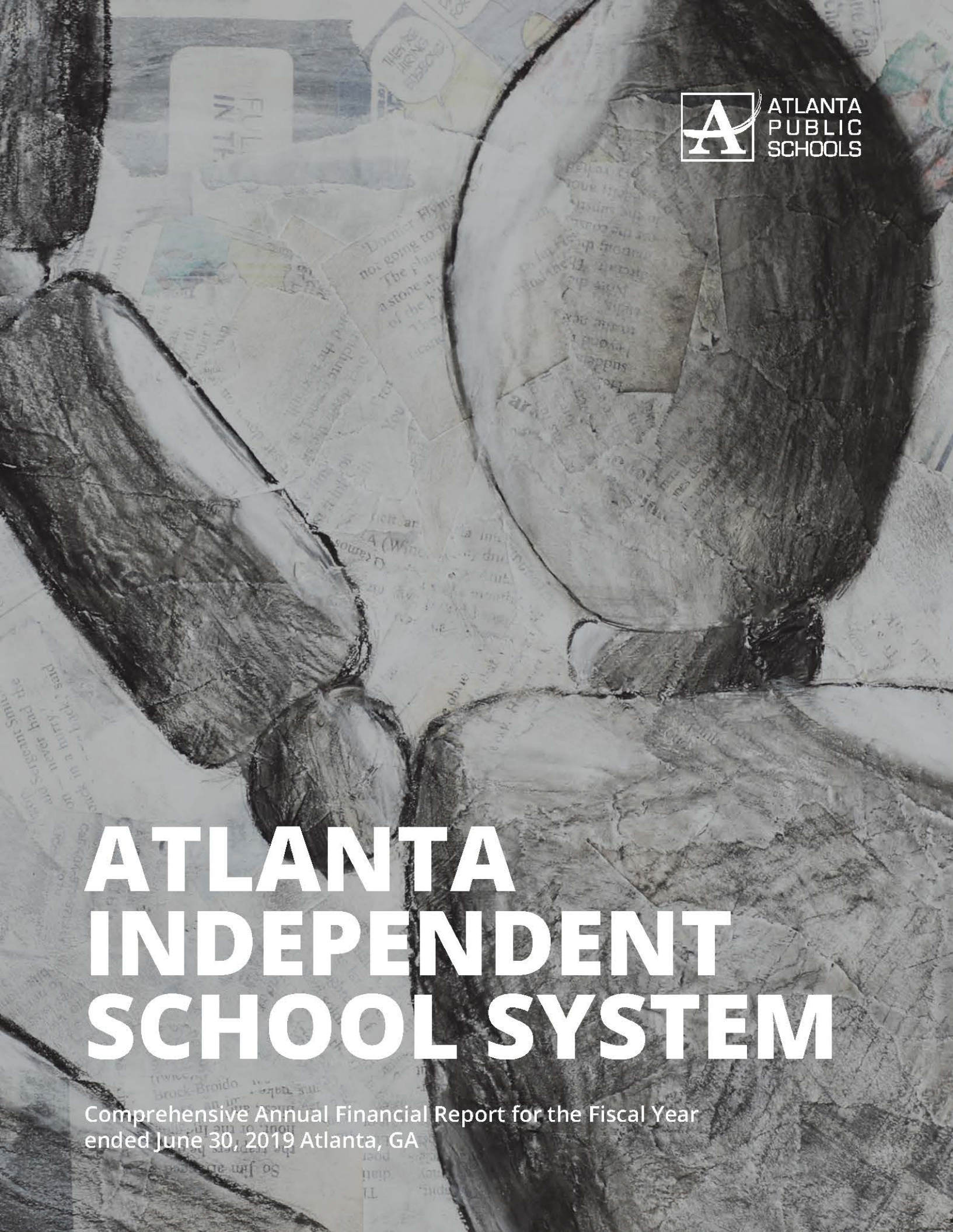


ATLANTA PUBLIC SCHOOLS

ATLANTA INDEPENDENT SCHOOL SYSTEM

Comprehensive Annual Financial Report for the Fiscal Year ended June 30, 2019 Atlanta, GA

ATLANTA INDEPENDENT SCHOOL SYSTEM

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED
JUNE 30, 2019

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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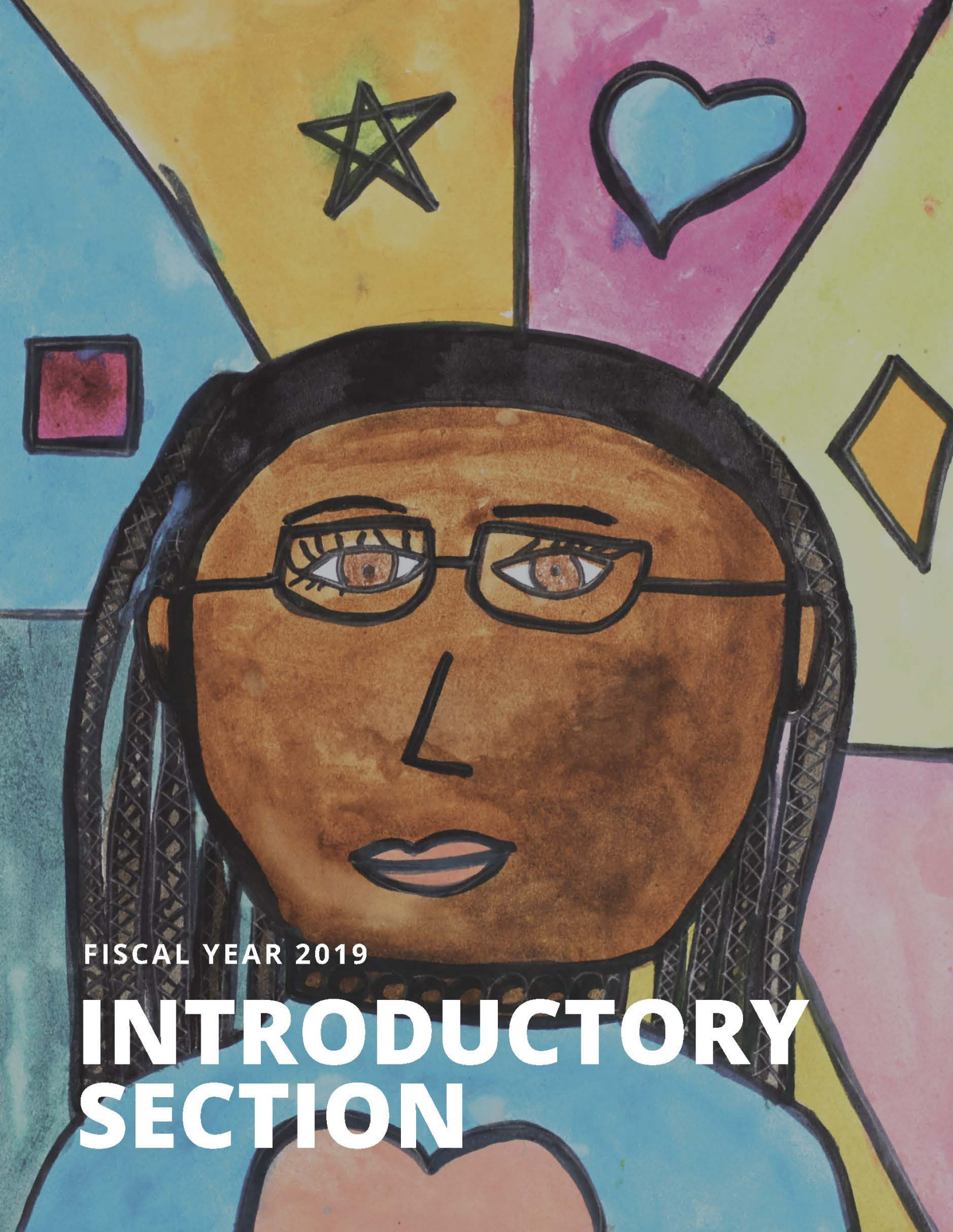
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FISCAL YEAR 2019

INTRODUCTORY SECTION

130 Trinity Ave., SW
Atlanta, GA 30303
(404)802-3500
atlantapublicschools.us

December 18, 2019

Dear Citizens of Atlanta:

Atlanta Public Schools (APS) is pleased to present the Comprehensive Annual Financial Report (CAFR) for the fiscal year that ended on June 30, 2019. 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 2019. 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, families engage and the community trusts the system.

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

and the District began operating under her leadership on July 7, 2014, on a Journey of Transformation.

As part of that journey, APS is striving for even more equity and transparency – to remedy the past and eliminate barriers in 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.

As part of a 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. 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 Readiness – so as to establish a clear academic pathway from Pre-K to 12th grade.

The new operating model has also lead 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.

Students

In the 2018-2019 school year, student enrollment stood at approximately 52,000 students, and the District expects to serve a similar number of students at 87 schools throughout Atlanta this school year. In addition, 2,506 cohort seniors graduated from APS high schools in 2019, earning more than $154 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 – 3.6%
- Gifted and Talented – 8.2 %
- Homeless – 1.4%
- English Learners – 4.1%
- Low Income Students – 74.4%
- Student Ethnic Distribution: African American – 72.9%; Caucasian – 15.9%; Hispanic – 7.6%; Multi-racial/ Other – 3.7%
- Students with Disabilities – 11.1%

Employees
Of the 6,331 full time APS employees, 4,126 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 1,517 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 – 56.2%
- Paraprofessional – 11.2%
- School Bus Driver – 6.6%
- Custodian – 2.7%
- Assistant Principal – 2.5%
- School Counselor – 1.9%
- Instructional Coach – 1.9%
- School Clerk – 1.9%
- School Principal – 1.2%
- School Secretary – 1.1%

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.

Facilities
Schedule 22 of the Statistical Section of the Comprehensive Annual Financial Report outlines details on APS schools, such as square feet, planning and age.

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 mission that "with a caring culture of trust and collaboration, every student will graduate ready for college and career," and a 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.

In five years, we have established the kinds of school leaders, culture, supports, programs, and partnerships that our students and families need and deserve. We continue to be committed to this

work. Although change takes time, our students have demonstrated outstanding, measurable progress. Our work requires us to know the students and families we serve. A Bloomberg analysis released in October 2018, ranked Atlanta the most unequal large city in the United States due to its income disparity. According to the most current census data, the median household income within the School District is $167,087 for white students and $23,803 for black students. Closely associated with this inequity gap is the academic achievement gap between white and black students. Deep, intergenerational poverty is at the heart of nearly every issue facing our students and schools. About 75 percent of children in Atlanta Public Schools live in low-income households. In addition, Stanford University research found that a child born in poverty in Atlanta has only a 4.5% chance to rise to the top quarter of earners.

Overcoming these challenges are larger than the school system, but we still work to achieve the vision and mission of the district through targeted goals and strategic initiatives.

2019 DISTRICT HIGHLIGHTS

Student Performance

- Cohort 2019 achieved a graduation rate of 77.9%. This represents an 18.8 percentage-point increase since 2014. More students – 2,506 of them – graduated on time from APS in 2019 than any other year since 2012, when the state adopted the cohort graduation rate as required by federal law. This is an increase of 68 students from 2018. The 2019 cohort included 3,215 students, an increase of 165 compared to 2018 and the largest cohort since 2014.

- Additionally, 90 percent of the District's 2019 graduates took the SAT, nearly 900 more students than the class of 2018 and an increase of 33 percentage points from the previous year. As expected with this dramatic increase in participation, the average total SAT score for the class of 2019 decreased 53 points compared to 2018, from 997 to 944. In addition, APS 2019 graduates achieved a 19.1 average composite ACT score, a slight increase of 0.4 points from the 2018 average of 18.7 and the highest in recent history.

- As part of a REACH Statewide Signing Day, APS welcomed nine eighth grade students into the Realizing Educational Achievement Can Happen (REACH) Georgia scholarship program for the 2019-2020 school year.

Curriculum/School Achievements

- APS achieved an overall score of 74.1 on the 2019 College and Career Ready Performance Index (CCRPI), an increase of 0.7 from 2018. According to the latest results, 48 of 87 APS schools saw increases in their 2019 CCRPI scores compared to 2018. APS' 2019 overall score narrowed the gap with the state by 1.4 points to 1.8. At the high school level, scores increased from last year. APS outpaced the state with a gain of 4.9 to a score of 70.4, narrowing the gap 3.2 points with the state compared to 2018. At the middle school level, while the state declined 4.1 points, APS only declined by 0.6 to a 2019 score of 72.2. As a

result, APS surpassed the state score of 72.1. Similarly, despite a slight decrease at the elementary level for APS to a 2019 score of 77.1, the gap between APS and the state decreased to just 0.5 points compared to 1 point in 2018.

- In 2019, APS achieved its highest-ever rates of proficiency on Georgia Milestones since the Georgia Department of Education (GaDOE) first implemented the program, posting year-over-year gains in the percentage of students scoring proficient and above on 21 of 24 (88%) End-of-Grade and End-of-Course assessments. Additionally, 80% of APS schools achieved increases in the percentage of students scoring proficient and above on End-of-Grade assessments, and 76% of APS schools achieved increases in the percentage of grade 9-12 students scoring proficient and above on End-of-Course assessments.

- All 17 APS schools that received targeted or partnership support as part of the initial cohort of the APS Turnaround Strategy have improved their Milestones proficiency rates since 2016.

LOCAL ECONOMY

The development of the fiscal year 2019 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 74.2% of the General Fund revenue. Property tax revenues for fiscal year 2019 increased by approximately $67 million over fiscal year 2018, due primarily to a 21.4 % 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 23.7% of General Fund revenue. In fiscal year 2019, QBE state aid of approximately $188.6 million was down from fiscal year 2018 by $ 9.8 million. While QBE was fully funded in fiscal year 2019, local share increased by approximately $10.0 million, resulting in a net reduction of funding.

The Georgia Governor signed a $26.2 billion budget that for the first time in more than a decade eliminated the annual austerity cut for fiscal year 2019. These cuts dated back to 2007. Overall, the District's gains in local revenue outweighed its losses and the District was able to grow fund balance, while providing pay raises for District employees. 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 from June 2017 through June 2022.

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 District will work even harder in fiscal year 2020 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, 2019. 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 $286 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.

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 2018. 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 2018. This is the ninth 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 2019. 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 18.8 percentage points higher than it was in 2014; and the most recent class of graduates – the class of 2019 – earned more than $100 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, 2018

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, 2018.

The CAFR meets the criteria established for ASBO International's Certificate of Excellence.

CERTIFICATE OF EXCELLENCE IN FINANCIAL REPORTING

Tom Wohlleber, CSRM
President

David J. Lewis
Executive Director

ATLANTA INDEPENDENT SCHOOL SYSTEM

List of Principal Officials

June 30, 2019

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 each school.

Leslie founded, created and Mother-Hen'd a small business focused on raising healthy kids from scratch that operated from 2007-2012, 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.

Leslie's service on the Atlanta Board of Education began in 2014 and continues today with additional service on the board of the Council of the Great City Schools, the Audit Committee, the Atlanta Youth Commission, the Beltline Affordable Housing Advisory Board, and the Student Attendance Protocol Committee. She currently works part-time at Emory University's Center for Mind, Brain, and Culture.

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

DISTRICT 2: ARETTA BALDON aretta.baldon@atlanta.k12.ga.us



Aretta has called Atlanta home for over 25 years. She has long been a strong voice in her community and has lead countless efforts to secure a better quality of life and a bright future for all its children.

Never one to sit on the sidelines, Aretta is a proud parent volunteer and education advocate at every school her child has attended. She has a proven track record of working to give every child the tools and encouragement he or she needs to succeed, from her time at Imhotep Academy as a Soccer Coach, Assistant Cheerleading Coach and Girl Scout Leader to her current role as a member of Atlanta Thrive and President of the KIPP: Atlanta Collegiate Parent Teacher Organization (KAC PTO).

When there is a need in her community, you can count on Aretta to step up. Under her leadership, the KAC PTO partners with the school and the Atlanta Community Food Bank to run a monthly food pantry at KIPP Atlanta Collegiate, which provides needed nutrition to students, families and seniors in the community every month.

Where there is a problem with education, you can trust Aretta to find a solution. She is a founding member of Atlanta Thrive, a movement for parents, by parents. The mission of Atlanta Thrive is to empower families to use their voice and their vote to correct the inequities in the Atlanta Public School System.

