,922	2,409,353,965	25,141,861,018	62,854,652,545	30.49%
June 30, 2010	12,749,326,810	11,746,535,282	806,421,455	1,542,422,321	2,831,876,995	24,012,828,873	60,032,072,183	33.63%
June 30, 2011	12,609,751,900	10,924,151,062	775,954,220	1,525,316,851	2,731,195,758	23,103,978,275	57,759,945,688	33.63%
June 30, 2012	11,506,413,986	11,148,297,009	758,400,890	1,528,992,043	2,880,803,214	22,061,300,714	55,153,251,785	33.63%
June 30, 2013	10,896,664,314	10,752,062,104	723,400,082	1,658,974,465	2,660,010,749	21,371,090,216	53,427,725,540	33.68%
June 30, 2014	11,183,385,556	10,556,075,940	687,309,657	1,671,292,251	2,430,432,837	21,667,630,567	54,169,076,418	33.49%
June 30, 2015	11,687,041,707	11,151,391,836	683,832,400	1,554,353,314	2,599,674,413	22,476,944,844	56,192,362,110	33.19%
June 30, 2016	12,848,381,757	12,774,083,537	711,630,623	1,503,577,204	2,874,052,314	24,963,620,807	62,409,052,018	33.49%
June 30, 2017	13,444,916,986	12,741,070,429	746,742,197	1,357,032,493	2,726,925,124	25,562,836,981	63,907,092,453	32.60%

Source: **Statistical section of the City of Atlanta, Georgia Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2017.**

Notes:
1 Other Property consists of Historical, Agricultural, Conservation, Utility, Motor Vehicle, Heavy Equipment, Timber, Motor Homes, etc.
2 Tax Exempt Property consists of Basic Homestead, Elderly, Disabled Veteran, Freeport, etc.
3 Assessed values are established by the Fulton & DeKalb Counties Board of Tax Assessors on January 1 of each year at 40% of the market value as required by State Law.

Atlanta Independent School System
Property Tax Rates - All Overlapping Governments
(Per $1,000 Assessed Value) Last Ten Fiscal Years
Schedule 8

	City Direct Rates						Overlapping Rates					
									Fulton County, Georgia			
Fiscal Year Ended	General Levy	School Levy	Parks Levy	City Bond Levy	School Bond Levy	Total Direct Tax Rate	Atlanta/ DeKalb County Special Tax District	Downtown Improvement District Special Tax District [1]	County Levy [2]	County Bond Levy	Georgia State Levy	Total
June 30, 2008	7.12	21.640	0.50	1.18	0.050	30.49	0.830	5.00	10.28 **(2)**	0.06	0.25	10.59
June 30, 2009	7.12	21.640	0.50	1.18	0.050	30.49	0.830	5.00	10.28 **(2)**	-	0.25	10.53
June 30, 2010	10.24	21.640	0.50	1.20	0.050	33.63	1.000	5.00	10.28 **(2)**	-	0.25	10.53
June 30, 2011	10.24	21.640	0.50	1.20	0.050	33.63	0.880	5.00	10.28 **(2)**	-	0.25	10.53
June 30, 2012	10.24	21.640	0.50	1.20	0.050	33.63	0.880	5.00	10.28 **(2)**	-	0.25	10.80
June 30, 2013	10.24	21.640	0.50	1.20	0.100	33.68	1.224	5.00	10.21 **(2)**	-	0.25	10.46
June 30, 2014	10.05	21.640	0.50	1.20	0.100	33.49	1.220	5.00	10.21 **(2)**	-	0.10	10.31
June 30, 2015	9.75	21.640	0.50	1.20	0.100	33.19	1.060	5.00	11.78 **(2)**	0.27	0.10	12.15
June 30, 2016	8.89	21.640	0.50	1.48	0.100	32.61	1.110	5.00	10.50 **(2)**	0.25	0.05	10.80
June 30, 2017	8.88	21.715	0.50	1.48	0.025	32.60	0.965	5.00	10.45 **(2)**	0.25	0.00	10.70

Source: **Statistical section of the City of Atlanta, Georgia Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2017.**

Notes: **1 Tax imposed by property owners in the district pursuant to state authorization.**
2 Hospital levy included in County levy.

Atlanta Independent School System
Principal Property Taxpayers
June 30, 2016 Nine Years Ago [1]
Schedule 9

2016

Tax Payer	Type of Business	Taxable Assessed Value [1]	Rank	Percentage of Total City Taxable Assessed Value
Development Authority of Fulton [2]	Government	$ 1,146,589,582	1	4.74%
Georgia Power Company	Utility Service	282,000,331	2	1.17%
Bell South/AT&T	Communication Service	179,628,391	3	0.74%
Post Apartment Homes	Residential Real Estate	172,644,191	4	0.71%
Coca-Cola Company	Marketing and Manufacturing	145,352,469	5	0.60%
Sun Trust Plaza Association	Commercial Real Estate	135,009,840	6	0.56%
Corporate Property Corporation	Commercial Real Estate	110,808,080	7	0.46%
Hines One Atlantic Center LP	Commerical Real Estate	96,894,280	8	0.40%
HRLP Monarch LLC	Foreign Limited Liability Company	96,479,600	9	0.40%
GA-MET	Manufacturing	82,628,961	10	0.34%
Total		$ 2,448,035,725		10.12%

2007

	Type of Business	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Bell South	Communication Service	$ 244,693,204	1	1.04%
Georgia Power Company	Utility Service	197,766,434	2	0.85%
Development Authority of Fulton [2]	Government	181,620,042	3	0.78%
Coca-Cola Company	Marketing and Manufacturing	172,011,442	4	0.73%
Post Apartment Homes	Residential Real Estate	154,997,343	5	0.66%
BF ATL, LLC	Commercial Real Estate	135,349,359	6	0.59%
Sun Trust Plaza Association	Commercial Real Estate	115,924,129	7	0.49%
Georgia Pacific Company	Pulp and Paper Manufacturing	104,165,251	8	0.44%
GA Promenade LLC	Residential Real Estate	84,941,760	9	0.36%
Hines One Atlantic Center LP	Commerical Real Estate	83,995,120	10	0.36%
Total		$ 1,475,464,084		6.30%

Sources: 2016 - Statistical section of the City of Atlanta, Georgia Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2016.