A proud member of the Delta Sigma Theta Sorority, Inc. and a graduate of Spelman College, Aretta has over 20 years of corporate management experience and now owns Shades of Light photography. Her love of life and positive energy is infectious and often shows in her work.

Aretta lives in the Washington Park neighborhood with her amazing daughter, and fellow photographer, Ariel.

DISTRICT 3: MICHELLE D. OLYMPIADIS michelle.olympiadis@atlanta.k12.ga.us



Michelle Olympiadis is the District 3 Representative of the Atlanta Board of Education. From the time Michelle was a preschool room parent, she has been engaged as an active parent, volunteer, and leader to support schools and great experiences for students. In the last three years, her roles have included:

- 2015 - Present, Member, State Advisory Panel, Georgia Department of Education (GaDOE)
- 2015 - Present, Member, Student Success Stakeholder Committee, GaDOE
- 2017 - Present, Inclusion Committee Chair, District 10, Georgia Parent Teacher Association (PTA)
- 2017-18, Parliamentarian, Morningside Elementary School (MES) PTA
- 2015-17, President, MES PTA
- 2016-17, Vice-President of Communication, District 10 Georgia PTA
- 2015-2017, Grady High School Cluster Advisory, Atlanta Public Schools (APS)
- 2015-2017, Inman Middle School Go Team, APS
- 2014-2017, Special Education Advisory Committee, APS

Michelle is currently employed with the Boys and Girls Clubs of America and previously employed with the Consulate General of France, The Coca-Cola Company and Wachovia Bank.

Michelle is a lifelong member of the Annunciation Greek Orthodox Cathedral of Atlanta and active in the philanthropic organizations affiliated with the Greek Orthodox Church, Philoptochos and the Daughters of Penelope.

A first generation American, her family emigrated from Greece to Atlanta in 1956. Since 1995 she and her family have resided in the city of Atlanta. An APS parent for over 10 years, she has three children, one each in high school, middle school and elementary school.

DISTRICT 4: NANCY M. MEISTER nmeister@atlanta.k12.ga.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 more than 26 years and have two sons, Matthew and Andrew.

DISTRICT 5: ERIKA MITCHELL erika.mitchell@atlanta.k12.ga.us



Since elected to the Atlanta Board of Education, Erika Mitchell has established herself as one of Atlanta's most influential public servants. Mitchell is an active board member when it comes to serving her community and she is a strong believer in parent and community engagement. Within Mitchell's first year in office, she developed the first electronic newsletter for her district, and established community partnerships with Georgia's Own Credit Union, Chick fil-A, University for Parents, youthSpark, Fulton County Juvenile Courts, U First Project, NFL Players Association,100 Black Men of America, St. Peters Missionary Baptist Church, and The Launch Pad for her educational district. She has also co-written the first school district Domestic Minor Sex Trafficking policy and protocol in the state of Georgia in collaboration with Dr. Sharnell Myles.

Mitchell is currently serving on the Atlanta Board of Education's Policy Review Committee, Equity Taskforce and the Georgia Statewide Human Trafficking Taskforce Workgroup 1. Mitchell was recently appointed by the City of Atlanta's Mayor Bottom to serve on the Atlanta 2020 Census Committee. Mitchell is also an elected member of the National School Boards Association's Council of Urban Boards of Education's Steering Committee.

RESPECTED PUBLIC SERVANT

The multi-talented professional and local public servant is a native of Atlanta and is committed to bridging the support gap between non-profit organizations and for-profit companies in order to better serve diverse communities. Mitchell has served as the National Ambassador for the Arthritis Foundation, the President's Volunteer Service Awards, and the program advisor for Fuel Up To Play 60. Mitchell has served on boards and committees for the following organizations: NFL Alumni, NFL Players Association Metro Chapter, Caribbean American Advancement Foundation and the American Red Cross.

Mitchell has been awarded 2019 The National Association of Negro Business and Professional Women's Clubs, Inc. (The Greater Atlanta Chapter) Public Servant Award, 2019 C.T Martin's Public Servant Award, and was honored by The Alabama State University's "50 under 50" Class of 2018, 2018 America Caribbean Captains of the Industries, 2016 Barack Obama's "President Lifetime Volunteer Service" Award, the "Martin Luther King, Jr. Drum Major" Award and the 2011 National Black Latino Council Community Organization of the Year.

PRIOR TO CURRENT ROLE

Mitchell is currently the Managing Partner at Sports Unlimited Enterprise, LLC. Sports Unlimited Enterprise, LLC (SUE) specializes in Event planning, Public Relations, Charities, Non-Profits and Branding for current and former professional athletes. SUE's Mission is to bridge the gap between professional athletes and corporate companies that will engage athletes and or their charities involvement with the youth and their community. SUE provides a platform for athletes to leverage their brands to host or partner with fundraising and charitable events.

Mitchell is also the founder of Atlanta Women in Sports (AWIS), which salutes and honors Atlanta business women who are blazing trails and redefining the position of "sports executive and athletes" with their contributions in the sports industry. AWIS also provides a platform and networking opportunities for women to connect and engage professionals of various industries who carry a similar passion for the business of sports.

EARLY DAYS

A graduate of Alabama State University, Mitchell was able to take advantage of a full athletic scholarship. She won numerous awards for her stellar athletic performance including the Indoor and Outdoor track and field South Western Athletics Conference (SWAC) Championships in 2001, 2002 and 2003. Mitchell earned her Bachelor's Degree in Business Administration with a concentration in Computer Information Systems yielding her the knowledge and opportunity to work for major global brands such as Coca Cola, Cbeyond, and Kodak as an Information Technology (IT) specialist.

She furthered her education and received a full scholarship from Esani Paul Mitchell partner school to become a licensed esthetics educator. Shortly after completing her educators' degree, Mitchell began her teaching career at AVEDA Institute, where she taught histology and physiology of skin, creating AVEDA's first makeup artist curriculum and small business development. Mitchell also provided State Board certified Continuing Educational Units to professional cosmetologists and estheticians.

Mitchell's passion for volunteering led her to volunteer her time to international pageants including Miss Africa USA, Miss Latina US, and the Miss Latin America Del Mundo pageant. Through her dedication to volunteer work, she managed to incorporate her business skills and her love for beauty and founded La Reina Pageant Productions in 2010, which also produces Atlanta Latino Fashion Week, Atlanta Caribbean Fashion Week, Miss Georgia Latina™, Miss Teen Georgia Latina ™, Miss Alabama Latina and Miss Teen Alabama Latina pageants. As producer and state director, her vision is to mentor and create opportunities for Latinas and Caribbeans to pursue their goals and dreams while impacting the community through culture sharing and, most importantly, culture awareness.

DISTRICT 6: ESHÉ P. COLLINS – BOARD VICE-CHAIR 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.

AT-LARGE SEAT 7: KANDIS WOOD JACKSON Kandis.woodjackson@atlanta.k12.ga.us



Kandis Wood Jackson is the At-large Seat 7 representative on the Atlanta Board of Education. She is also a practicing attorney at the law firm of Alston & Bird LLP.

An Atlanta native, Kandis graduated from Duke University in 2008 and returned to Atlanta to teach 6th grade Social Studies at KIPP Ways Academy. In 2013, Kandis earned her law degree from Harvard Law School and, again, returned to Atlanta to practice Law.

Kandis was elected to the Atlanta Board of Education in 2017. She is a member of the Young Lawyers Division Leadership Academy Class of 2016 and the LEAD Atlanta Class of 2017. Kandis also serves as the Vice Chair of the Board of the Atlanta Center for Self Sufficiency and a member of the Board of Trustees of Kenny Leon's True Colors Theatre Company.

Kandis lives in Midtown with her husband Adam and their dog Duke.

AT-LARGE SEAT 8: CYNTHIA BRISCOE BROWN cbriscoe_brown@atlanta.k12.ga.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 9: JASON ESTEVES – BOARD CHAIR 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 Jaeden and Zoe, and reside in northwest Atlanta.

ATLANTA INDEPENDENT SCHOOL SYSTEM

APPOINTED OFFICIALS
JUNE 30, 2019

SUPERINTENDENT

Meria J. Carstarphen, Ed.D

SENIOR CABINET

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

Nina Gupta..…….….....General Counsel

Skye Duckett……...……..…….....……..... 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, 2019



Meria Joel Carstarphen, Ed.D., is the superintendent of Atlanta Public Schools (APS) where she leads the district's nearly 52,000 students, 6,000 full-time employees, and 87 schools, and oversees the system's $1 billion annual budget. Prior to serving in Atlanta, she was superintendent in diverse, major metropolitan public school districts, including Austin, Texas and Saint Paul, Minnesota.

In 2014, Dr. Carstarphen was charged with leading the transformation of APS. She has worked to restore organizational integrity and create a student-focused culture not driven by adult agendas. Through her leadership, the District has moved away from an over-reliance on high-stakes testing to emphasize whole-child development.

During her tenure, APS is seeing improvements:

- The District's graduation rate has increased by 18.8 percentage points from 59.1 percent in 2014 to 77.9 percent in 2019.
- The school system in 2019 achieved its highest rates of proficiency on all subjects on the Georgia Milestones End-of-Grade and End-of-Course assessments since the Georgia Department of Education first implemented the program in 2015.
- From 2018 to 2019, APS achieved year-over-year gains in the percentage of students scoring proficient and above on 21 of 24 (88%) End-of-Grade and End-of-Course assessments compared to gains in just over half (52%) three years ago.
- For the first time in seven years, APS is no longer disproportionate for the over suspension of African-American students with disabilities.
- APS' college-going rate has continued to increase, as 62% of 2018 on-time graduates were enrolled in two- of four-year institutions as of Fall 2018, an increase of 11 percentage points since 2015.
- The number of engaged employees increased significantly since APS began this work in 2014, exceeding the national average among K-12 programs as reported by Gallup.
- Through the District's social and emotional learning initiative and its restorative practice efforts, the number of student arrests is down by 34% and student suspension rates have decreased overall.

As part of her community involvement, she serves on the boards of the Atlanta Ballet and the Woodruff Arts Center, and serves on the President's Council for Tulane University. She is a graduate of Leadership Atlanta's Class of 2019, a member of the Rotary Club of Atlanta and an honorary member of the Junior League of Atlanta. She recently completed terms of service on the visiting committee for the Harvard Graduate School of Education and as a commissioner with the Aspen Institute's AspenSEAD, a national commission focused on a social emotional and academic development.

She is honored and humbled to be the recipient of numerous awards including: Atlanta Magazine's "Atlanta Power 500" (2019); Atlanta Business Chronicle's "Power 100 – Most Influential Atlantans" (2019); Wellspring Living Hope Award (2019); American Federation of State and County Municipal Employees and the Georgia Federation of Public Service Employees Superintendent of the Year (2018); Newcomb Alumnae Association at Tulane University Outstanding Alumna Award (2018); Anti-Defamation League Torch of Liberty Award (2017); Atlanta Magazine's Women Making A Mark (2017); Georgia Trend Magazine Top 100 Most Influential Georgians (2018, 2017, 2016); Atlanta Business Chronicle Most Admired CEO Awards (2017, 2016, 2015); Cool Girls Inc., Cool Woman of the Year (2016); YWCA's Academy Of Women Achievers Award (2015); Austin Chapter of the NAACP DeWitty/Overton Freedom Award (2013); Greater Austin Chamber of Commerce Superintendent of the Year Award (2011).

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

Dr. Carstarphen began her education career as a middle school teacher in her hometown of Selma, Ala, which honored her in 2015 with the inaugural Phoenix Award associated with the Sullivan and Richie Jean Sherrod Jackson Foundation. She also has worked with elementary-level children in Seville, Spain, and Caracas, Venezuela.

Dr. Carstarphen is passionate about public education, leading APS and living its mission every day: With a caring culture of trust and collaboration, every student will graduate ready for college and career.

ATLANTA PUBLIC SCHOOLS

www.atlantapublicschools.us

Organizational Chart

Public

Atlanta Board of Education

Board Office
Pierre Gaither

Office of Internal Compliance
Connie Brown

Special Assistant to the Superintendent
Pamela Hall

Senior Policy & Governance Affairs Advisor
Erica Long

Superintendent
Dr. Meria J. Carstarphen


Peyton Forest Elementary School

Deputy Superintendent
David Jernigan

- **Teaching & Learning** — Olivine Roberts
- **Leadership Development** — Wardell Hunter
- **Student Programs & Services** — Katika Lovett
- **Federal Programs: Title I, Title II & Title IV** — Kathleen Yarbrough
- **Associate Superintendents for Schools** — Danielle Battle, Yolonda Brown, Emily Massey, Dan Sims, Tommy Usher
- **Office of Innovation** — Matthew Underwood
- **School Support** — Sherri Forrest

Chief Operating Officer
Larry Hoskins

- **Facilities Services** — Alvah Hardy
- **Police** — Ronald Applin
- **Security** — Ralph Velez
- **Nutrition** — Marilyn Hughes
- **Transportation** — John Franklin

Chief Financial Officer
Lisa Bracken

- **Procurement & Warehouse Services** — Carrie Roberts
- **Payroll & Benefits/ Risk Management** — Saundra Burgess
- **Accounting Services** — Tanisha Oliver
- **Budget Services** — Alana Bethea

Chief Engagement Officer
Angela King Smith

- **Partnerships & Development** — Rachel Sprecher
- **Communications & Public Engagement** — Ian Smith
- **Charter System & Governance** — Carolyn Barnett
- **Family Engagement** — Keasha Copeland
- **Strategy Management & Organizational Change** — 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
Skye Duckett

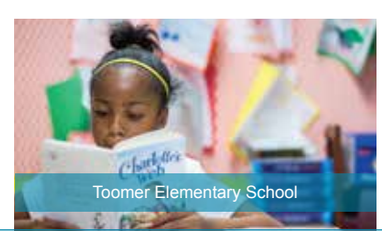
- **Talent Management** — Nicole Lawson
- **HR Services** — Holly Morales
- **Employee Relations** — George Williams

General Counsel
Nina Gupta

- **Deputy Chief** — Laurance Warco


Inman Middle School


Bunche Middle School


Toomer Elementary School


Grady High School



FISCAL YEAR 2019

FINANCIAL SECTION

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, 2019, 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, 2019, 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), the Schedule of Proportionate Share of the Net OPEB Liability (School OPEB Fund), the Schedule of School System's Contributions – School OPEB Fund, and the General Fund Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget to Actual as listed in the table of contents to 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 December 18, 2019 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
December 18, 2019

MANAGEMENT'S DISCUSSION AND ANALYSIS

ATLANTA INDEPENDENT SCHOOL SYSTEM
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2019

The discussion and analysis of the Atlanta Independent School System's financial performance provides an overview of the fiscal year ended June 30, 2019. 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, 2019 and contains other supplementary information.

FINANCIAL HIGHLIGHTS

Overall, net position in fiscal year 2019 increased by 74.6% over fiscal year 2018. This was primarily due to an increase in tax revenues. The key financial highlights for fiscal year 2019 as represented are the following:

- Total net position for the School System increased from approximately $163.58 million in fiscal year 2018 to approximately $285.69 million in fiscal year 2019, an increase of approximately $122.11 million or 74.6% due to an increase in revenues.

- Total revenues increased from approximately $944.98 million in fiscal year 2018 to approximately $1,009.41 million in fiscal year 2019, an increase of approximately $64.43 million or 6.8%.

- Total expenses decreased approximately $16.90 million or 1.9% from approximately $904.20 million in fiscal year 2018 to approximately $887.30 million in fiscal year 2019.

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, deferred outflows of resources, deferred inflows of resources, 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, deferred inflows of resources, and liabilities, with the difference between the 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		
	2019	2018	Percentage change
Current and other assets	$ 292.19	$ 279.23	4.6%
Net capital assets	1,422.68	1,374.69	3.5%
Total assets	1,714.87	1,653.92	3.7%
Deferred outflows of resources	183.74	165.13	11.3%
Long-term debt outstanding	1,329.41	1,491.74	-10.9%
Other liabilities	110.42	84.06	31.4%
Total liabilities	1,439.83	1,575.80	-8.6%
Deferred inflows of resources	173.09	79.68	117.2%
Net position			
Net investment in capital assets	1,326.32	1,294.40	2.5%
Restricted for athletics	0.37	-	0.0%
Restricted for debt service	2.79	3.14	-11.1%
Restricted for capital projects	95.28	106.15	-10.2%
Restricted for school nutrition program	8.74	10.39	0.0%
Restriced for state and local programs	-	1.96	-100.0%
Unrestricted (Deficit)	(1,147.81)	(1,252.46)	-8.4%
Total net position	$ 285.69	$ 163.58	74.6%

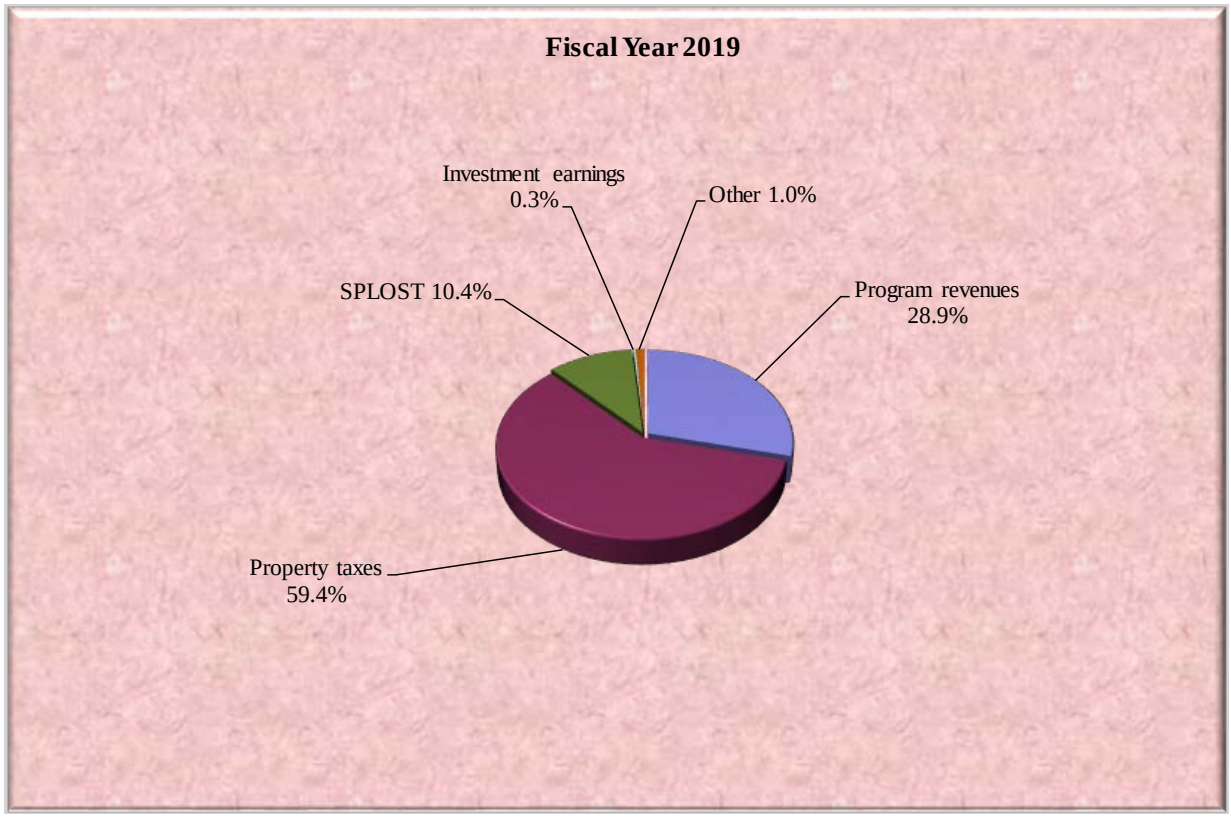
- **Total assets** increased by roughly $60.95 million or 3.7%.
- **Current and other assets** increased by roughly $12.96 million or 4.6%.
- **Capital assets, net of accumulated depreciation** for all governmental activities increased by roughly $47.99 million. The increase is primarily due to an increase in construction in progress.
- **Long-term debt outstanding** decreased by roughly $162.33 million or 10.9%. The decrease was primarily due to a decrease in the net pension liability, net OPEB liability, and scheduled payments of outstanding debt during the current fiscal year.

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

	Primary Government		
	Governmental Activities		
	2019	2018	Percentage Change
Revenues			
Program revenues			
Charges for services	$ 5.30	$ 4.65	14.0%
Operating grants and contributions	283.23	287.84	-1.6%
Capital grants and contributions	4.27	1.88	127.1%
General revenues			
Property taxes, levied for general purposes	599.88	539.73	11.1%
Special Purpose Local Option Sales Tax	105.28	99.59	5.7%
Investment earnings	3.13	1.63	92.0%
Grants and Contributions not restricted to specific programs	8.28	9.63	-14.0%
Property taxes levied for debt service	0.01	0.03	-66.7%
Other			
Gain on sale of capital assets	0.03	-	0.0%
Total Revenues	1,009.41	944.98	6.8%
Expenses:			
Instruction	528.38	548.54	-3.7%
Support Services:			
Pupil services	51.63	53.70	-3.9%
Improvement of instructional services	44.95	49.95	-10.0%
Educational media	6.48	7.62	-15.0%
Federal grant administration	2.01	2.00	0.0%
General administration	12.20	12.36	-1.3%
School administration	39.22	38.90	0.8%
Business administration	7.24	7.86	-7.9%
Maintenance and operation of facilities	106.75	97.95	9.0%
Student transportation	32.62	31.62	3.2%
Central support	20.61	20.98	-1.8%
Nutrition	2.22	27.02	-91.8%
Other support services	28.43	1.00	2743.0%
Interest and fiscal charges	4.56	4.70	-3.0%
Total Expenses	887.30	904.20	-1.9%
Change in Net Position	$ 122.11	$ 40.78	199.4%
Beginning Net Position	163.58	122.80	
Ending Net Position	$ 285.69	$ 163.58	

Primary Government

Sources of Revenues



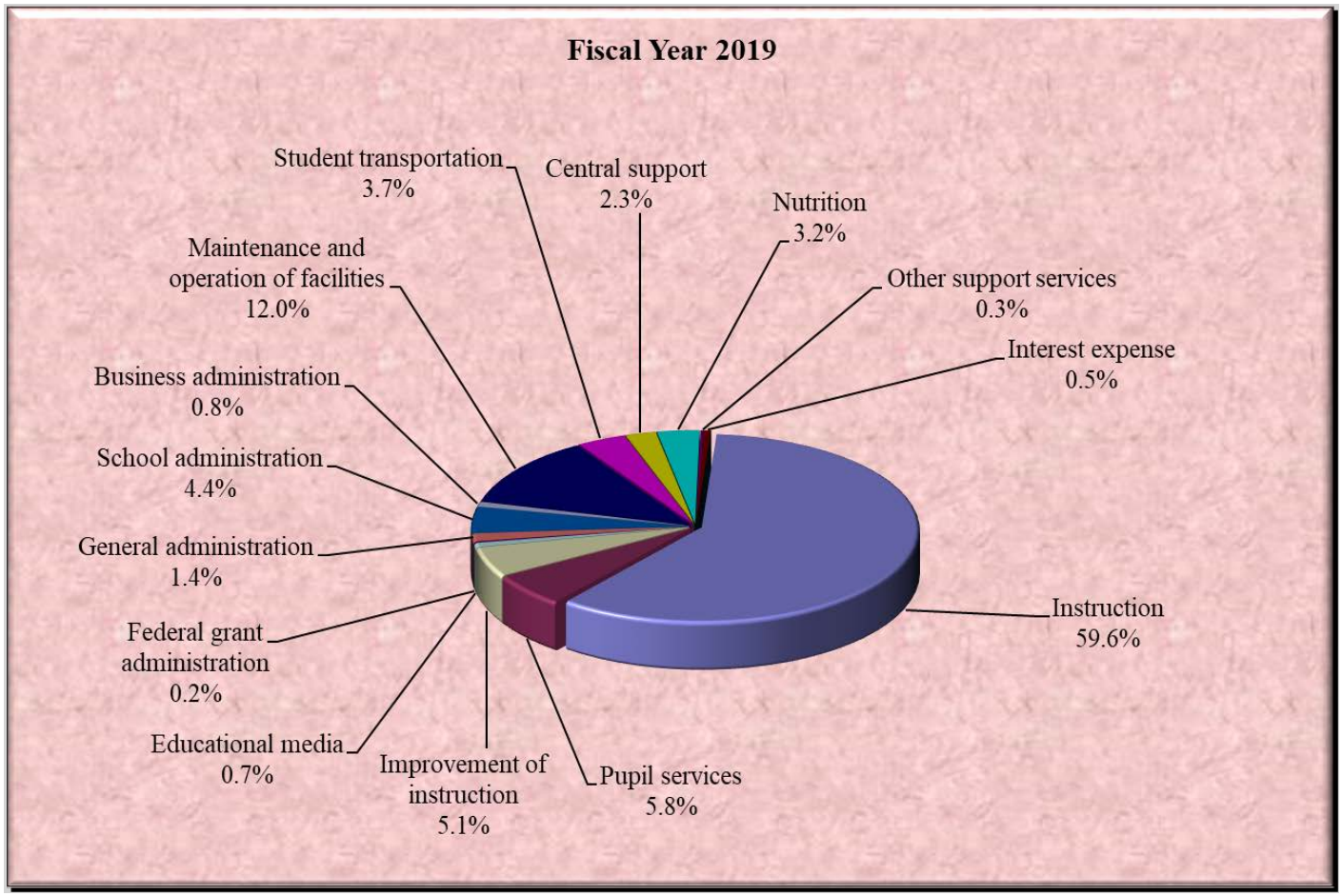
Total revenues, increased $64.43 million or 6.8% from fiscal year 2018 to fiscal year 2019. This change is mainly due to an increase in property taxes.

- Program revenues are primarily grant related and account for approximately $292.81 million or 28.9% 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 71% or $716.60 million of total revenues received in fiscal year 2019.

Primary Government

Expenses



Total expenses decreased from 2018 to 2019 by 1.9% or $16.90 million. This decrease is primarily due the decrease in the net pension liability and net OPEB liability.

- Four groups of activities account for 89.1% or $790.37 million of governmental spending: instruction ($528.38 million or 59.6%); pupil services and improvement of instructional services ($96.58 million or 10.9%); administration and business services ($58.66 million or 6.6%); and maintenance and operations ($106.75 million or 12.0%).

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

	Total Cost of Services			Net Cost of Services		
	2019	2018	Percentage Change	2019	2018	Percentage Change
Instruction	$ 528.38	$ 548.54	-3.7%	$ 367.76	$ 385.98	-4.7%
Support Services :						
Pupil services	51.63	53.69	-3.8%	31.94	32.60	-2.0%
Improvement of instructional services	44.95	49.96	-10.0%	28.27	30.30	-6.7%
Educational media	6.48	7.62	-15.0%	4.54	5.08	-10.6%
Federal grant administration	2.01	1.99	1.0%	(0.11)	0.04	-375.0%
General administration	12.20	12.36	-1.3%	4.48	7.50	-40.3%
School administration	39.22	38.89	0.8%	29.45	28.47	3.4%
Business administration	7.24	7.86	-7.9%	5.27	5.80	-9.1%
Maintenance and operation of facilities	106.75	97.95	9.0%	82.10	74.90	9.6%
Student transportation	32.62	31.62	3.2%	22.66	22.04	2.8%
Central support	20.61	20.98	-1.8%	14.04	14.27	-1.6%
Other support services	2.22	1.04	113.5%	1.52	0.72	111.1%
Nutrition	28.43	27.02	5.2%	1.45	0.85	70.6%
Interest and fiscal charges	4.56	4.68	-2.6%	1.12	1.28	-12.5%
Total Expenses	$ 887.30	$ 904.20	-1.9%	$ 594.49	$ 609.83	-2.5%

The net cost of governmental activities represents the cost of operating the School System to be covered by general revenues, including property taxes. The net cost of services decreased by approximately $15.3 million in fiscal year 2019 when compared to fiscal year 2018.

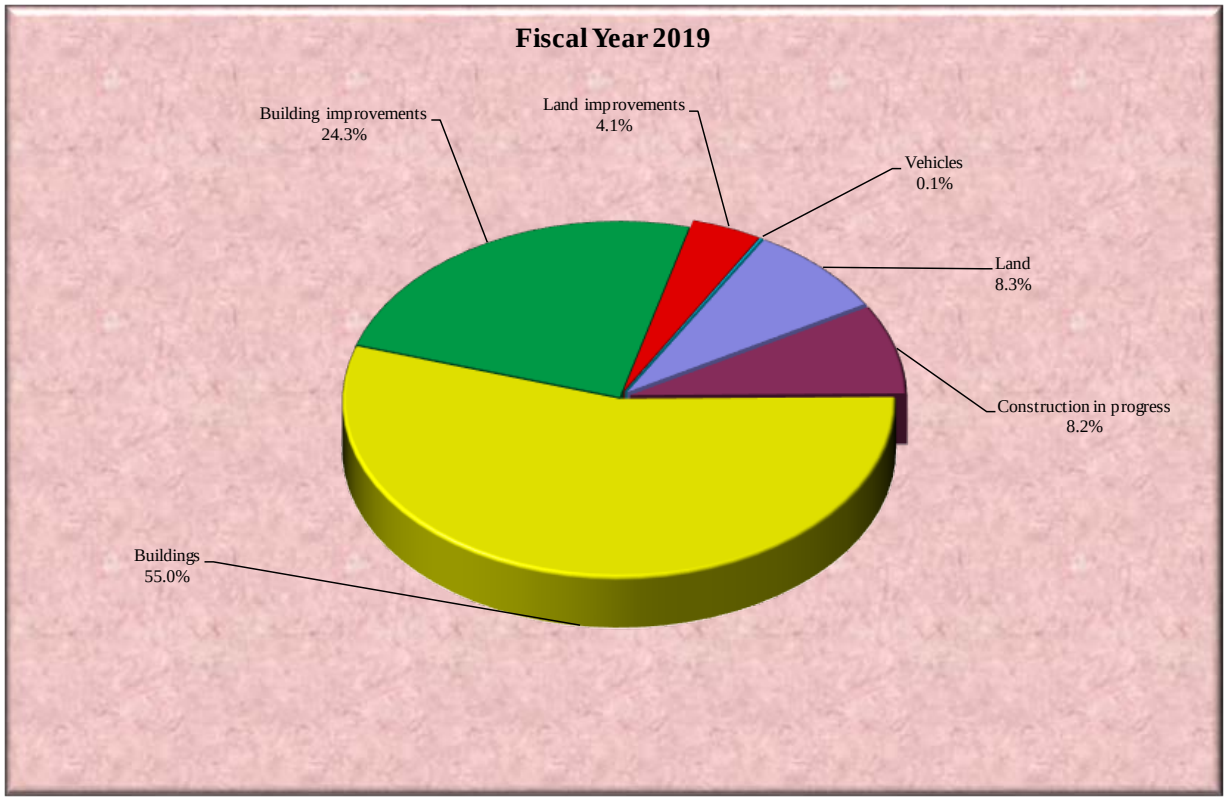
Capital Assets

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		
	Governmnetal Activities		
	2019	2018	Percentage change
Land	$ 118.47	$ 117.79	0.6%
Construction in progress	116.30	30.19	285.2%
Buildings	782.15	805.77	-2.9%
Building improvements	345.41	356.24	-3.0%
Land Improvements	58.57	62.05	-5.6%
Furniture and fixtures	0.00	0.01	-100.0%
Equipment	0.18	0.37	-51.4%
Vehicles	1.60	2.27	-29.5%
Total	$ 1,422.68	$ 1,374.69	3.5%

Construction in Progress and Buildings



SPLOST V construction programs to renovate or construct academic facilities are in the 36th 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 $1.3 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		
	2019	2018	Percentage change
Intergovernmental agreement - City of Atlanta	$ 3.19	$ 3.42	-6.7%
ERS, Inc (COPS, Series 2006/2007)	2.67	3.5	-23.7%
ERS, Inc (COPS, Series 2011A)	72.46	72.46	0.0%
Net pension liability	875.66	987.37	-11.3%
Net OPEB liability	363.38	415.13	-12.5%
Compensated absences	5.08	4.62	10.0%
Contingent Liabilities - Legal	0.20	0.01	1900.0%
Workers' compensation	6.77	5.23	29.4%
	$ 1,329.41	$ 1,491.74	-10.90%

Outstanding long-term debt and obligations decreased in the current fiscal year due to the decrease in the net pension liability, net OPEB liability, and scheduled payments on outstanding debt during the current fiscal year. For more detailed information on the School System's long-term debt, see Notes H and 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, 2019 as compared to June 30, 2018.