Notes:
1 Information for FY2017 not available
2 Development Authority of Fulton does not pay taxes but does temporarily hold property for others who pay taxes.

City of Atlanta, Georgia
Property Tax Levies and Collections
Last Ten Fiscal Years
Schedule 10

Fiscal Year Ended	Taxes Levies for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections To Date	
		Amount [1]	Percentage of Levy		Amount	Percentage of Levy
June 30, 2008	$ 182,020,745	$ 173,030,142	95.06%	$ 8,165,005 [2]	$ 181,195,147	99.55%
June 30, 2009	198,377,854	190,475,498	96.02%	6,747,892	197,223,390	99.42%
June 30, 2010	264,371,198	257,062,077	97.24%	5,720,583	262,782,660	99.40%
June 30, 2011	240,585,957	234,894,781	97.63%	4,363,742	239,258,523	99.45%
June 30, 2012	222,632,704	218,471,864	98.13%	3,167,012	221,638,876	99.55%
June 30, 2013	219,176,582	214,493,637	97.86%	3,706,910	218,200,547	99.55%
June 30, 2014	222,103,322	218,184,468	98.24%	2,952,221	221,136,689	99.56%
June 30, 2015	227,841,961	224,808,353	98.67%	2,172,020	226,980,373	99.62%
June 30, 2016	239,874,620	237,839,520	99.15%	998,374	238,837,894	99.57%
June 30, 2017	247,077,529	243,947,870	98.73%	-	243,947,870	98.73%

Source: **Statistical section of the City of Atlanta, Georgia Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2017.**

Notes: **1 Does not include tax revenues retained by Fulton and DeKalb County for administrative expenditures, therefore the collection rate shown is slightly less than actual.**
2 Adjusted to collection in subsequent year.

Atlanta Independent School System
Comparison of Property Tax Millage Rates
As of June 30, 2017
Schedule 11

	TOTAL RATE	MAINTENANCE AND OPERATION	DEBT SERVICE
Atlanta Public Schools	21.75	21.72	0.03
Clayton County Schools	19.10	19.10	0.00
Cobb County Schools	18.90	18.90	0.00
DeKalb County Schools	23.28	23.28	0.00
Douglas County Schools	20.95	19.75	1.20
Fulton County Schools	18.48	18.48	0.00
Gwinnett County Schools	21.85	19.80	2.05
Rockdale County Schools	25.32	25.32	0.00

Sources: **Department of Revenue, Tax Digest Millage Rates**

Note: **All tax rates are per $1000 assessed valuation.**

Atlanta Independent School System
Tax Millage Rates
Last Ten Tax Years
Schedule 12

Tax Year	Maintenance and Operations	Sinking Bond Fund	Total Levy	Comments
2008	21.640	0.054	21.694	Decrease of 1.000 mills
2009	21.640	0.054	21.694	No change from 2008
2010	21.640	0.054	21.694	No change from 2009
2011	21.640	0.054	21.694	No change from 2010
2012	21.640	0.100	21.740	Increase of .046 mills
2013	21.640	0.100	21.740	No change from 2012
2014	21.640	0.100	21.740	No change from 2013
2015	21.640	0.100	21.740	No change from 2014
2016	21.715	0.025	21.740	No change from 2015
2017	21.715	0.025	21.740	No change from 2016

Sources: **Atlanta Public Schools June 2010 Tax Levy Board Resolution for tax year 2011**
Georgia Department of Revenue for tax years 2007-2010, 2012-2016
Atlanta Public Schools August 2016 Tax Levy Board Resolution for tax year 2017

Atlanta Independent School Systems
Ratios of Total Debt Outstanding by Type (Unaudited)
Governmental Activities
Last Ten Fiscal Years
Schedule 13

Fiscal Year Ended June 30,	Education Reform Success (COPS)	Intergovernmental Agreement	Capital Leases	Fund Balance Restricted to Debt Service	Net Total Debt (1)	Estimated Actual Value of Taxable Property (2)	Ratio of Total Debt to Est. Actual Value	Personal Income (3)	Ratio of Total Debt to Personal Income	Outstanding Debt per Capita
2008	$ 10,115,000	$ 21,385,800	$ 23,618,868	$ (3,205,377)	$ 51,914,291	$ 27,600,687,168	0.19%	206,232,000	25.17%	109
2009	9,565,000	20,488,750	18,255,388	(2,579,052)	45,730,086	25,141,861,018	0.18%	198,067,000	23.09%	95
2010	8,995,000	19,461,875	13,998,496	(1,868,740)	40,586,631	24,012,828,873	0.17%	198,872,000	20.41%	96
2011	115,912,709	18,439,000	9,682,005	(1,104,717)	142,928,997	23,103,978,275	0.62%	214,002,000	66.79%	331
2012	115,114,094	17,398,125	7,905,594	(299,867)	140,117,946	22,061,300,714	0.64%	222,204,000	63.06%	316
2013	107,431,623	16,311,250	6,018,646	(395,553)	129,365,966	21,371,090,216	0.61%	228,134,000	56.71%	289
2014	99,948,185	15,167,625	4,753,381	(955,364)	118,913,827	21,667,630,567	0.55%	228,134,000	52.12%	261
2015	92,437,941	4,518,925	3,445,099	(1,732,429)	98,669,536	22,476,944,844	0.44%	244,065,000	40.43%	213
2016	84,678,997	3,800,175	2,114,340	(3,106,199)	87,487,313	24,963,620,807	0.35%	257,510,000	33.97%	189
2017	76,740,000	3,612,675	1,068,805	(3,440,290)	77,981,190	25,562,836,981	0.31%	257,510,000	30.28%	168

Source: **Atlanta Independent School System Financial Reports for previous years and fiscal year ended June 30, 2017.**

Notes: **1 See the schedule of Long Term Debt in the Notes for each year for more information on the debt.**
2 See schedule 7 - Assessed and Estimated Actual Value of Taxable Property .
3 See schedule 16 - Demographics Statistics.