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

	Governmental Funds			
	2019	2018	Increase (Decrease)	Percentage Change
Local taxes	$ 599.66	$ 532.70	$ 66.96	12.6%
Sales taxes income	105.28	99.59	5.69	5.7%
State revenues	198.77	207.69	(8.92)	-4.3%
Federal revenues	78.28	75.01	3.27	4.4%
Investment income	5.51	1.63	3.88	238.0%
Facility rental fees	1.26	1.25	0.01	0.8%
Tuition charges	0.05	0.02	0.03	150.0%
Charges for services	3.94	3.36	0.58	17.3%
Other	16.44	16.81	(0.37)	-2.2%
Proceeds from sale of capital assets	0.09	0.43	(0.34)	-79.1%
Total Revenues and other financing sources	$ 1,009.28	$ 938.49	$ 70.79	7.5%

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, 2019 as compared to June 30, 2018.

Table 7 - Expenditures (in millions of dollars)

	2019	2018	Increase (Decrease)	Percentage Change
Instruction	$ 545.36	$ 515.50	$ 29.86	5.8%
Support services				
Pupil services	53.12	52.87	0.25	0.5%
Improvement of instructional services	46.53	49.13	(2.60)	-5.3%
Educational media	6.84	7.46	(0.62)	-8.3%
Federal grant administration	2.12	1.94	0.18	9.3%
General administration	14.04	11.76	2.28	19.4%
School administration	39.72	38.46	1.26	3.3%
Business administration	7.70	7.67	0.03	0.4%
Maintenance and operation of facilities	88.44	87.84	0.60	0.7%
Student transportation	35.85	31.56	4.29	13.6%
Central support	20.71	20.79	(0.08)	-0.4%
Other support services and nutrition	1.16	1.02	0.14	13.7%
Nutrition	28.70	25.82	2.88	11.2%
Capital outlays	127.15	35.78	91.37	255.4%
Debt service	5.63	6.76	(1.13)	-16.7%
Total Expenditures	1,023.07	894.36	128.71	14.4%
Excess (deficiency) of revenues over (under) expenditures - See Table 6	(13.79)	44.14	(57.93)	
Transfers in	3.16	2.71	0.45	
Transfers out	(3.16)	(2.71)	(0.45)	
Fund Balances, Beginning of Fiscal Year	187.03	142.89	44.14	
Fund Balances, End of Fiscal Year	$ 173.24	$ 187.03	$ (13.79)	

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, 2019, total fund balance in the General Fund was approximately $85.04 million. This balance includes $0.26 million nonspendable, $3.15 million restricted, $1.40 million committed, $8.01 million assigned and $72.22 million unassigned fund balance. As a result of operations in fiscal year 2019, the fund balance increased by approximately $13.96 million. The increase in fund balance is attributable to an increase in property taxes.

Capital Projects Fund

As of June 30, 2019, total fund balance in the Capital Projects Fund was approximately $74.05 million. This balance includes $74.05 million restricted. The fund balance decreased by $27.76 million due primarily to an increase in SPLOST expenditures and a decrease in SPLOST revenues.

Other Governmental Funds

As of June 30, 2019, total fund balance in Nonmajor Governmental Funds was approximately $14.15 million. This balance included approximately $0.42 million in nonspendable, $8.3 million restricted, and $5.4 million assigned. The fund balance increased by $0.02 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:

In fiscal year 2019, QBE state aid of approximately $188.6 million was down from fiscal year 2018 by $ 9.8 million. While QBE was fully funded in fiscal year 2019, local share increased by approximately $10.0 million, resulting in a net reduction of funding.

The Georgia Governor signed a $26.2 billion budget that for the first time in more than a decade eliminated the annual austerity cut for fiscal year 2019. These cuts dated back to 2007. Overall, the District's gains in local revenue outweighed its losses and the District was able to grow fund balance, while providing pay raises for District employees. 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.

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:

Function	Amount	Explanation
General Administration	$ 146,160	Actual expenditures exceeded budget due to increase in Purchase Professional & Technical Services
Student Transportation	$ 986,563	Actual expenditures exceeded budget due to salary and benefits
Other Support Services	$ 61,867	Actual expenditures exceeded budget due to increase in Residential Facilties
Principal	$ 257,300	Actual expenditures exceeded budget due to a misallocation.
Interest and fiscal charges	$ 346,959	Actual expenditures exceeded budget due to unexpected TAN

For Original to Final Budget comparison purposes, the General Fund reported excess expenditures over final budget for the following functions:

Function	Amount	Explanation
Instruction	$ 3,692,379	Increase for Summer School, Charter Schools, and additional funding from Title I to the Consolidated Fund and other State Grants
Pupil services	$ 2,498,039	Additional funding from Title I to the Consolidated Fund and additional funding for the Athletics department
Improvement of instructional services	$ 122,167	Realignment of funds to other function groups and Charter Schools
Educational media	$ (351,984)	Realignment of funds to other function groups
General administration	$ 55,003	Realignment of funds from other function groups
School administration	$ 689,125	Realignment of funds to other function groups
Business administration	$ 394,361	Increase for the TAN
Maintenance and operation	$ 431,381	Additional funding from the Charter School Facility Grant, additional School Resource Officer positions
Student transportation	$ 438,423	Increase for Summer School
Central support	$ 1,608,756	Realignment of funds from other function groups
Other support services	$ 7,055	Realignment of funds to other function groups

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.



FISCAL YEAR 2019

BASIC FINANCIAL STATEMENTS

ATLANTA INDEPENDENT SCHOOL SYSTEM

Statement of Net Position

June 30, 2019

	Primary Government
	Governmental Activities
ASSETS	
Current Assets:	
Cash and cash equivalents	$ 208,262,918
Investments	13,894,074
Receivables (net of allowance for uncollectibles):	
Taxes	21,294,181
Other	1,499,362
Due from other governments	46,563,042
Inventory	418,018
Prepaid items	257,001
Total Current Assets	292,188,596
Noncurrent Assets:	
Capital Assets:	
Nondepreciable capital assets	234,779,461
Depreciable capital assets, net	1,187,902,033
Total Noncurrent Assets	1,422,681,494
TOTAL ASSETS	1,714,870,090
DEFERRED OUTFLOWS OF RESOURCES	
Pension related items	167,976,596
OPEB related items	15,764,699
TOTAL DEFERRED OUTFLOWS OF RESOURCES	183,741,295
LIABILITIES	
Current Liabilities:	
Accounts payable	44,403,629
Contracts payable	15,155,601
Accrued liabilities	44,778,351
Retainage payable	6,074,792
Due to other governments	6,823
Compensated absences payable, current portion	4,088,731
Certificates of participation, current portion	855,000
Claims payable, current portion	2,984,489
Intergovernmental agreement, current portion	864,525
Contingent liabilities, current portion	195,500
Total Current Liabilities	119,407,441
Noncurrent Liabilities:	
Compensated absences payable	991,902
Certificates of participation	74,275,000
Claims payable	3,784,765
Intergovernmental agreement	2,332,474
Net pension liabilities	875,660,092
Net OPEB liability	363,376,735
Total Noncurrent Liabilities	1,320,420,968
TOTAL LIABILITIES	1,439,828,409
DEFERRED INFLOWS OF RESOURCES	
Pension related items	83,156,201
OPEB related items	89,931,756
TOTAL DEFERRED INFLOWS OF RESOURCES	173,087,957
NET POSITION	
Net investment in capital assets	1,326,321,101
Restricted for:	
Athletics	366,389
Debt service	2,788,584
Capital projects	95,280,729
School nutrition program	8,748,827
Unrestricted (deficit)	(1,147,810,611)
TOTAL NET POSITION	$ 285,695,019

See accompanying notes to the basic financial statements.

ATLANTA INDEPENDENT SCHOOL SYSTEM

Statement of Activities

For the Fiscal Year Ended June 30, 2019

		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	$ 528,376,412	$ 50,102	$ 159,965,568	$ 596,438	$ (367,764,304)
Support services:					
Pupil services	51,626,810	3,006,040	16,685,270	-	(31,935,500)
Improvement of instructional services	44,948,413	-	16,679,586	-	(28,268,827)
Educational media	6,476,218	-	1,932,009	-	(4,544,209)
Federal grant administration	2,012,917	-	2,124,962	-	112,045
General administration	12,201,430	-	7,722,188	-	(4,479,242)
School administration	39,215,766	-	9,760,828	-	(29,454,938)
Business administration	7,237,195	-	1,964,025	-	(5,273,170)
Maintenance and operation of facilities	106,751,761	1,264,229	19,712,466	3,678,326	(82,096,740)
Student transportation	32,621,657	-	9,965,471	-	(22,656,186)
Central support	20,610,763	-	6,566,273	-	(14,044,490)
Other support services	2,224,857	-	703,494	-	(1,521,363)
Nutrition	28,429,867	976,054	26,008,299	-	(1,445,514)
Interest and fiscal charges	4,562,117	-	3,442,039	-	(1,120,078)
Total Governmental Activities	887,296,183	5,296,425	283,232,478	4,274,764	(594,492,516)
Total - Primary Government	$ 887,296,183	$ 5,296,425	$ 283,232,478	$ 4,274,764	(594,492,516)
		GENERAL REVENUES:			
		Taxes:			
		Property taxes levied for general purposes			599,871,585
		Property taxes levied for debt service			12,696
		Special purpose local option sales tax			105,280,616
		Unrestricted grants and contributions			8,273,721
		Unrestricted investment earnings			3,132,820
		Gain on sale of capital assets			33,700
		Total General Revenues			716,605,138
		Change in Net Position			122,112,622
		NET POSITION, beginning of fiscal year			163,582,397
		NET POSITION, end of fiscal year			$ 285,695,019

See accompanying notes to the basic financial statements.

ATLANTA INDEPENDENT SCHOOL SYSTEM

Balance Sheet

Governmental Funds

June 30, 2019

	General Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	$ 110,006,976	$ 83,877,508	$ 14,378,434	$ 208,262,918
Investments	-	13,894,074	-	13,894,074
Receivables (net of allowance for uncollectibles):				
Taxes	12,553,333	8,740,848	-	21,294,181
Other	1,204,632	-	294,730	1,499,362
Due from other governments	31,532,890	-	15,030,152	46,563,042
Prepaid items	257,001	-	-	257,001
Inventory	-	-	418,018	418,018
Due from other funds	16,832,955	8,102,853	4,784,761	29,720,569
TOTAL ASSETS	$ 172,387,787	$ 114,615,283	$ 34,906,095	$ 321,909,165
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts payable	$ 34,167,146	$ 7,453,657	$ 2,782,826	$ 44,403,629
Contracts payable	-	15,155,601	-	15,155,601
Accrued liabilities	43,243,888	-	134,536	43,378,424
Retainage payable	-	6,074,792	-	6,074,792
Due to other governments	6,823	-	-	6,823
Due to other funds	-	11,880,897	17,839,672	29,720,569
TOTAL LIABILITIES	77,417,857	40,564,947	20,757,034	138,739,838
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues - property taxes	9,687,613	-	-	9,687,613
Unavailable revenues - intergovernmental	244,608	-	-	244,608
TOTAL DEFERRED INFLOWS OF RESOURCES	9,932,221	-	-	9,932,221
FUND BALANCES				
Nonspendable:				
Prepaid items	257,001	-	-	257,001
Inventory	-	-	418,018	418,018
Restricted:				
School nutrition program	-	-	8,330,809	8,330,809
Athletics	366,389	-	-	366,389
Debt service	2,788,584	-	-	2,788,584
Capital projects	-	74,050,336	-	74,050,336
Other state and local programs	-	-	-	-
Committed:				
School based activities	1,395,511	-	-	1,395,511
Assigned:				
Instructional and student services	1,841,901	-	-	1,841,901
Administration	2,791,664	-	-	2,791,664
Facilities and transportation	3,374,240	-	-	3,374,240
Local school programs	-	-	5,400,234	5,400,234
Unassigned	72,222,419	-	-	72,222,419
TOTAL FUND BALANCES	85,037,709	74,050,336	14,149,061	173,237,106
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	$ 172,387,787	$ 114,615,283	$ 34,906,095	$ 321,909,165

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, 2019

TOTAL GOVERNMENTAL FUND BALANCES		$ 173,237,106
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	$ 234,779,461	
Depreciable, net of accumulated depreciation	1,187,902,033	1,422,681,494
Other assets are not available to pay for current-period expenditures and, therefore, are deferred inflows of resources in the governmental funds.		9,932,221
Deferred outflows of resources and deferred inflows of resources related to the School System's pension and OPEB plans are applicable to future periods and, therefore, are not reported in the governmental funds.		
Contributions subsequent to the measurement date	139,138,641	
Changes in proportion and differences between School System contributions and proportionate share of contributions	2,957,660	
Differences resulting from changes in actuarial assumptions	7,639,083	
Gains or losses resulting from differences between expected and actual experience	33,514,264	
Net difference between projected and actual earnings on pension and OPEB plans' investments	491,647	
Net difference between projected and actual earnings on pension and OPEB plans' investments	(16,819,156)	
Differences resulting from changes in actuarial assumptions	(82,043,108)	
Gains or losses resulting from differences between expected and actual experience	(18,655,985)	
Changes in proportion and differences between School System contributions and proportionate share of contributions	(55,569,708)	10,653,338
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
Accrued interest payable	(1,399,927)	
Certificates of participation	(75,130,000)	
Intergovernmental agreement - City of Atlanta	(3,196,999)	
Compensated absences	(5,080,633)	
Workers compensation claims payable	(6,769,254)	
Contingent liabilities	(195,500)	
Net pension liabilities	(875,660,092)	
Net OPEB liability	(363,376,735)	(1,330,809,140)
NET POSITION OF GOVERNMENTAL ACTIVITIES		$ 285,695,019

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, 2019

	General Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES				
Local taxes	$ 599,659,003	$ -	$ -	$ 599,659,003
Sales tax income	-	105,280,616	-	105,280,616
State revenues	191,036,285	1,300,463	6,428,303	198,765,051
Federal revenues	1,216,000	3,442,039	73,623,132	78,281,171
Investment income	3,132,820	2,377,863	-	5,510,683
Facility rental fees	1,264,229	-	-	1,264,229
Tuition charges	50,102	-	-	50,102
Charges for services	3,006,040	-	933,966	3,940,006
Other	8,273,721	-	8,168,165	16,441,886
TOTAL REVENUES	807,638,200	112,400,981	89,153,566	1,009,192,747
EXPENDITURES				
Current:				
Instruction	507,539,083	-	37,818,198	545,357,281
Support services:				
Pupil services	48,044,167	-	5,075,478	53,119,645
Improvement of instructional services	39,350,529	-	7,179,459	46,529,988
Educational media	6,468,398	-	368,581	6,836,979
Federal grant administration	-	-	2,124,962	2,124,962
General administration	8,275,289	-	5,760,021	14,035,310
School administration	39,534,723	-	190,264	39,724,987
Business administration	7,570,923	-	133,638	7,704,561
Maintenance and operation of facilities	79,578,050	8,410,888	452,855	88,441,793
Student transportation	33,367,352	573,846	1,907,200	35,848,398
Central support	18,613,842	-	2,096,810	20,710,652
Other support services	595,691	-	565,315	1,161,006
Nutrition	79,019	-	28,624,686	28,703,705
Capital outlays	-	127,151,855	-	127,151,855
Debt service:				
Principal	1,047,300	-	-	1,047,300
Interest and fiscal charges	547,231	4,029,142	-	4,576,373
TOTAL EXPENDITURES	790,611,597	140,165,731	92,297,467	1,023,074,795
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	17,026,603	(27,764,750)	(3,143,901)	(13,882,048)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	3,161,317	3,161,317
Transfers out	(3,161,317)	-	-	(3,161,317)
Proceeds from sale of capital assets	92,984	-	-	92,984
TOTAL OTHER FINANCING SOURCES (USES)	(3,068,333)	-	3,161,317	92,984
NET CHANGE IN FUND BALANCES	13,958,270	(27,764,750)	17,416	(13,789,064)
FUND BALANCES - BEGINNING OF FISCAL YEAR	71,079,439	101,815,086	14,131,645	187,026,170
FUND BALANCES - END OF FISCAL YEAR	$ 85,037,709	$ 74,050,336	$ 14,149,061	$ 173,237,106

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, 2019

NET CHANGES IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS		$ (13,789,064)
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 capital outlay exceeded depreciation expense in the current period.		
Depreciation expense	$ (57,800,586)	
Capital outlay	105,847,564	48,046,978
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	33,700	
Proceeds from the sale of capital assets	(92,984)	(59,284)
Revenues in the statement of activities that do not provide current financial resources are reported as unavailable revenues in the governmental funds.		
Property taxes	225,278	
State revenues	140,670	365,948
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 - certificates of participation	820,000	
Principal retirement - intergovernmental agreement	227,300	1,047,300
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	(460,418)	
Workers' compensation claims payable	(1,535,811)	
Contingent legal liabilities	(185,500)	
Pension expense	84,816,353	
OPEB expense	3,851,864	
Accrued interest payable	14,256	86,500,744
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES		$ 122,112,622

See accompanying notes to the basic financial statements.