Atlanta Independent School System
Overlapping and Direct Governmental Activities Debt (Unaudited)
June 30, 2017
Schedule 14

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable (6)	Estimated Share of Overlapping Debt
Overlapping Debt:			
Fulton County (1)	$ 165,171,673	47.0%	$ 77,630,686
DeKalb County (2)	327,384,000	4.6%	15,059,664
Subtotal of overlapping debt			$ 92,690,350
Contractual General Obligation Debt:			
City of Atlanta General Obligation Debt (less APS Portion)	346,672,325	100.0%	346,672,325
Less: Sinking Fund (less APS Portion)	(34,522,132)	100.0%	(34,522,132)
Net City of Atlanta Generla Obligation Debt (less APS Portion)			381,194,457
Atlanta and Fulton Recreation Authority			
Series 2010 Bonds (5)	97,285,000	66.7%	64,889,095
Series 2005 A/B AFCRA Revenue & Refunding Bonds (5)	24,445,000	100.0%	24,445,000
Series 2014 A/B park Improvement Bonds (5)	63,950,000	100.0%	63,950,000
DDA Parking Deck Series 2006 (ADA) - COA (3)	18,165,000	100.0%	18,165,000
AURA Bonds Series 2010 (ADA) - COA (3)	17,285,000	100.0%	17,285,000
Urban Residential Finance Authority (URFA) - COA (4)	24,855,000	100.0%	24,855,000
Underground Atlanta Refunding Series 2009 (ADA) COA (3)	7,915,000	100.0%	7,915,000
AFCRA Revenue Zoo Series 2007 (5)	10,930,000	75.0%	8,197,500
Overlapping Contractual Obligations:			
Fulton-Dekalb Hospital Authority (1)	99,330,000	47.0%	46,685,100
Total Overlapping Debt			750,271,502
School District Direct Debt:			
City of Atlanta General Obligation Debt (APS Portion)	3,612,675	100.0%	3,612,675
Less: Sinking fund (less APS Portion)	(3,440,290)	100.0%	(3,440,290)
Net City of Atlanta General Oblication Debt (APS Portion)			172,385
ERS, Inc (COPS, Series 2006/2007)	4,280,000	100.0%	4,280,000
ERS, Inc (COPS, Series 2011A)	72,460,000	100.0%	72,460,000
Net ERS, Inc. (COPS, All Series)			76,740,000
Total Overlapping and Direct Debt			$ 827,183,887.31

Sources:

(1) Fulton County CAFR - Year Ended 12/31/2016
(2) DeKalb County CAFR - Year Ended 12/31/2016
(3) DDA - Financial Statements as of 6/30/2016
(4) URFA - Financial Statements as of 6/30/2016
(5) AFCRA - Financial Statement Years Ended 12/31/2015 & 2016
(6) Applicable percentages were estimated by determining the portion of another government unit's assessed value that is within the District's geographic boundaries and dividing it by each government's total assessed valuation.

Atlanta Independent School System
Legal Debt Margin (Unaudited)
Last Ten Fiscal Years
Schedule 15

Fiscal Year Ended June 30,	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Assessed Value	$ 27,600,687,168	$25,141,861,018	$24,012,828,873	$23,103,978,275	$22,061,300,714	$21,371,090,216	$21,667,630,567	$22,476,944,844	$24,963,620,807	$25,562,836,981
Legal Debt Margin										
Debt limit (10% of assessed value)	2,760,068,717	2,514,186,102	2,401,282,887	2,310,397,828	2,206,130,071	2,137,109,022	2,166,763,057	2,247,694,484	2,496,362,081	2,556,283,698
Debt applicable to limit:										
ERS, Inc (COPS, Series 2006/2007)	10,115,000	9,565,000	8,995,000	8,400,000	7,780,000	7,135,000	6,395,000	5,765,000	5,035,000	4,280,000
ERS, Inc (COPS, Series 2011A)	-	-	-	72,460,000	72,460,000	72,460,000	72,460,000	72,460,000	72,460,000	72,460,000
ERS, Inc (Comps, Series 2011B)	-	-	-	31,955,000	31,955,000	26,035,000	19,995,000	13,655,000	6,995,000	-
Unamortized premium 2011B	-	-	-	3,097,709	2,569,042	1,801,623	1,098,185	557,941	188,997	-
Net ERS, Inc (COPS, All Series)	10,115,000	9,565,000	8,995,000	115,912,709	114,764,042	107,431,623	99,948,185	92,437,941	84,678,997	76,740,000
Less: Amount reserved for repayment of debt	3,205,377	2,579,052	1,868,740	1,104,717	299,867	395,553	955,364	1,732,429	3,106,199	3,440,290
Total debt applicable to limit	6,909,623	6,985,948	7,126,260	114,807,992	114,464,175	107,036,070	98,992,821	90,705,512	81,572,798	73,299,710
Legal Debt Margin	2,753,159,094	2,507,200,154	2,394,156,627	2,195,589,836	2,091,665,896	2,030,072,952	2,067,770,236	2,156,988,972	2,414,789,283	2,482,983,988
Total net debt applicable to the limiat as a % of the debt limit	0.25%	0.28%	0.30%	4.97%	5.19%	5.01%	4.57%	4.04%	3.27%	2.87%

Notes: Under Article 9, Section 5, Paragraph 1 of the State of Georgia Constitution, the School District's outstanding general obligation debt should not exceed 10% of the assessed value of the taxable property located within the School District.