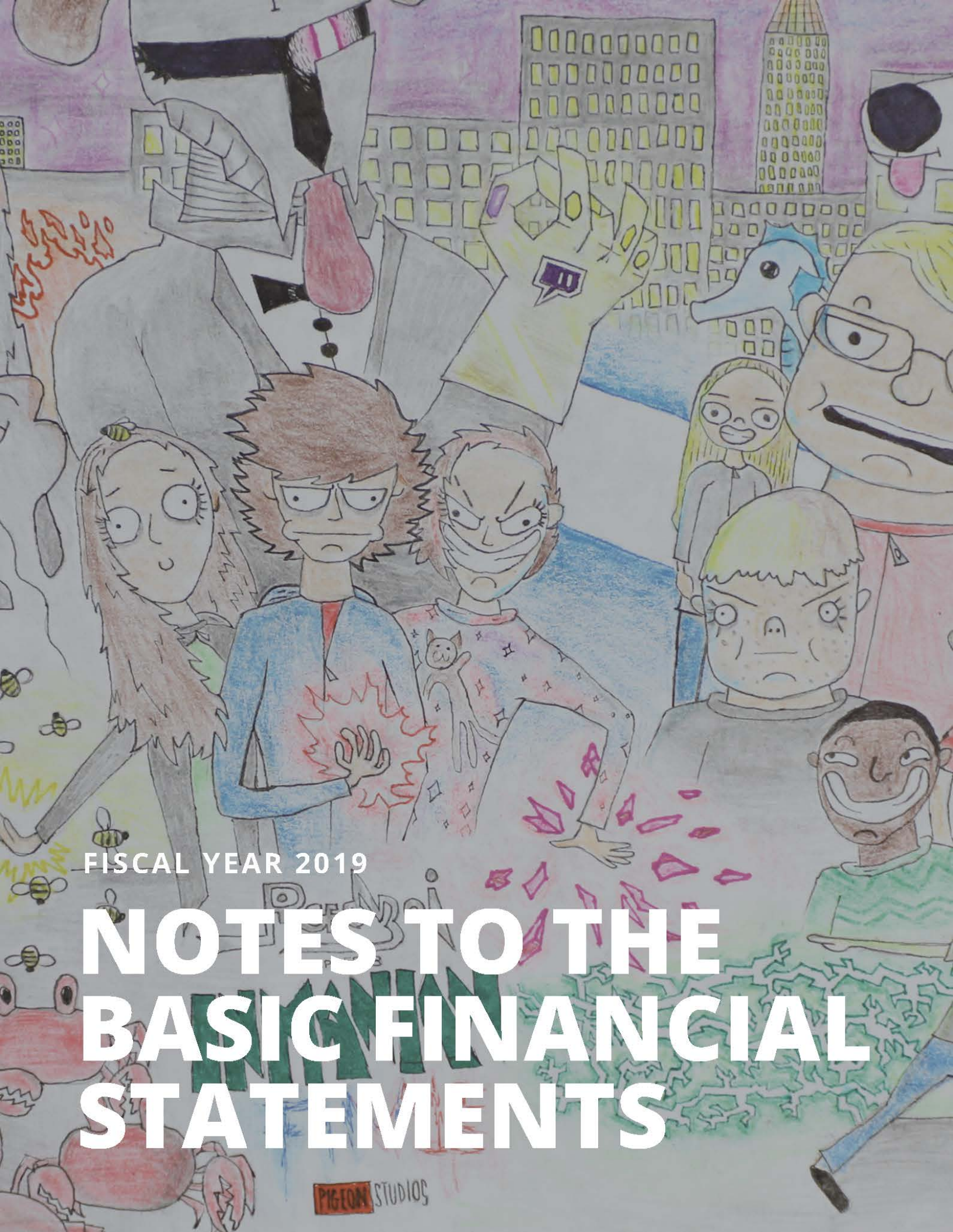
ATLANTA INDEPENDENT SCHOOL SYSTEM

Statement of Fiduciary Assets and Liabilities

June 30, 2019

	Agency Fund Local School Club and Class Funds
ASSETS	
Cash and cash equivalents	$ 777,946
LIABILITIES	
Due to local schools and student groups	$ 777,946

See accompanying notes to the basic financial statements.



FISCAL YEAR 2019

NOTES TO THE BASIC FINANCIAL STATEMENTS

Atlanta Independent School System

Notes to the Basic Financial Statements

June 30, 2019

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, 2019 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 Debt and 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. 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.

i. Other Postemployment Benefits

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Georgia School Postemployment Benefit Fund (School OPEB Fund) and additions to/deductions from the School OPEB Fund's fiduciary net position have been determined on the same basis as they are reported by the School OPEB Fund. 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 and net other postemployment benefits (OPEB) liability. Certain changes in the net pension liability and net OPEB liability are recognized as pension and OPEB expenses 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 and net OPEB 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 and OPEB expenses 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 and net OPEB liability, are also recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension and OPEB 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 and OPEB expense over a five-year period. Additionally, any contributions made

by the School System to the pension and OPEB plans before fiscal year end but subsequent to the measurement date of the School System's net pension liability and net OPEB liability are reported as deferred outflows of resources.

m. 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.

Workers' 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, School Food Service Fund, and the remaining Special Revenue Funds (in aggregate).

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 legally adopts 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 School Food Service Fund, which is included when provided to the board for approval.

C. Excess Expenditures over Appropriations of Individual Funds

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 $3,806,386 and expenditures of $3,672,984 resulting from local school activity accounts. The District does not budget for these Pupil Service specific expenditures.

GENERAL FUND		
General administration	$	146,160
Student transportation		986,563
Other support services		61,867
Principal		257,300
Interest and fiscal charges		346,959
Transfers out		265,233
CAPITAL PROJECTS FUND		
Mainteance and operation of facilities	$	360,036

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, 2019, all investments of the School System were invested in Georgia Fund 1, the local government investment pool administered by the State of Georgia and U.S. Treasury Bond. The Georgia Fund 1 investment pool is not subject to credit risk classification and the carrying amount of $145,721,860 is reported at fair value. The Georgia Fund 1 was rated AAAf by Standard & Poor's.

Categorization of Deposits

State statutes require all deposits and investments (other than federal or state government instruments) to be covered by depository insurance or pledged securities. Amounts that exceed standard depository insurance limits are required to be collateralized either (1) individually by the financial institutions through pledged obligations of the U.S. Government, obligations backed by the full faith and credit of the U.S. Government, obligations of the State of Georgia or other states, or obligations of counties, municipalities, or public authorities of the State of Georgia, or (2) participation in the State of Georgia Secure Deposit Program. As of June 30, 2019, the financial institution holding all of the School System's deposits is a participant of the State of Georgia Secure Deposit Program, which is administered by the Office of the State Treasurer, requires participating banks holding deposits of public funds to pledge collateral at varying rates depending on tier assigned by the State. As of June 30, 2019, all of the School System's bank balances were insured and/or collateralized as defined by GASB and required by State Statutes.

Categorization of Investments

The School System's investments as of June 30, 2019 are presented in this table. All investments are presented by investment type and debt securities are presented by maturity.

Investment	Credit Risk	Fair Value	Interest Risk
Georgia Fund 1	AAAf rated	$ 145,721,860	39 day WAM
U.S. Treasury Bond	AAAm rated	13,894,074	5.6 year WAM
		$ 159,615,934	

Georgia Fund 1 is presented as cash equivalents

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. Since the price of a bond fluctuates with market interest rates, the risk than an investor faces is that the price of the bonds in a portfolio will decline if market interest rates rise. 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. However, the U.S. Treasury Bond has a maturity of February 15, 2025 which is greater than the School System's investment maturities limit of 3 years. At June 30, 2019, the interest rate risk is reported in the above table under Deposits (Governmental Funds) section as "Weighted Average Maturity (WAM)" for each of the applicable investment classifications.

Credit risk, value, and interest rate risk at June 30, 2019 are as follows:

Investment	Credit Risk	Fair Value	Interest Risk
Georgia Fund 1	AAAf rated	$ 145,721,860	39 day WAM
U.S. Treasury Bond	AAAm rated	13,894,074	5.6 year WAM
		$ 159,615,934	

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, 2019, the District had 9% of its investments invested in the Georgia Fund 1and 91% in U.S. Treasury Bills.

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. The School System also invests in U.S. Treasury Bonds, which are Level 2 investments, and thus are valued at fair value.

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	$ 17,867,260	(5,313,927)	$ 12,553,333

	Other Receivables	Allowance for Uncollectible	Net Other Receivables
General Fund	$ 11,449,412	$ (10,244,780)	$ 1,204,632

	SPLOST Tax Receivables	Allowance for Uncollectible	Net SPLOST Receivables
Capital Projects Fund	$ 8,740,848	$ -	$ 8,740,848

	Other Receivables	Allowance for Uncollectible	Net Other Receivables
Nonmajor governmental funds	$ 294,730	$ -	$ 294,730

G. Capital Assets

The following is a summary of changes in capital assets during the fiscal year ended June 30, 2019:

Governmental Activities:	Beginning Balance	Increases	Decreases & Transfers to In-Service	Ending Balance
Land	$ 117,791,058	$ 742,717	$ (59,284)	$ 118,474,491
Construciton in Progress	30,191,040	105,104,847	(18,990,917)	116,304,970
Total Non-Depreciable Assets	147,982,098	105,847,564	(19,050,201)	234,779,461
Buildings	1,217,613,863	-	-	1,217,613,863
Building Improvements	521,864,159	-	16,794,288	538,658,447
Land Improvements	89,456,231	-	2,196,629	91,652,860
Equipment	14,930,199	-	-	14,930,199
Furniture & Fixtures	56,030	-	-	56,030
Vehicles	30,771,555	-	-	30,771,555
Total Depreciable assets	1,874,692,037	-	18,990,917	1,893,682,954
Total at historical cost	2,022,674,135	105,847,564	(59,284)	2,128,462,415
Less Accumulated Depreciation				
Buildings	411,835,062	23,628,393	-	435,463,455
Building improvements	165,615,342	27,623,684	-	193,239,026
Land improvements	27,406,656	5,682,376	-	33,089,032
Equipment	14,575,065	178,429	-	14,753,494
Furniture & Fixtures	50,894	5,136	-	56,030
Vehicles	28,497,316	682,568	-	29,179,884
Total Accumulated Depreciation	647,980,335	57,800,586	-	705,780,921
Total Depreciable assets, Net	1,226,711,702	(57,800,586)	18,990,917	1,187,902,033
Governmental Activities Capital Assets, Net	$ 1,374,693,800	$ 48,046,978	$ (59,284)	$ 1,422,681,494

Depreciation expense was charged to governmental functions as follows:

Instruction	$ 53,322,748
Support Services:	
Maintenance & Operations	2,688,486
Student Transportation	662,881
Support Services - Business	1,126,471
Total	$ 57,800,586

H. Short-term Debt and Obligations

Tax Anticipation Note

On August 29, 2018, the School System issued a short-term Tax Anticipation Note (TAN), Series 2018 in the par amount of $60,000,000 with a local financial institution. 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 2.06% and was due and payable December 31, 2018. The School System retired the TAN in full on November 15, 2018, paying interest on the short-term debt in the amount of $260,933.

I. Long-term Debt and Obligations

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, 2019, $2,788,584 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%	$ 3,196,999

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, 2019, $1,500,000 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. The ERS Series 2006 COPS has principal and interest payments due on March 1 of each year until maturity. The maturity date for this series is March 1, 2022 and has an interest rate of 4%.

In June 2011, ERS issued Series 2011A COPS on behalf of the School System in the amount of $72,460,000. The proceeds from the certificates were used to finance the construction and renovation of North Atlanta High School. For Series 2011A, interest only payments are due on March 1 and September 1 of each year until maturity. The maturity date for this series is March 1, 2027, and interest rates vary from 5.457% to 5.657%.

Change in Long-term Debt and Obligations

Changes in long-term debt and obligations during the fiscal year ended June 30, 2019 were as follows:

	Beginning Balance	Additions	Deductions	Ending Balance	Amounts Due within One Year	Amounts Due in More Than One Year
Governmental activities:						
Long-term debt						
Intergovernmental agreement-						
City of Atlanta	$ 3,424,299	$ -	$ (227,300)	$ 3,196,999	$ 864,525	$ 2,332,474
ERS, Inc (COPS, Series 2006/2007)	3,490,000	-	(820,000)	2,670,000	855,000	1,815,000
ERS, Inc (COPS, Series 2011A)	72,460,000	-	-	72,460,000	-	72,460,000
Total long-term debt	79,374,299	-	(1,047,300)	78,326,999	1,719,525	76,607,474
Other long-term liabilities						
Net pension liabilities	987,373,935	109,659,499	(221,373,342)	875,660,092	-	875,660,092
Net OPEB liability	415,128,962	11,791,417	(63,543,644)	363,376,735	-	363,376,735
Compensated absences	4,620,215	3,913,585	(3,453,167)	5,080,633	4,088,731	991,902
Contingent legal liabilities	10,000	195,500	(10,000)	195,500	195,500	-
Workers' compensation	5,233,443	5,367,936	(3,832,125)	6,769,254	2,984,489	3,784,765
Total other long-term liabilities	1,412,366,555	130,927,937	(292,212,278)	1,251,082,214	7,268,720	1,243,813,494
Total long-term debt amd obligations	$ 1,491,740,854	$ 130,927,937	$ (293,259,578)	$ 1,329,409,213	$ 8,988,245	$ 1,320,420,968

At June 30, 2019, payments due by fiscal year, which include principal and interest for the intergovernmental agreement payable and COPS debt are as follows:

Fiscal Year Ending	Intergovernmental Agreements City of Atlanta	
	Principal	Interest
2020	$ 864,525	$ 120,765
2021	921,225	84,934
2022	817,175	45,380
2023	101,300	24,280
2024	120,500	20,040
2025-2027	372,274	26,445
Total Principal and Interest	$ 3,196,999	$ 321,844

Fiscal Year Ending	Education Reform Success, Inc. Certificates of Participation 2006/2007		Education Reform Success, Inc. Certificates of Participation 2011A	
	Principal	Interest	Principal	Interest
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	-	-	-	4,029,142
2024	-	-	-	4,029,142
2025-2027	-	-	72,460,000	8,246,893
Total Principal and Interest	$ 2,670,000	$ 223,408	$ 72,460,000	$ 28,392,603

J. Inter-fund Receivables

Inter-fund Receivables and payables balances as of June 30, 2019 are as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Nonmajor Funds	$ 4,952,058
General Fund	Capital Projects Fund	11,880,897
Nonmajor Funds	Nonmajor Funds	4,784,761
Capital Projects Fund	Nonmajor Funds	8,102,853
		$ 29,720,569

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, 2019 are as follows:

	Transfers In	Transfers Out
Governmental funds:		
General Fund	$ -	$ 3,161,317
Nonmajor Governmental Funds	3,161,317	-
	$ 3,161,317	$ 3,161,317

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 2018	$ -	$ 185,603	$ (185,603)	$ -
Fiscal year 2019	$ -	$ 145,151	$ (145,151)	$ -

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	Changes in Estimates	Claims Paid	End of Fiscal Year
Fiscal year 2018	$ 5,915,911	$ 3,180,835	$ (3,863,303)	$ 5,233,443
Fiscal year 2019	$ 5,233,443	$ 5,367,936	$ (3,832,125)	$ 6,769,254

M. On-Behalf Payments for Fringe Benefits

The School System has recognized revenues and expenditures in the amount of $157,420 for pension costs paid by the Georgia Department of Education to the Teachers' Retirement System of Georgia on the School System's behalf.

N. Retirement Plans

Atlanta Independent School System participates in two (2) defined benefit pension plans: the Teachers Retirement System of Georgia ("TRS") and the City of Atlanta General Employees' Pension Plan (the "Plan"). The net pension liability, total pension liability and related deferred outflows of resources and deferred inflows of resources for the TRS pension plan and the Plan are summarized as follows:

	TRS	Plan	Total
Net Pension Liability	$ 506,246,969	$ 369,413,123	$ 875,660,092
Total Pension Liability	-	524,525,123	524,525,123
Deferred outflows of resources related to pensions	112,974,596	55,002,000	167,976,596
Deferred inflows of resources related to pensions	50,346,271	32,809,930	83,156,201
Pension expense (reduction to pension expense)	48,293,332	(9,060,077)	39,233,255

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, 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 2019. The School System's contractually required contribution rate for the fiscal year ended June 30, 2019 was 20.90% of annual payroll. School System contributions to TRS were $68,863,589 for the fiscal year ended June 30, 2019.

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

At June 30, 2019, 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	$ 506,246,969
State of Georgia's proportionate share of the net pension liability	1,313,272
Total	$ 507,560,241

The net pension liability was measured as of June 30, 2018. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of June 30, 2017. An expected total pension liability as of June 30, 2018 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, 2018. At June 30 2018, the School System's proportion was 2.727309%, which was a decrease of 0.160102% from its proportion measured as of June 30, 2017.

For the fiscal year ended June 30, 2019, the School System recognized pension expense of $48,293,332 and an expense of $183,590 for support provided by the State of Georgia for certain support personnel. At June 30, 2019, 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	$ -	$ 13,841,775
Differences between expected and actual experience	33,514,264	1,043,387
Changes of assumptions	7,639,083	-
Changes in proportion and differences between School System contributions and proportionate share of contributions	2,957,660	35,461,109
School System contributions subsequent to the measurement date	68,863,589	-
Total	$ 112,974,596	$ 50,346,271

School System contributions subsequent to the measurement date of $68,863,589 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, 2020. 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:	
2020	$ 17,759,655
2021	2,879,788
2022	(20,905,435)
2023	(5,892,626)
2024	(76,646)
Total	$ (6,235,264)

Actuarial assumptions: The total pension liability as of June 30, 2018 was determined by an actuarial valuation as of June 30, 2017 using the following actuarial assumptions on the following page, applied to all periods included in the measurement:

Inflation	2.75%
Salary increases	3.25 - 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. Rates of mortality in active service were based on the RP-2000 Employee Mortality Table projected to 2025 with projection scale BB.

The actuarial assumptions used in the June 30, 2017 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%	

**Net 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	$ 845,071,148	$ 506,246,969	$ 227,038,601

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, 2019, the School System reports a payable to TRS in the amount of $1,743,318. 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 Employees' 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, 2018, the date of the most recent actuarial valuation, the pension plan membership consisted of the following:

Retired participants and beneficiaries currently receiving benefits	1,932
Terminated participants entitled to but not receiving benefits	142
Active Plan members	663
Total	2,737

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, 2019, the School System's contributions to the Plan were $55,002,000.

Net Pension Liability of the School System. The School System's net pension liability was measured as of June 30, 2018. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as July 1, 2017 with update procedures performed by the actuary to roll forward to the total pension liability measured as of June 30, 2018.

Actuarial assumptions. The total pension liability in the July 1, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Salary increases	3.00% plus age-related salary scale
Investment rate of return	7.25%, net of pension plan investment expense, including inflation

Healthy mortality rates were changed from the sex-distinct RP-2000 Combined Healthy Mortality Table, to the approximate RP-2006 Blue Collar Healthy Annuitant Table, loaded by 25% for males and females.

The actuarial assumptions used in the July 1, 2017 valuation were based on the results of an experience study for the period July 1, 2011 to June 30, 2017.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of inflation) are developed for each major asset class. These returns 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, adding expected inflation and subtracting expected investment expenses and a risk margin. The target allocation and projected arithmetic real rates of return for each major asset class, after deducting inflation, but before investment expenses, used in the derivation of the long-term expected investment rate of return assumption are summarized in the following table:

Asset class	Target allocation	Long-term expected real rate of return
Domestic equity	50%	6.40%
Fixed income	25%	1.80
International equity	20%	7.90
Alternative investments	5%	6.10
Cash	—%	—
Total	100%	

Discount rate. The discount rates used to measure the Total Pension Liability (TPL) were 7.25% and 7.50% as of June 30, 2018 and June 30, 2017, respectively. The projection of cash flows used to determine the discount rate assumed plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the actuarially determined contribution rates. For this purpose, only employer contributions that are intended to fund benefits for current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs for future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, the Plan Fiduciary Net Position (FNP) 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 pension plan investments was applied to all periods of projected benefit payments to determine the TPL as of both June 30, 2018 and June 30, 2017.

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, 2019, were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at 6/30/2018	$590,135,707	$ 139,396,000	$450,739,707
Changes for the fiscal year:			
Service cost	4,136,488	-	4,136,488
Interest	42,595,027	-	42,595,027
Differences between expected and actual experience	(18,694,416)	-	(18,694,416)
Assumption changes	(40,970,683)	-	(40,970,683)
Contributions—employer	-	53,400,000	(53,400,000)
Contributions—employee	-	1,513,000	(1,513,000)
Net investment income	-	13,692,000	(13,692,000)
Benefit payments, including refunds of employee contributions	(52,677,000)	(52,677,000)	-
Administrative expense	-	(212,000)	212,000
Net changes	(65,610,584)	15,716,000	(81,326,584)
Balances at 6/30/2019	$524,525,123	$ 155,112,000	$369,413,123

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 7.25%, 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 (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
School System's net pension liability	$ 416,206,503	$ 369,413,123	$ 329,204,865

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, 2018 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, 2019, the School System recognized a reduction in pension expense of $9,060,077. At June 30, 2019, 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
Assumption changes	$ -	$ 20,485,341
Net difference between projected and actual earnings on pension plan investments	-	2,977,381
Differences between expected and actual experience	-	9,347,208
School System contributions subsequent to the measurement date	55,002,000	-
Total	$ 55,002,000	$ 32,809,930

School System contributions subsequent to the measurement date of $55,002,000 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, 2020. 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:	
2020	$ (29,628,181)
2021	(419,217)
2022	(2,130,252)
2023	(632,280)
Total	$ (32,809,930)

O. Other Postemployment Benefits

Georgia School Employees Postemployment Benefit Fund

Plan Description: The School System participates in the State of Georgia School Employees Postemployment Benefit Fund (the School OPEB Fund) which is another postemployment benefit (OPEB) plan administered by the State of Georgia Department of Community Health (DCH). Certified teachers and non-certified employees of the School System as defined in §20-2-875 of the *Official Code of Georgia Annotated* (O.C.G.A.) are provided OPEB through the School OPEB Fund - a cost-sharing multiple-employer defined benefit postemployment healthcare plan, reported as an employee trust fund of the State of Georgia and administered by a Board of Community Health (DCH Board). Title 20 of the *O.C.G.A.* assigns the authority to establish and amend the benefit terms of the group health plan to the DCH Board. The School OPEB Fund is included in the State of Georgia Comprehensive Annual Financial Report which is publicly available and can be obtained at https://sao.georgia.gov/comprehensive-annual-financial-reports.

***Benefits*:** The School OPEB Fund provides healthcare benefits for retirees and their dependents due under the group health plan for public school teachers, including librarians, other certified employees of public schools, regional educational service agencies, and non-certified public school employees. Retiree medical eligibility is attained when an employee retires and is immediately eligible to draw a retirement annuity from Employees' Retirement System (ERS), Georgia Judicial Retirement System (JRS), Legislative Retirement System (LRS), Teachers Retirement System (TRS) or Public School Employees Retirement System (PSERS). If elected, dependent coverage starts on the same day as retiree coverage. Medicare-eligible retirees are offered Standard and Premium Medicare Advantage plan options. Non-Medicare eligible retiree plan options include Health Reimbursement Arrangement (HRA), Health Maintenance Organization (HMO) and a High Deductible Health Plan (HDHP). The School OPEB Fund also pays for administrative expenses of the fund. By law, no other use of the assets of the School OPEB Fund is permitted.

***Contributions*:** As established by the Board of Community Health, the School OPEB Fund is substantially funded on a pay-as-you-go basis; that is, annual cost of providing benefits will be financed in the same year as claims occur. Contributions required and made to the School OPEB Fund from the School System were $2,622 per covered employee, totaling $15,273,052 for the fiscal year ended June 30, 2019. Active employees are not required to contribute to the School OPEB Fund.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. At June 30, 2019, the School System reported a liability of $363,376,735 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2018. The total OPEB liability used to calculate the net OPEB liability was based on an actuarial valuation as of June 30, 2017. An expected total OPEB liability as of June 30, 2018 was determined using standard roll-forward techniques. The School System's proportion of the net OPEB liability was actuarially determined based on employer contributions to the School OPEB Fund during the fiscal year ended June 30, 2018. At June 30 2018, the School System's proportion was 2.859052%, which was a decrease of 0.095611% from its proportion measured as of June 30, 2017.

For the fiscal year ended June 30, 2019, the School System recognized OPEB expense of $11,421,188. At June 30, 2019, the School System reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred inflows of Resources
Differences between expected and actual experience	$ -	$ 8,265,390
Changes of assumptions	-	61,557,767
Net difference between projected and actual earnings on OPEB plan investments	491,647	-
Changes in proportion and differences between School System contributions and proportionate share of contributions	-	20,108,599
Employer contributions subsequent to the measurement date	15,273,052	-
Total	$ 15,764,699	$ 89,931,756

School System contributions subsequent to the measurement date of $15,273,052 are reported as deferred outflows of resources and will be recognized as a reduction of the net OPEB liability in the fiscal year ending June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year ending June 30:	
2020	$ (17,399,973)
2021	(17,399,973)
2022	(17,399,973)
2023	(17,429,346)
2024	(14,350,250)
2025	(5,460,594)
Total	$ (89,440,109)

***Actuarial assumptions*:** The total OPEB liability as of June 30, 2018 was determined by an actuarial valuation as of June 30, 2017 using the following actuarial assumptions and other inputs, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2018:

Inflation	2.75%
Salary increases	TRS - 3.25 – 9.00%, including inflation PSERS – N/A
Long-term expected rate of return	7.30%, compounded annually, net of investment expense, and including inflation

Healthcare cost trend rate:	
Pre-Medicare Eligible	7.50%
Medicare Eligible	5.50%
Ultimate trend rate	
Pre-Medicare Eligible	4.75%
Medicare Eligible	4.75%
Year of Ultimate trend rate	
Pre-Medicare Eligible	2028
Medicare Eligible	2022

Mortality rates were based on the RP-2000 Combined Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale BB as follows:

- For TRS members: The RP-2000 White Collar Mortality Table projected to 2025 with projection scale BB (set forward 1 year for males) is used for death after service retirement and beneficiaries. The RP-2000 Disabled Mortality Table projected to 2025 with projection scale BB (set forward two years for males and four years for females) is used for death after disability retirement.

- For PSERS members: The RP-2000 Blue-Collar Mortality Table projected to 2025 with projection scale BB (set forward 3 years for males and 2 years for females) is used for the period after service retirement and for beneficiaries of deceased members. The RP-2000 Disabled Mortality projected to 2025 with projection scale BB (set forward 5 years for both males and females) is used for the period after disability retirement.

The actuarial assumptions used in the June 30, 2017 valuation were based on the results of an actuarial experience study for the pension system, which covered the five-year period ending June 30, 2014.

Projection of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the School System and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculation.

Additionally, there was a change that affected measurement of the total OPEB liability since the prior measurement date. The methodology used to determine employee and retiree participation in the School OPEB Fund is based on their current or last employer payroll location. Current and former employees of public school districts, libraries, regional educational service agencies, and community colleges are allocated to the School OPEB Fund irrespective of retirement system affiliation.

The long-term expected rate of return on OPEB 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 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%	-.50 %
Domestic Stocks - Large Cap	37.20	9.00
Domestic Stocks - Mid Cap	3.40	12.00
Domestic Stocks - Smlall Cap	1.40	13.50
International Stocks - Developed Markets	17.80	8.00
International Stocks - Emerging Markets	5.20	12.00
Alternatives	5.00	10.50
Total	100.00%	

***Discount rate*:** The discount rate has changed since the prior measurement date from 3.58% to 3.87%. In order to measure the total OPEB liability for the School OPEB Fund, a single equivalent interest rate of 3.87% was used as the discount rate. This is comprised mainly of the yield or index rate for 20 year tax-exempt general obligation municipal bonds with an average rating of AA or higher (3.56% per the Bond Buyer Index). The projection of cash flows used to determine the discount rate assumed that plan contributions from members and the State of Georgia will be made at the current level as budgeted and then averaged over the prior five years. Projected future benefit payments for all current plan members were projected through 2118. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be available to make OPEB payments for inactive employees through year 2029. Therefore, the long-term expected rate of return on OPEB plan investments was applied to discount projected benefit payments until 2029. The discount rate of 3.87% was the single rate which, when applied to all projected benefit payments, resulted in the same present value of benefit payments when the above discussed calculations are combined. The calculated discount rate of 3.87% was applied to all periods of projected benefit payments to determine the total OPEB liability.

***Sensitivity of the School System's proportionate share of the net OPEB liability to changes in the discount rate*:** The following presents the School System's proportionate share of the net OPEB liability calculated using the discount rate of 3.87%, as well as what the School System's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.87%) or 1-percentage-point higher (4.87%) than the current rate:

	1% Decrease (2.87%)	Current discount rate (3.87%)	1% Increase (4.87%)
School System's proportionate share of the net OPEB liability	$ 424,310,091	$ 363,376,735	$ 314,240,360

Sensitivity of the School System's proportionate share of the net OPEB liability to changes in the healthcare cost trend rate: The following presents the School System's proportionate share of the net OPEB liability calculated using the healthcare cost trend rates of 7.50% to 4.75%, as well as what the School System's proportionate share of the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (6.50% to 3.75%) or 1-percentage-point higher (8.50% to 5.75%) than the current rates:

	1% Decrease (6.50% to 3.75%)	Current discount rate (7.50% to 4.75%)	1% Increase (8.50% to 5.75%)
School System's proportionate share of the net OPEB liability	$ 305,493,747	$ 363,376,735	$ 437,349,061

P. Commitments and Contingencies

Construction Commitments

The School System has active construction projects as of June 30, 2019. The projects relate to construction, renovation of school buildings, and other projects. At fiscal year-end, the School System's commitments with contractors were $59,398,354.

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 $195,500. 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 $10,460,000 in such cases that is not accrued as a contingent liability as of the June 30, 2019.

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. The City of Atlanta reduced the amount by $1,000,000 during the fiscal year ended June 30, 2019. 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, 2019.

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.