Atlanta Independent School System
Demographic Statistics
Last Ten Fiscal Years
Schedule 16

Fiscal Year Ended [1]	Population	Personal Income (thousands of dollars)	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
June 30, 2007	461,956	$ 203,924	$ 40,251	34.7	49,707	4.4%
June 30, 2008	477,300	206,232	39,889	32.0	51,377	6.2%
June 30, 2009	480,700	198,067	37,793	34.0	48,093	9.9%
June 30, 2010	422,753	198,872	37,493	33.3	48,696	10.3%
June 30, 2011	432,092	214,002	39,826	33.0	49,874	9.9%
June 30, 2012	444,002	222,204	40,738	32.2	49,474	8.8%
June 30, 2013	448,312	228,134	41,307	33.2	48,831	7.8%
June 30, 2014	456,143	228,134	41,307	33.4	49,842	6.8%
June 30, 2015	463,878	244,065	43,472	33.3	50,708	5.1%
June 30, 2016	472,522	257,510	45,092	33.0	51,296	4.6%

Sources: **Statistical section of the City of Atlanta, Georgia 2017 Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2017.**
(1) Statistical Data from the City of Atlanta is one year in arrears.

Atlanta Independent School System
Principal Employers
June 30, 2016 and Nine Years Ago
Schedule 17

2016

Employer	Type Of Business	Employees	Percentage of Total City Employment
Delta Air Lines, Inc.	Transportation	5,348	2.30%
The Coca-Cola Co One Coca Cola	Marketing and Manufacturing	4,256	1.83%
Accenture LLP	Consulting	2,159	0.93%
AT&T Services Inc.	Telecommunication	2,139	0.92%
The Coca-Cola Company	Marketing and Manufacturing	1,737	0.75%
Air Service Corp	Transportation	1,733	0.75%
Cable News Network	Media	1,732	0.75%
Turner Broadcasting System, Inc	Media/Entertainment	1,614	0.69%
CapGemini US LLC	Consulting	1,516	0.65%
Atlanta Medical Center, Inc	Healthcare	1,425	0.61%
Total		**23,659**	**10.18%**

2007

Employer	Type Of Business	Employees	Percentage of Total City Employment
The Coca-Cola Company	Marketing and Manufacturing	3,029	1.65%
Allied Barton Security Services	Security Services	2,395	1.30%
Accenture LLP	Consulting	2,100	1.14%
Cable News Network, Inc.	Media	1,809	0.98%
Turner Broadcasting System, Inc.	Media/Entertainment	1,710	0.93%
Air Service Corp	Transportation	1,391	0.76%
Turner Entertainment Networks	Media/Entertainment	1,290	0.70%
Tenet Healthsystem, Inc.	Healthcare	1,279	0.69%
Earthlink, Inc	Internet	1,106	0.60%
Georgia-Pacific Corporation	Pulp and Paper Manufacturing	1,106	0.60%
Total		**17,215**	**9.35%**

Source: 2016 - Statistical section of the City of Atlanta, Georgia 2017 Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2017.
2017 - Information not Available

Atlanta Independent School System
School Breakfast Program
Last Ten Fiscal Years
Meals Served
Schedule 18

Fiscal Year	Total	Free	Reduced	Paid
2008	2,854,746	2,597,420	85,533	171,793
2009	2,884,599	2,634,544	78,887	171,168
2010	3,077,775	2,822,180	77,739	177,856
2011	3,499,392	3,173,080	78,260	248,052
2012	3,869,946	3,487,626	86,082	296,238
2013	3,718,353	3,368,341	77,277	272,735
2014	3,528,648	3,403,721	27,543	97,384
2015	3,481,920	3,353,976	24,313	103,631
2016	3,488,062	3,290,477	25,548	172,037
2017	3,716,272	3,496,581	24,955	194,736

Source: **Nutrition Department of APS**

Atlanta Independent School System
School Lunch Program
Last Ten Fiscal Years
Meals Served
Schedule 19

Fiscal Year	Total	Free	Reduced	Paid
2008	5,894,475	4,943,800	272,290	678,385
2009	5,919,633	4,961,606	252,189	705,838
2010	5,835,665	4,968,698	223,230	643,737
2011	5,840,231	5,032,509	168,063	639,659
2012	5,803,075	5,043,598	158,924	600,553
2013	5,426,460	4,799,240	126,324	500,896
2014	5,328,409	4,964,636	59,466	304,307
2015	5,454,239	5,026,532	66,502	361,205
2016	5,564,912	5,099,042	51,688	414,182
2017	5,553,290	5,058,258	46,256	448,776

Source: **Nutrition Department of APS**

Atlanta Independent School System
Number of Schools
Last Ten Fiscal Years
Schedule 20

Fiscal Year	Total	Elementary	Middle	High
2008	93	57	17	19
2009	95	57	19	19
2010	96	55	18	23
2011	96	55	16	25
2012	100	58	18	24
2013	86	50	15	21
2014	88	53	14	21
2015	86	53	12	21
2016	81	53	13	15
2017	77	50	12	15

Source: **Atlanta Public Schools Website - 2016-2017 School List**

Atlanta Independent School System
Enrollment by Grade Level (Unaudited)
Last Ten Fiscal Years
Schedule 21

Grade Level	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
PK	890	885	965	991	1,111	1,098	1,108	1,113	1,101	1,232
KK	4,476	4,351	4,501	4,598	4,795	4,822	4,911	5,029	4,687	4,646
Grade 1	4,711	4,503	4,377	4,601	4,609	4,698	4,816	4,902	4,979	4,802
Grade 2	4,545	4,543	4,431	4,248	4,379	4,417	4,602	4,677	4,781	4,851
Grade 3	4,330	4,337	4,431	4,481	4,269	4,289	4,341	4,509	4,567	4,727
Grade 4	4,065	4,040	4,168	4,221	4,266	3,962	4,008	4,105	4,397	4,436
Grade 5	3,874	3,903	3,904	4,177	4,172	4,094	3,963	3,979	4,057	4,301
Grade 6	3,509	3,314	3,451	3,623	3,563	3,603	3,591	3,604	3,590	3,658
Grade 7	3,309	3,347	3,204	3,490	3,503	3,471	3,505	3,568	3,402	3,424
Grade 8	3,580	3,190	3,303	3,242	3,465	3,379	3,404	3,517	3,511	3,320
Grade 9	4,204	4,309	4,420	4,412	4,475	4,395	4,741	4,732	4,083	3,718
Grade 10	3,197	2,948	2,873	2,982	3,003	2,928	2,822	3,068	3,084	3,013
Grade 11	2,854	2,893	2,354	2,299	2,352	2,346	2,378	2,232	2,761	2,635
Grade 12	2,447	2,469	2,527	2,431	2,047	2,056	1,941	2,110	2,500	2,533
Totals	49,991	49,032	48,909	49,796	50,009	49,558	50,131	51,145	51,500	51,296

Source: **GA Department of Education, Enrollment by Grade report, based on the October count of each fiscal year.**

Atlanta Independent School System
School Buildings, Acreage, and Capcity
June 30, 2017
Schedule 22
School Acreage, Square Footage, Planning Capacity, Area per Student, Effective Age

	Elementary Schools	Region	Acres	Sq.Ft.	Planning Capacity @ 25/1	SF per Student	Core Classrooms	Original Construction	Renovation	Actual Age (2017 basis)	Effective Age Basis	Effective Age (2017 basis)
1	Beecher Hills	W	9.5	49,925	525	95	21	1959	1999	58	1999	18
2	Benteen	E	4.0	79,633	600	133	24	1957	2000	60	2000	17
3	Bolton Academy	N	4.0	83,653	900	93	36	2003		14	2003	14
4	Boyd	N	19.7	80,246	625	128	25	1971	2016	46	2016	1
5	Brandon	N	10.0	76,672	875	88	35	1947	1994	70	1994	23
6	Brandon Primary	N	9.8	78,462	750	105	30	1954	2009	63	2009	8
7	Burgess-Peterson	E	8.3	85,836	875	98	35	2004		13	2004	13
8	Cascade	W	8.7	70,101	625	112	25	1995		22	1995	22
9	Centennial Place	E	5.0	63,806	650	98	26	1998		19	1998	19
10	Cleveland	S	15.8	75,286	675	112	27	1996		21	1996	21
11	Continental Colony	W	8.7	85,562	600	143	24	1963	2011	54	2011	6
12	Deerwood Academy	W	21.0	91,566	900	102	36	2004		13	2004	13
13	Dobbs	S	19.6	86,907	875	99	35	2003		14	2003	14
14	Dunbar	E	5.3	98,959	500	198	20	1969	2009	48	2009	8
15	Fain	N	8.0	83,782	700	120	28	1987		30	1987	30
16	Fickett	W	12.0	86,490	900	96	36	1972	1994	45	1994	23
17	Finch	S	4.1	95,024	950	100	38	2005		12	2005	12
18	Garden Hills	N	8.0	82,176	775	106	31	1938	2003	79	2003	14
19	Gideons	S	4.5	72,402	825	88	33	1958	2000	59	2000	17
20	Heritage Academy	S	7.0	80,864	850	95	34	2002		15	2002	15
21	Hollis Innovation Academy	W	5.0	228,028	1,025	222	41	1970	2004	47	2004	13
22	Hope - Hill	E	2.4	75,631	700	108	28	2002		15	2002	15
23	Humphries	S	8.2	66,228	650	102	26	1940	1998	77	1998	19
24	Hutchinson	S	8.5	70,797	825	86	33	1956	1994	61	1994	23
25	Jackson	N	12.5	96,639	850	114	34	1967	1994	50	1994	23
26	Jackson Primary	N	7.2	48,982	500	98	20	1959	2008	58	2008	9
27	Jones, M. A.	W	7.5	92,272	875	105	35	2005		12	2005	12
28	Kimberly	W	7.2	70,070	650	108	26	1958	2016	59	2016	1
29	Lin, Mary	E	5.2	91,338	875	104	35	1930	2015	87	2015	2
30	Miles	W	15.0	82,211	875	94	35	2003		14	2003	14
31	Morningside	E	5.2	98,037	900	109	36	1930	1994	87	1994	23
32	Obama Academy	E	6.0	75,646	825	92	33	1959	2000	58	2000	17
33	Parkside	E	8.3	80,836	775	104	31	2001		16	2001	16
34	Perkerson	S	9.0	75,297	700	108	28	1994		23	1994	23
35	Peyton Forest	W	25.0	64,300	625	103	25	1968	1999	49	1999	18
36	Rivers	N	8.0	112,000	900	124	36	2015		2	2015	2
37	Scott	N	8.0	72,891	800	91	32	1960	2006	57	2006	11
38	Slater	S	13.0	78,232	800	98	32	1952	2002	65	2002	15
39	Smith Intermediate	N	6.2	78,173	750	104	30	2009		8	2009	8
40	Smith Primary	N	10.3	70,545	750	94	30	1952	1994	65	1994	23
41	Springdale Park	E	5.5	95,555	825	116	33	2009		8	2009	8
42	Stanton, F. L.	N	5.2	57,910	425	136	17	1928	2000	89	2000	17
43	Thomasville Heights	S	11.2	83,023	950	87	38	1971	2001	46	2001	16
44	Toomer	E	10.6	70,012	700	100	28	1967	1998	50	1998	19
45	Towns	N	8.9	70,084	675	104	27	1963	2000	54	2000	17
46	Tuskegee Airmen Global	W	9.9	88,417	1,000	88	40	1975	2000	42	2000	17
47	Usher - Collier	N	14.0	102,962	900	114	36	1969	2003	48	2003	14
48	West Manor	W	10.8	37,150	400	93	16	1956	2000	61	2000	17
49	Woodson Park	N	7.0	88,921	725	123	29	1967	2000	50	2000	17
	Elementary School Totals		**453.8**	**4,029,539**	**37,225**	**109**	**1,489**	**1974**		**43**	**2002**	**15**

Atlanta Independent School System
School Buildings, Acreage, and Capcity
June 30, 2017
Schedule 22
School Acreage, Square Footage, Planning Capacity, Area per Student, Effective Age