Q. 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.

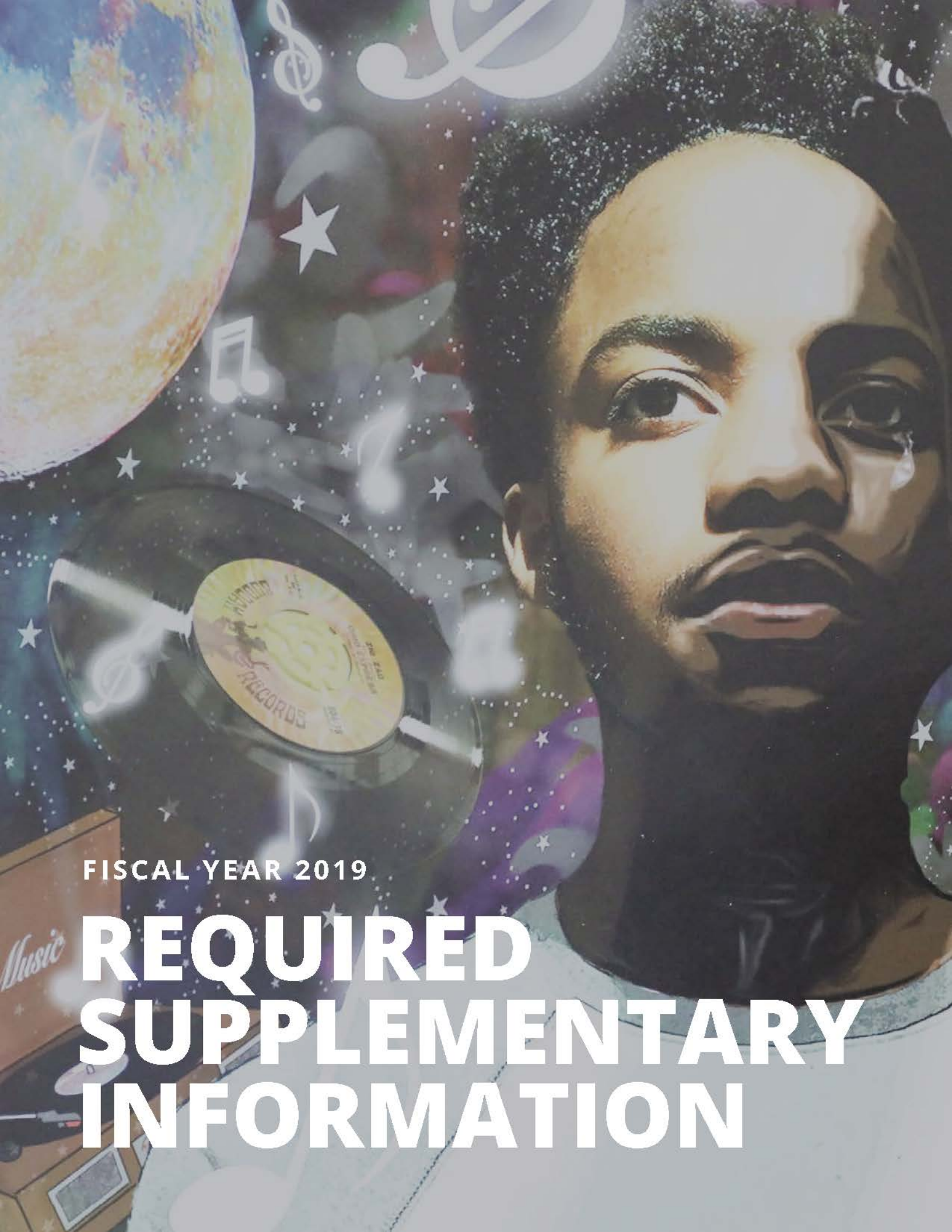
The School System paid $2,238,459 during fiscal year 2019 for remediation activities which included removal of asbestos, lead paint, and other contaminants from various sites owned by the School System. Each of these activities were undertaken on an as needed basis and completed and thus there is no further liability for remediation activities at these sites.

R. Tax Abatements

For the fiscal year ended June 30, 2019, School System tax revenues were reduced by $11,351,089 and $9,907,680 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.

S. Subsequent Event

On August 22, 2019, the School System issued a short-term Tax Anticipation Note (TAN), Series 2019 in the par amount of $25,000,000. The TAN carries an interest rate of 3.00% and must be repaid prior to December 31, 2019.



FISCAL YEAR 2019

REQUIRED SUPPLEMENTARY INFORMATION

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

	2019	2018	2017	2016	2015
School System's proportion of the net pension liability	2.727309%	2.887411%	2.923534%	3.025601%	3.069435%
School System's proportionate share of the net pension liability	$ 506,246,969	$ 536,634,228	$ 603,157,662	$ 460,617,707	$ 387,782,626
State of Georgia's proportionate share of the net pension liability associated with the District	1,313,272	2,085,643	4,133,857	2,567,833	2,346,201
Total	$ 507,560,241	$ 538,719,871	$ 607,291,519	$ 463,185,540	$ 390,128,827
School System's covered payroll	$ 324,840,518	$ 331,541,794	$ 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 payroll	155.84%	161.86%	188.09%	144.23%	123.70%
Plan fiduciary net position as a percentage of the total pension liability	80.27%	79.33%	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

	2019	2018	2017	2016	2015	2014
Contractually required contributions	$ 68,863,589	$ 54,605,691	$ 47,311,014	$ 45,761,366	$ 41,997,145	$ 38,496,248
Contributions in relation to the contractually required contributions	68,863,589	54,605,691	47,311,014	45,761,366	41,997,145	38,496,248
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -
School System's covered payroll	329,490,856	324,840,518	331,541,794	320,682,313	319,369,924	313,487,362
Contributions as a percentage of covered payroll	20.90%	16.81%	14.27%	14.27%	13.15%	12.28%

	2013	2013	2012	2011	2010	2009
Contractually required contributions	$ 35,714,946	$ 35,714,946	$ 33,138,997	$ 32,515,502	$ 32,863,759	$ 30,872,725
Contributions in relation to the contractually required contributions	35,714,946	35,714,946	33,138,997	32,515,502	32,863,759	30,872,725
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -
School System's covered payroll	313,014,426	313,014,426	322,363,784	316,298,658	337,410,257	332,680,226
Contributions as a percentage of covered payroll	11.41%	11.41%	10.28%	10.28%	9.74%	9.28%

Changes of assumptions: In 2010 and later, the expectation of retired life mortality was changed to the RP-2000 Mortality Tables from the 1994 Group Annuity Mortality Table. 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.

On November 18, 2015, the Board adopted recommended changes to the economic and demographic assumptions utilized by the System. Primary among the changes were the updates to rates of mortality, retirement, disability, withdrawal and salary increases. The expectation of retired life mortality was changed to 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).

The actuarial assumptions used in the June 30, 2017 valuation were based on the results of an actuarial experience study for the period July 1, 2009 – June 30, 2014.

Method and assumptions used in calculations of actuarially determined contributions: The actuarially determined contribution rates in the schedule of employer contributions are calculated as of June 30, three years prior to the end of the fiscal year in which contributions are reported (June 30, 2018 employer contributions were determined in the June 30, 2015 valuation). The following actuarial methods and assumptions were used to determine the most recent contribution rate reported in that schedule:

Valuation date	June 30, 2017
Measurement date	June 30, 2018
Reporting date	June 30, 2019
Actuarial cost method	Entry age
Amortization method	Level percentage of payroll, closed
Remaining amortization period	28.4 years
Asset valuation method	5-year smoothed market
Inflation rate	2.75%
Salary increases	3.25 - 9.00%, 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

	2019	2018	2017	2016	2015
Total pension liability					
Service cost	$ 4,136,488	$ 4,757,232	$ 4,617,642	$ 4,306,062	$ 4,432,230
Interest	42,595,027	44,352,297	45,347,072	46,057,856	46,411,606
Differences between expected and actual experience	(18,694,416)	(23,112,784)	(8,914,878)	(5,223,539)	-
Assumption changes	(40,970,683)	-	-	-	-
Benefit payments, including refunds of employee contributions	(52,677,000)	(54,450,000)	(54,177,000)	(55,058,000)	(56,063,000)
Net change in total pension liability	(65,610,584)	(28,453,255)	(13,127,164)	(9,917,621)	(5,219,164)
Total pension liability - beginning	590,135,707	618,588,962	631,716,126	641,633,747	646,852,911
Total pension liability - ending (a)	$ 524,525,123	$ 590,135,707	$ 618,588,962	$ 631,716,126	$ 641,633,747
Plan fiduciary net position					
Contributions - employer	$ 53,400,000	$ 52,000,000	$ 50,400,000	$ 48,905,000	$ 48,000,000
Contributions - employee	1,513,000	1,441,000	1,663,000	1,684,000	1,554,000
Net investment income	13,692,000	16,735,000	765,000	819,000	21,358,000
Benefit payments, including refunds of employee contributions	(52,677,000)	(54,450,000)	(54,177,000)	(55,058,000)	(56,063,000)
Administrative expense	(212,000)	(206,000)	(202,000)	(278,000)	(1,003,000)
Net change in plan fiduciary net position	15,716,000	15,520,000	(1,551,000)	(3,928,000)	13,846,000
Plan fiduciary net position - beginning	139,396,000	123,876,000	125,427,000	129,355,000	115,509,000
Plan fiduciary net position - ending (b)	$ 155,112,000	$ 139,396,000	$ 123,876,000	$ 125,427,000	$ 129,355,000
School System's net pension liability - ending (a) - (b)	$ 369,413,123	$ 450,739,707	$ 494,712,962	$ 506,289,126	$ 512,278,747
Plan fiduciary net position as a percentage of the total pension liability	29.57%	23.62%	20.03%	19.85%	20.16%
Covered payroll	$ 20,240,951	$ 21,585,554	$ 20,072,615	$ 21,786,097	$ 22,914,238
School System's net pension liability as a percentage of covered payroll	1825.08%	2088.15%	2464.62%	2323.91%	2235.64%

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

ATLANTA INDEPENDENT SCHOOL SYSTEM

Required Supplementary Information
Schedule of School System's Contributions
City of Atlanta General Employees' Pension Fund

	2019	2018	2017	2016	2015
Actuarially determined contribution	$ 55,002,000	$ 53,400,000	$ 51,900,000	$ 50,400,000	$ 48,900,000
Contributions in relation to the actuarially determined contribution	55,002,000	53,400,000	52,000,000	50,400,000	48,900,000
Contribution deficiency (excess)	$ -	$ -	$ (100,000)	$ -	$ -
Covered payroll	$ 20,241,852	$ 20,240,951	$ 21,585,554	$ 20,072,615	$ 21,786,097
Contributions as a percentage of covered payroll	271.72%	263.82%	240.90%	251.09%	224.46%

Notes to the Schedule

(1) Actuarial Assumptions:

Valuation Date	July 1, 2017 Actuarially determined contribution rate was calculated using a July 1, 2013 valuation for the fiscal year beginning July 1, 2014. Subsequent contributions are based on increasing the prior year's contribution amount 3% per year until the Plan is fully funded.
Measurement Date	June 30, 2018
Reporting Date	June 30, 2019
Cost Method	Entry Age Actuarial Cost Method
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 actual and expected returns on a market value basis and is recognized over a five-year period. The deferred return is further adjusted, if necessary, so that the actuarial value of assets will stay within 20% of the market value of assets.
Assumed Rate of Return on Investments	7.25%, net of pension plan investment expense (including inflation)
Projected Salary Increases	3.00% (plus age-related salary scale)
Cost-of-living Adjustment	2.25%
Amortization Method	Level percent of payroll, using 3.0% annual increases
Remaining Amortization Period	9.5 years remaining as of July 1, 2017
Inflation	2.25%
Retirement Rates	Rates vary from age 52 to 69 for service greater or less than 30 years.
Mortality	Healthy: RP-2006 Blue Collar Healthy Annuitant Table, loaded by 25% for males and females Disabled: RP-2006 Disabled Retiree Table, loaded by 25% for males and females

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

ATLANTA INDEPENDENT SCHOOL SYSTEM

REQUIRED SUPPLEMENTARY INFORMATION
SCHOOL OPEB FUND
SCHEDULE OF THE SCHOOL SYSTEM'S PROPORTIONATE SHARE
OF NET OPEB LIABILITY

	2019	2018
School System's proportion of the net OPEB liability (%)	2.859052%	2.954663%
School System's proportion of the net OPEB liability ($)	$ 363,376,735	$ 415,128,962
School System's covered-employee payroll	$ 350,619,661	$ 359,737,162
School System's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll	104%	115%
Plan fiduciary net position as a percentage of the net OPEB liability	2.93%	1.61%

Notes to the Schedule:

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

ATLANTA INDEPENDENT SCHOOL SYSTEM

REQUIRED SUPPLEMENTARY INFORMATION
SCHOOL OPEB FUND
SCHEDULE OF SCHOOL SYSTEM'S CONTRIBUTIONS

	2019	2018	2017
Contractually required contribution	$ 15,273,052	$ 14,818,194	$ 15,405,845
Contributions in relation to the contractually required contribution	15,273,052	14,818,194	15,405,845
Contribution deficiency (excess)	$ -	$ -	$ -
School System's covered-employee payroll	357,818,965	350,619,661	359,737,162
Contributions as a percentage of covered-employee payroll	4.27%	4.23%	4.28%

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

***Changes of benefit terms*:** In the June 30, 2010 actuarial valuation, there was a change of benefit terms to require Medicare-eligible recipients to enroll in a Medicare Advantage plan to receive the State subsidy.

Changes in assumptions: In the revised June 30, 2017 actuarial valuation, there was a change relating to employee allocation. Employees were previously allocated based on their Retirement System membership, and currently employees are allocated based on their current employer payroll location.

In the June 30, 2015 actuarial valuation, decremental and underlying inflation assumptions were changed to reflect the Retirement Systems' experience studies.

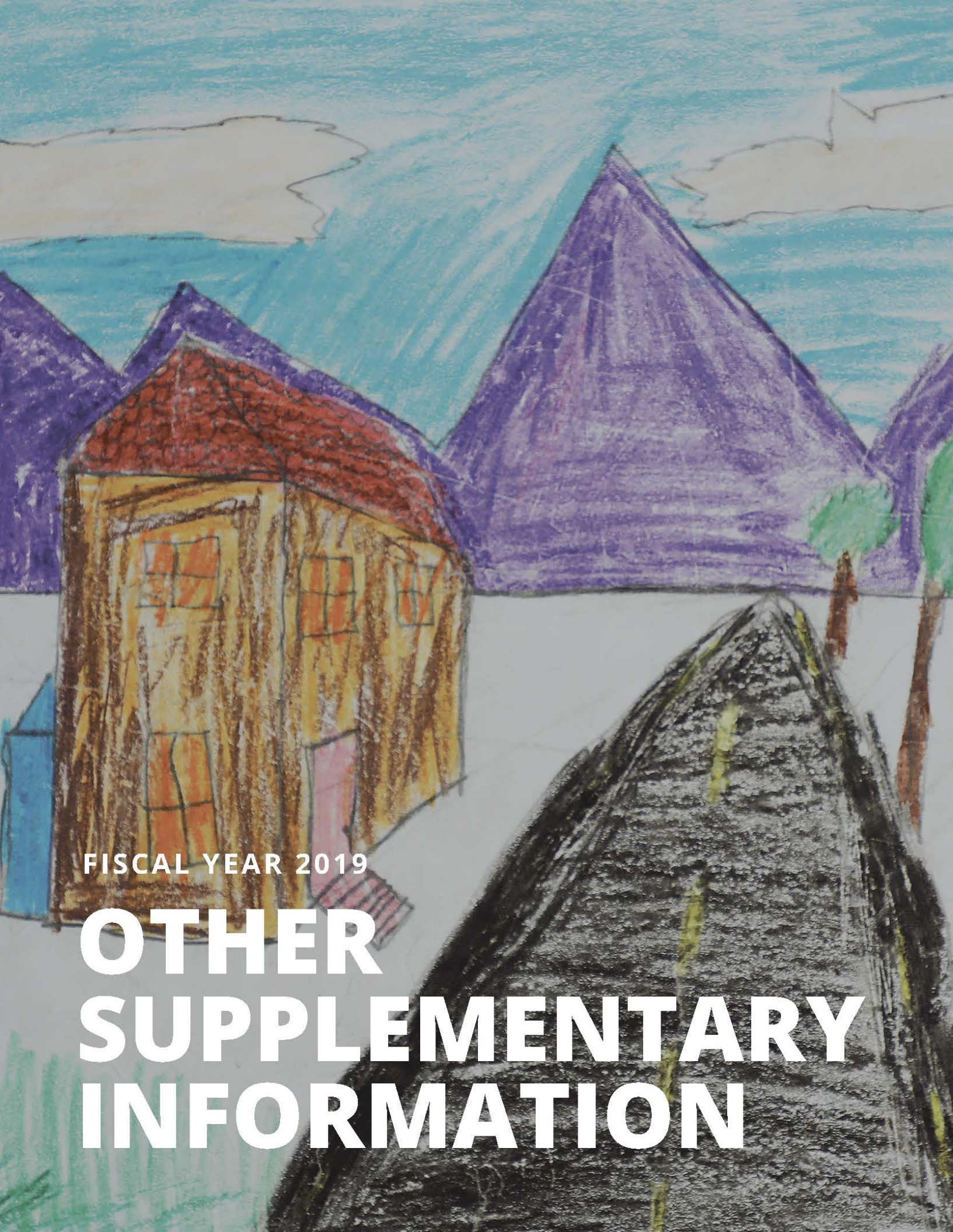
In the June 30, 2012 actuarial valuation, a data audit was performed and data collection procedures and assumptions were changed.