	Middle Schools	Region	Acres	Sq.Ft.	Planning Capacity @ 25/1	SF per Student	Core Classrooms	Original Construction	Renovation	Actual Age (2017 basis)	Effective Age Basis	Effective Age (2017 basis)
1	Brown	W	15.6	185,607	975	190	39	1928	2016	89	2016	1
2	Bunche	W	42.3	148,708	975	153	39	1979	2015	38	2015	2
3	Harper - Archer	N	18.1	229,745	1,100	209	44	1963	2002	54	2002	15
4	Inman	E	4.2	146,035	875	167	35	1923	2005	94	2005	12
5	King, M.L.	E	6.5	192,360	875	220	35	1967	2016	50	2016	1
6	Lewis Academy (fmr BEST)	N	15.1	217,578	1,750	124	70	2009		8	2009	8
7	Long	S	15.6	160,082	1,075	149	43	1973	2003	44	2003	14
8	Price	S	19.0	167,168	975	171	39	1954	2002	63	2002	15
9	Sutton 7th-8th (@ fmr NAS)	N	17.5	301,386	1,625	185	65	1951	2011	66	2011	6
10	Sutton 6th (@ fmr Sutton MS)	N	12.5	160,667	1,000	161	40	1960	2006	57	2006	11
11	Sylvan Hills	S	13.0	156,000	975	160	39	2015		2	2015	2
12	Young	W	15.0	196,986	1,175	168	47	1951	2009	66	2009	8
Middle School Totals			**194.4**	**2,262,322**	**13,375**	**171**	**535**	**1964**		**53**	**2009**	**8**

	High Schools	Region	Acres	Sq.Ft.	Planning Capacity @ 25/1	SF per Student	Core Classrooms	Original Construction	Renovation	Actual Age (2017 basis)	Effective Age Basis	Effective Age (2017 basis)
1	Carver	S	35.4	271,429	1,525	178	61	1920	2005	97	2005	12
2	Crim	E	17.9	203,949	925	220	37	1940	2007	77	2007	10
3	Douglass	N	32.0	336,101	1,950	172	78	1968	2004	49	2004	13
4	Forrest Hill	S	5.8	69,254	750	92	30	2008		9	2008	9
5	Grady	E	19.5	253,095	1,275	199	51	1924	2005	93	2005	12
6	Jackson, M.H.	E	25.0	314,251	1,500	210	60	1985	2014	32	2014	3
7	King, C.S. / BEST	N	21.2	264,874	1,750	151	70	2009		8	2009	8
8	Mays	W	70.0	339,758	2,000	170	80	1981	2011	36	2011	6
9	North Atlanta	N	56.6	507,093	2,425	209	97	1978	2013	39	2013	4
10	South Atlanta	S	50.2	277,779	1,950	142	78	1973	2008	44	2008	9
11	Therrell	W	17.3	249,830	1,500	167	60	1960	2011	57	2011	6
12	Washington	W	21.1	261,269	1,625	161	65	1924	2005	93	2005	12
High School Totals			**372.0**	**3,348,682**	**19,175**	**173**	**767**	**1964**		**53**	**2008**	**9**

DISTRCT TOTALS & AVERAGES		**Acres**	**Sq.Ft.**	**Planning Capacity @ 25/1**	**SF per Student**	**Core Classrooms**	**Original Construction**		**Actual Age (2017 basis)**	**Effective Age Basis**	**Effective Age (2017 basis)**
		1,020.1	**9,640,543**	**69,775**	**151**	**2,791**	**1971**		**46**	**2004**	**13**

NOTE:
1. " * " indicates that the school is relocated for this school year.

	Other Facilities / Programs	Region	Acres	Sq.Ft.	Planning Capacity @ 25/1	SF per Student	Core Classrooms	Original Construction	Renovation	Actual Age (2017 basis)	Effective Age Basis	Effective Age (2017 basis)
1	North Metro (Oglethorpe)	W	3.8	52,909	550	96	22	1958	1999	59	1999	18
2	Whitefoord Early Learning Center	E	2.3	59,438	650	91	26	1928	1994	89	1994	23
Other Facilities / Programs			**6.1**	**112,347**	**1,200**	**94**	**48**	**1943**		**74**	**1997**	**21**

	Relocation Sites	Region	Acres	Sq.Ft.	Planning Capacity @ 25/1	SF per Student	Core Classrooms	Original Construction	Renovation	Actual Age (2017 basis)	Effective Age Basis	Effective Age (2017 basis)
1	Archer HS Facility	N	19.5	266,648	1,625	164	65	1957	1972	60	1972	45
2	Blalock ES Facility	W	16.4	78,332	875	90	35	1971	2002	46	2002	15
3	Coan MS Facility	E	16.1	167,169	1,025	163	41	1967	2003	50	2003	14
4	East Lake ES Facility	E	2.7	79,378	575	192	23	1949	1994	68	1994	23
5	Parks MS Facility	S	5.8	79,630	625	127	25	1966	1996	51	1996	21
6	White ES Facility	W	8.0	63,603	750	85	30	1964	1999	53	1999	18
Relocation Sites			**68.5**	**734,760**	**5,475**	**137**	**219**	**1962**		**55**	**1994**	**23**

	Charter School Facilities	Region	Acres	Sq.Ft.	Planning Capacity @ 25/1	SF per Student	Core Classrooms	Original Construction	Renovation	Actual Age (2017 basis)	Effective Age Basis	Effective Age (2017 basis)
1	Adamsville ES (Kendezi)	W	4.9	75,058	750	100	30	1970	2001	47	2001	16
2	Cook ES (Wesley International)	E	2.6	85,856	725	118	29	2000		17	2000	17
3	Herndon ES (KIPP WAYS)	W	6.5	85,046	800	106	32	2002		15	2002	15
4	Hill C.W. ES (Kendezi)	E	7.6	79,042	775	102	31	1967		50	1967	50
5	Slaton ES (Neighborhood Charter)	E	3.5	43,040	450	96	18	1907	2005	110	2005	12
6	Turner MS (KIPP Collegiate)	W	9.5	122,279	800	153	32	1950	1999	67	1999	18
7	Waters ES (KIPP Vision)	S	15.0	75,960	800	95	32	1958	1999	59	1999	18
Charter School Facilities			**49.6**	**566,281**	**5,100**	**110**	**204**	**1965**		**52**	**1996**	**21**

Atlanta Independent School System
General Fund Per Pupil Cost
Last Ten Fiscal Years
Schedule 23

Fiscal Year	Expenditures [1]	Active Enrollment [2]	Cost Per Pupil Enrolled	Average Daily Attendance [3]	Cost Per Pupil Attended
2008	$ 591,778	49,991	$ 11,838	44,935	$ 13,170
2009	618,667	49,032	12,618	51,449	12,025
2010	630,734	48,909	12,896	52,368	12,044
2011	610,014	49,796	12,250	52,925	11,526
2012	604,635	50,009	12,091	47,192	12,812
2013	578,785	49,558	11,679	46,403	12,473
2014	596,900	49,842	11,976	47,068	12,682
2015	656,475	51,145	12,836	47,463	13,831
2016	695,332	51,500	13,502	48,552	14,321
2017	737,805	51,927	14,209	48,910	15,085

Sources:

1 Atlanta Independent School System General Fund Expenditures by Function schedule for fiscal year ended June 30, 2017 (amounts expressed in thousands).
2 GA Department of Education, Enrollment by Grade report, based on the October count of each fiscal year.
3 Average daily attendance figures from the APS Attendance/Membership Summary Report as of June 30 of each fiscal year.

Atlanta Independent School System
Employees by Function (Unaudited)
For the Last Ten Fiscal Years
Schedule 24

Function	Fiscal Year Ended June 30, 2017									
	2008	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**
Instruction	5,298	5,137	5,170	4,892	4,743	4,568	4,020	3,840	3,808	3,833
Pupil Services	341	365	348	350	303	224	193	224	280	339
Improvement of Instructional Services	265	303	327	314	387	318	329	306	303	313
Educational Media Services	126	124	121	123	118	116	112	91	79	83
General Administration	47	68	79	84	57	64	45	59	62	42
School Administration	453	449	434	438	431	440	443	507	521	514
Business Administration	162	189	188	199	187	161	85	79	69	63
Maintenance and Operations	540	632	628	630	667	578	401	374	533	429
Student Transportation Services	421	424	439	446	431	444	396	451	457	432
Central Services	136	129	128	136	132	142	153	89	111	122
Other Supporting Services	79	81	86	93	180	91	67	71	55	5
Nutrition Operations	143	136	122	119	108	101	88	84	80	73
Facilities, Acquisition and Contruction	-	1	1	2	2	2	3	4	2	2
Totals	8,011	8,038	8,071	7,826	7,746	7,249	6,335	6,179	6,360	6,250

Source: Information Technology Department of APS



2017 Single Audit SECTION

Colin Forsyth
North Atlanta High School

© COLIN FORSYTH

SINGLE AUDIT SECTION

MAULDIN & JENKINS

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Superintendent and Members of
the Atlanta Board of Education
Atlanta, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Atlanta Independent School System (the "School System") as of and for the fiscal year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the School System's basic financial statements, and have issued our report thereon dated February 13, 2018.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School System's internal control over financial reporting ("internal control") to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectivness of the School System's internal control. Accordingly, we do not express an opinion on the effectiveness of the School System's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School System's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Mauldin & Jenkins, LLC

Atlanta, Georgia
February 13, 2018

MAULDIN & JENKINS

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE AS REQUIRED BY THE UNIFORM GUIDANCE

To the Superintendent and Members of
the Atlanta Board of Education
Atlanta, Georgia

Report on Compliance for Each Major Federal Program

We have audited the Atlanta Independent School System's (the "School System") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the School System's major federal programs for the fiscal year ended June 30, 2017. The School System's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is reponsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinon on compliance for each of the School System's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School System's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the School System's compliance.

Opinion on Each Major Federal Program

In our opinion, the Atlanta Independent School System complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the fiscal year ended June 30, 2017.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2017-001. Our opinion on each major federal program is not modified with respect to this matter.

The School System's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs and management's corrective action plan. The School System's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of the School System is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit, we considered the School System's internal control over compliance with the types of requirements that could have a direct and material effect on a major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School System's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2017-001, that we consider to be a material weakness.

The School System's response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs and management's corrective action plan. The School System's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Mauldin & Jenkins, LLC

Atlanta, Georgia
February 13, 2018

ATLANTA INDEPENDENT SCHOOL SYSTEM

Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2017

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	CFDA NUMBER	PASS-THROUGH ENTITY ID NUMBER	TOTAL EXPENDITURES
U.S. Department of Agriculture:			
Child Nutrition Cluster			
Pass-Through From Georgia Department of Education			
Food and Nutrition Program			
Food Services			
School Breakfast Program	10.553	17175GA324N1099	$ 7,103,953
National School Lunch Program:			
Cash Assistance	10.555	17175GA324N1100	16,690,658
Non-Cash Assistance (Commodities) - Note 2	10.555	17175GA324N1100	2,140,358
After School Snack Program	10.555	17175GA324N1100	376,551
Total Child Nutrition Cluster			26,311,520
Fresh Fruit and Vegetable Program	10.582	175GA324L1903	897,576
Child and Adult Care Food Program	10.558	175GA368N2020	787,056
Total U.S. Department of Agriculture			27,996,152
U.S. Department of Education:			
Pass-Through From Georgia Department of Education			
Individuals with Disabilities Education Act (IDEA) - Special Education Cluster			
Title VIB Flow Through	84.027	H027A160073	10,232,740
Preschool	84.173	H173A160081	313,961
Total Special Education Cluster			10,546,701
Title I, Part A			
Title I - Grants to Local Educational Agencies	84.010	S010A150010	4,135,246
Title I - Grants to Local Educational Agencies	84.010	S010A160010	29,915,919
			34,051,165
Other Programs			
Title I - School Improvements - G Funds	84.377	S377A150011	226,874
Title I - School Improvements - G Funds	84.377	S377A160011	799,064
			1,025,938
Title I Striving Readers	84.371	S371C110049	1,185,240
Title IIA - Improving Teacher Quality	84.367	S367A150001	592,519
Title IIA - Improving Teacher Quality	84.367	S367A160001	3,640,889
			4,233,408
Title III - Limited English Proficiency	84.365	S365A150010	141,238
Title III - Limited English Proficiency	84.365	S365A160010	187,037
			328,275

(Continued)

ATLANTA INDEPENDENT SCHOOL SYSTEM

Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2017

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	CFDA NUMBER	PASS-THROUGH ENTITY ID NUMBER	TOTAL EXPENDITURES
U.S. Department of Education (continued):			
Pass-Through From Georgia Department of Education (continued)			
Title IV - Education for Homeless Children and Youth	84.196	S196A150011	$ 8,476
Title IV - Education for Homeless Children and Youth	84.196	S196A160011	45,118
			53,594
Vocational Education - Basic Grants to States			
CTE Perkins IV - Program Improvement	84.048	V048A160010	638,141
21st Century Community Learning Centers	84.287	S287C150010	9,679
21st Century Community Learning Centers	84.287	S287C160010	925,596
			935,275
Pass-Through From Georgia Department of Technical and Adult Education			
Adult Literacy	84.002	V002A170010	1,045,063
Pass-Through From Georgia State University			
Teacher Quality Enhancement Grant	84.336	U336S140036	99,921
Total U.S. Department of Education			54,142,721
U. S. Department of Defense:			
R.O.T.C. Program-Army	12. unknown	N/A	1,139,105
Total U.S. Department of Defense			1,139,105
Total Expenditures of Federal Awards			$ 83,277,978

See the Notes to the Schedule of Expenditures of Federal Awards

ATLANTA INDEPENDENT SCHOOL SYSTEM

Notes to the Schedule of Expenditures of Federal Awards
For the Fiscal Year Eneded June 30, 2017

NOTE 1. BASIS OF PRESENTATION

The Schedule of Expenditures of Federal Awards includes the federal grant activity of the Atlanta Independent School System and is presented on the accrual basis of accounting.

The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the financial statements.

NOTE 2. FOOD DONATION (COMMODITIES) PROGRAM

The amounts shown for the Food Donation Program (Non-cash assistance commodities) on the schedule of expenditures of federal awards represent the Federally assigned value of nonmonetary assistance for donated commodities received and/or consumed by the School System during the current fiscal year.

NOTE 3. INDIRECT COST RATE

The School System did not utilize the 10% de minimus indirect cost rate permitted by the Uniform Guidance.

ATLANTA INDEPENDENT SCHOOL SYSTEM

Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2017

SECTION I
SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of report the auditor issued on whether the financial statements were prepared in accordance with GAAP	Unmodified
Internal control over financial reporting: Material weakness(es) identified?	___ yes _X_ no
Significant deficiency(ies) identified?	___ yes _X_ none reported
Noncompliance material to financial statements noted?	___ yes _X_ no

Federal Awards

Internal Control over major programs: Material weakness(es) identified?	_X_ yes ___ no
Significant deficiency(ies) identified	___ yes _X_ none reported
Type of auditor's report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	_X_ yes ___ no

Identification of major programs:

Name of Federal Program or Cluster / CFDA Number

-U.S. Department of Education – Title I, Part A (CFDA #84.010)

Dollar threshold used to distinguish between Type A and Type B programs:	$2,498,339
Auditee qualified as low-risk auditee?	_X_ yes ___ no

ATLANTA INDEPENDENT SCHOOL SYSTEM

Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2017

SECTION II
FINANCIAL STATEMENT FINDINGS AND QUESTIONED COSTS

None reported

SECTION III
FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

2017-001 Procurement Requirements for Federally Funded Projects – U.S. Department of Education Title I, Part A (CFDA #84.010)

Criteria: Internal controls should be in place to ensure that every contract includes any clauses required by Federal statutes and executive orders and their implementing regulations. Local governments should use procurement procedures that conform to applicable Federal law and regulations and standards identified in the Uniform Guidance. The Uniform Guidance states that non-Federal entities are prohibited from contracting with or making sub-awards under covered transactions to parties that are suspended or debarred or whose principals are suspended or debarred.

Condition and Context: During our testing of procurement, suspension, and debarment for covered transactions, we noted the School System was not aware of the requirement regarding testing of certain vendors for inclusion on the Federal suspended or debarred list. Fourteen (14) out of thirty-eight (38) vendors reviewed during our testing were not reviewed by the School System in accordance with the procurement, suspension, and debarment compliance requirement.

Cause: The School System was not aware of the requirement and therefore did not test these vendors prior to entering into covered transactions; however, during our testing, there were no parties noted on the excluded parties listing.

Effects: Not performing a verification check for covered transactions, by checking the Excluded Parties List System (EPLS), collecting a certification from the vendor, or adding a clause or condition to the covered transaction with the vendor could result in Federal funds being used to pay a vendor who has been suspended or debarred.

Questioned Costs: None

Recommendation: We recommend the School System take necessary steps in the future to ensure there is a verification check for covered transactions, by checking the EPLS, collecting a certification from the vendor, or adding a clause or condition to the contract with a vendor prior to paying any Federal funds to a particular entity.

Auditee's Response:

The Procurement and Title departments met to discuss and are revising internal processes so that all purchases under the APS threshold for competitive solicitation or on the APS exempt list are checked on the SAM.gov website for suspension or debament status. All other purchases are already being checked.

ATLANTA INDEPENDENT SCHOOL SYSTEM

Status of Prior Fiscal Year Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2017

None reported in the prior year.

ATLANTA INDEPENDENT SCHOOL SYSTEM

Management's Corrective Action Plan
For the Fiscal Year Ended June 30, 2017

2017-001 Procurement Requirements for Federally Funded Projects

Name of the Contact Person Responsible for the Corrective Action Plan:

Alisa Morningstar, Executive Director Purchasing & Warehouse Ops
Kathleen Yarbrough. Executive Director of Federal Programs

Corrective Action Plan:

The Title department will identify vendors that have multiple purchases under the APS competition threshold, which could result in an aggregated total in excess of the Federal threshold. If the Federal threshold is going to be exceeded, then additional quotes will be required.
The Procurement department will check Sam.Gov for all title purchases.

Anticipated Completion Date:

On going process