Valuation Date	June 30, 2017
Measurement Date	June 30, 2018
Reporting Date	June 30, 2019
Inflation	2.75%
Salary Increases (TRS)	3.25 - 9.00%, including inflation
Long-term investment rate of return	7.30% compounded annually, net of investment expense and including inflation
Municipal Bond Index Rate	3.87%
Year FNP is projected to be depleted	2018
Single Equivalent Interest Rate	3.87%
Healthcare cost trend rate:	
Pre-Medicare Eligible	7.50%
Medicare Eligible	5.50%
Ultimate trend rate:	
Pre-Medicare Eligible	4.75%
Medicare Eligible	4.75%
Year of Ultimate trend rate:	
Pre-Medicare Eligible	2028
Medicare Eligible	2022
Mortality	For TRS members: The RP-2000 White Collar Mortality Table projected to 2025 with projection scale BB (set forward 1 year for males) is used for death after service retirement and beneficiaries. The RP-2000 Disabled Mortality Table projected to 2025 with projection scale BB (set forward two years for males and four years for females) is used for death after disability retirement. For PSERS members: The RP-2000 Blue-Collar Mortality Table projected to 2025 with projection scale BB (set forward 3 years for males and 2 years for females) is used for the period after service retirement and for beneficiaries of deceased members. The RP-2000 Disabled Mortality projected to 2025 with projection scale BB (set forward 5 years for both males and females) is used for the period after disability retirement.

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, 2019

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Local taxes	$ 594,109,005	$ 594,109,005	$ 599,659,003	$ 5,549,998
Investment income	1,280,573	1,280,573	3,132,820	1,852,247
Tuition charges	-	-	50,102	50,102
Facility rental fees	1,200,000	1,200,000	1,264,229	64,229
State revenues	197,787,917	198,161,992	191,036,285	(7,125,707)
Federal revenues	1,200,000	21,228,996	1,216,000	(20,012,996)
Charges for services	-	-	3,006,040	3,006,040
Other	22,566,491	8,481,143	8,273,721	(207,422)
TOTAL REVENUES	$ 818,143,986	$ 824,461,709	$ 807,638,200	$ (16,823,509)
EXPENDITURES				
Current:				
Instruction	$ 526,372,279	$ 530,064,658	$ 507,539,083	$ 22,525,575
Support services				
Pupil services	47,005,564	49,503,603	48,044,167	1,459,436
Improvement of instructional services	43,348,426	43,470,593	39,350,529	4,120,064
Educational media	7,507,362	7,155,378	6,468,398	686,980
General administration	8,074,126	8,129,129	8,275,289	(146,160)
School administration	40,775,334	41,464,459	39,534,723	1,929,736
Business administration	9,009,984	9,404,345	7,570,923	1,833,422
Maintenance and operation of facilities	80,342,826	80,774,207	79,578,050	1,196,157
Student transportation	31,942,366	32,380,789	33,367,352	(986,563)
Central support	19,797,182	21,405,938	18,613,842	2,792,096
Other support services	526,769	533,824	595,691	(61,867)
Nutrition	378,942	378,942	79,019	299,923
Debt service:				
Principal	790,000	790,000	1,047,300	(257,300)
Interest and fiscal charges	376,742	200,272	547,231	(346,959)
TOTAL EXPENDITURES	816,247,902	825,656,137	790,611,597	35,044,540
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	1,896,084	(1,194,428)	17,026,603	18,221,031
OTHER FINANCING SOURCES (USES)				
Transfers out	(2,896,084)	(2,896,084)	(3,161,317)	(265,233)
Proceeds from sale of capital assets	1,000,000	1,000,000	92,984	(907,016)
TOTAL OTHER FINANCING SOURCES (USES)	(1,896,084)	(1,896,084)	(3,068,333)	(1,172,249)
NET CHANGE IN FUND BALANCES	-	(3,090,512)	13,958,270	17,048,782
FUND BALANCES - BEGINNING OF FISCAL YEAR	71,079,439	71,079,439	71,079,439	-
FUND BALANCES - END OF FISCAL YEAR	$ 71,079,439	$ 67,988,927	$ 85,037,709	$ 17,048,782



FISCAL YEAR 2019

OTHER SUPPLEMENTARY INFORMATION

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 the use of Title I grant revenues received from the federal government. The revenues must be used in accordance with the requirements of the federal government. The overall goal of the federal program is to help children from low-income families achieve academic success.

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, 2019

	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	$ -	$ -	$ -	$ 14,378,434	$ -	$ -	$ -	$ 14,378,434
Other receivables	-	-	-	294,730	-	-	-	294,730
Due from other governments	9,121,666	353,912	3,035,296	302,805	-	1,291,328	925,145	15,030,152
Due from other funds	-	-	-	-	-	-	4,784,761	4,784,761
Inventory	-	-	-	418,018	-	-	-	418,018
TOTAL ASSETS	$ 9,121,666	$ 353,912	$ 3,035,296	$ 15,393,987	$ -	$ 1,291,328	$ 5,709,906	$ 34,906,095
LIABILITIES AND FUND BALANCES								
LIABILITIES								
Accounts payable	$ -	$ -	$ -	$ 2,782,826	-	$ -	$ -	$ 2,782,826
Accrued liabilities	-	-	-	134,536	-	-	-	134,536
Due to other funds	9,121,666	353,912	3,035,296	3,727,798	-	1,291,328	309,672	17,839,672
TOTAL LIABILITIES	9,121,666	353,912	3,035,296	6,645,160	-	1,291,328	309,672	20,757,034
FUND BALANCES (DEFICITS)								
Nonspendable:								
Inventories	-	-	-	418,018	-	-	-	$ 418,018
Restricted:								
School nutrition program	-	-	-	8,330,809	-	-	-	8,330,809
Assigned:								
Local school programs	-	-	-	-	-	-	5,400,234	5,400,234
TOTAL FUND BALANCES	-	-	-	8,748,827	-	-	5,400,234	14,149,061
TOTAL LIABILITIES AND FUND BALANCES	$ 9,121,666	$ 353,912	$ 3,035,296	$ 15,393,987	$ -	$ 1,291,328	$ 5,709,906	$ 34,906,095

ATLANTA INDEPENDENT SCHOOL SYSTEM

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2019

	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	$ -	$ -	$ -	$ 647,248	$ 5,180,458	$ -	$ 600,597	$ 6,428,303
Federal revenues	31,435,113	1,775,609	10,878,478	24,622,049	-	4,281,470	630,413	73,623,132
Charges for services	-	-	-	933,966	-	-	-	933,966
Other	-	-	-	42,088	-	-	8,126,077	8,168,165
TOTAL REVENUES	31,435,113	1,775,609	10,878,478	26,245,351	5,180,458	4,281,470	9,357,087	89,153,566
EXPENDITURES								
Current:								
Instruction	18,933,352	-	7,910,995	-	6,374,053	2,313,721	2,286,077	$ 37,818,198
Support services								
Pupil services	2,619,517	-	1,198,164	-	2,272	166,222	1,089,303	5,075,478
Improvement of instructional services	4,396,255	1,312,223	35,549	-	36,541	417,550	981,341	7,179,459
Educational media services	-	-	-	-	-	235,450	133,131	368,581
Federal grant administration	1,757,563	128,798	115,984	-	-	122,617	-	2,124,962
General administration	3,336,232	-	478,223	-	-	2,200	1,943,366	5,760,021
School administration	-	-	-	-	-	72,883	117,381	190,264
Business administration	-	-	-	-	-	-	133,638	133,638
Maintenance and operation of facilities	-	-	-	-	-	-	452,855	452,855
Student transportation	92,072	-	1,139,563	-	60,589	182,145	432,831	1,907,200
Central support	-	334,588	-	-	-	-	1,762,222	2,096,810
Other support services	300,122	-	-	-	5,688	29,680	229,825	565,315
Nutrition	-	-	-	27,885,684	-	739,002	-	28,624,686
TOTAL EXPENDITURES	31,435,113	1,775,609	10,878,478	27,885,684	6,479,143	4,281,470	9,561,970	92,297,467
DEFICIENCY OF REVENUES UNDER EXPENDITURES	-	-	-	(1,640,333)	(1,298,685)	-	(204,883)	(3,143,901)
OTHER FINANCING SOURCES								
Transfers in	-	-	-	-	1,301,424	-	1,859,893	3,161,317
TOTAL OTHER FINANCING SOURCES	-	-	-	-	1,301,424	-	1,859,893	3,161,317
NET CHANGE IN FUND BALANCES	-	-	-	(1,640,333)	2,739	-	1,655,010	17,416
FUND BALANCES (DEFICIT), BEGINNING OF FISCAL YEAR	-	-	-	10,389,160	(2,739)	-	3,745,224	14,131,645
FUND BALANCES, END OF FISCAL YEAR	$ -	$ -	$ -	$ 8,748,827	$ -	$ -	$ 5,400,234	$ 14,149,061

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, 2019

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
State revenues	$ 5,920,449	$ 6,234,153	$ 5,781,055	$ (453,098)
Federal revenues	59,281,743	71,500,397	49,001,083	(22,499,314)
Other	9,810,052	15,397,581	8,126,077	(7,271,504)
TOTAL REVENUES	75,012,244	93,132,131	62,908,215	(30,223,916)
EXPENDITURES				
Current:				
Instruction	28,030,218	45,252,532	37,818,198	7,434,334
Support services:				
Pupil services	5,028,100	7,646,017	5,075,478	2,570,539
Improvement of instructional services	12,926,293	14,658,090	7,179,459	7,478,631
Educational media	130,925	505,198	368,581	136,617
Federal grant administration	5,677,841	7,775,111	2,124,962	5,650,149
General administration	2,088,887	8,386,127	5,760,021	2,626,106
School administration	107,228	551,686	190,264	361,422
Business administration	159,980	164,180	133,638	30,542
Maintenance and operation of facilities	2,876,863	2,920,930	452,855	2,468,075
Student transportation	2,125,933	2,719,684	1,907,200	812,484
Central support	2,969,466	3,732,013	2,096,810	1,635,203
Other support services	283,437	635,969	565,315	70,654
Nutrition	840,000	840,000	739,002	100,998
TOTAL EXPENDITURES	63,245,171	95,787,537	64,411,783	31,375,754
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	11,767,073	(2,655,406)	(1,503,568)	1,151,838
OTHER FINANCING SOURCES (USES)				
Transfers in	2,685,796	2,896,568	3,161,317	264,749
Transfers out	(14,452,869)	(484)	-	484
TOTAL OTHER FINANCING SOURCES (USES)	(11,767,073)	2,896,084	3,161,317	265,233
NET CHANGE IN FUND BALANCES	-	240,678	1,657,749	1,417,071
FUND BALANCES - BEGINNING OF FISCAL YEAR	3,742,485	3,742,485	3,742,485	-
FUND BALANCES - END OF FISCAL YEAR	$ 3,742,485	$ 3,983,163	$ 5,400,234	$ 1,417,071

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, 2019

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Federal revenues	$ 37,207,684	$ 43,947,101	$ 31,435,113	$ (12,511,988)
TOTAL REVENUES	37,207,684	43,947,101	31,435,113	(12,511,988)
EXPENDITURES				
Current:				
Instruction	7,990,123	22,381,281	18,933,352	3,447,929
Support services:				
Pupil services	2,944,066	4,163,571	2,619,517	1,544,054
Improvement of instructional services	8,696,611	8,111,782	4,396,255	3,715,527
Federal grant administration	2,014,341	4,225,002	1,757,563	2,467,439
General administration	155,088	3,942,791	3,336,232	606,559
Student transportation	951,286	633,857	92,072	541,785
Other support services	3,300	348,817	300,122	48,695
TOTAL EXPENDITURES	22,754,815	43,807,101	31,435,113	12,371,988
EXCESS OF REVENUES OVER EXPENDITURES	14,452,869	140,000	-	(140,000)
OTHER FINANCING USES				
Transfers out	(14,452,869)	-	-	-
TOTAL OTHER FINANCING USES	(14,452,869)	-	-	-
NET CHANGE IN FUND BALANCES	-	140,000	-	140,000
FUND BALANCES - BEGINNING OF FISCAL YEAR	-	-	-	-
FUND BALANCES - END OF FISCAL YEAR	$ -	$ 140,000	$ -	$ (140,000)

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, 2019

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Federal revenues	$ 3,839,353	$ 5,081,420	$ 1,775,609	$ (3,305,811)
TOTAL REVENUES	3,839,353	5,081,420	1,775,609	(3,305,811)
EXPENDITURES				
Current:				
Instruction	411,645	238,171	-	238,171
Support services:				
Improvement of instructional services	2,498,718	4,066,926	1,312,223	2,754,703
Federal grant administration	501,250	301,090	128,798	172,292
Central support	427,740	466,476	334,588	131,888
TOTAL EXPENDITURES	3,839,353	5,072,663	1,775,609	3,297,054
EXCESS OF REVENUES OVER EXPENDITURES	-	8,757	-	8,757
NET CHANGE IN FUND BALANCES	-	8,757	-	(8,757)
FUND BALANCES - BEGINNING OF FISCAL YEAR	-	-	-	-
FUND BALANCES - END OF FISCAL YEAR	$ -	$ 8,757	$ -	$ (8,757)

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, 2019

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Federal revenues	$ 10,262,957	$ 11,440,805	$ 10,878,478	$ (562,327)
TOTAL REVENUES	10,262,957	11,440,805	10,878,478	(562,327)
EXPENDITURES				
Current:				
Instruction	8,412,654	8,419,169	7,910,995	508,174
Support services:				
Pupil services	734,019	1,221,719	1,198,164	23,555
Improvement of instructional services	118,886	43,650	35,549	8,101
Federal grant administration	133,096	135,838	115,984	19,854
General administration	2,900	506,285	478,223	28,062
Student transportation	861,402	1,114,144	1,139,563	(25,419)
TOTAL EXPENDITURES	10,262,957	11,440,805	10,878,478	562,327
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, 2019

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Federal revenues	$ 28,679,541	$ 28,679,541	$ 24,622,049	$ (4,057,492)
State revenues	887,825	887,825	647,248	(240,577)
Charges for services	-	-	933,966	933,966
Other	2,529,074	2,529,074	42,088	(2,486,986)
TOTAL REVENUES	32,096,440	32,096,440	26,245,351	(5,851,089)
EXPENDITURES				
Current:				
Support services:				
Nutrition	32,096,440	32,096,440	27,885,684	4,210,756
TOTAL EXPENDITURES	32,096,440	32,096,440	27,885,684	4,210,756
NET CHANGE IN FUND BALANCES	-	-	(1,640,333)	(1,640,333)
FUND BALANCES - BEGINNING OF FISCAL YEAR	10,389,160	10,389,160	10,389,160	-
FUND BALANCES - END OF FISCAL YEAR	$ 10,389,160	$ 10,389,160	$ 8,748,827	$ (1,640,333)

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, 2019

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
State revenues	$ 5,368,036	$ 5,562,578	$ 5,180,458	$ (382,120)
TOTAL REVENUES	5,368,036	5,562,578	5,180,458	(382,120)
EXPENDITURES				
Current:				
Instruction	6,547,768	6,700,316	6,374,053	326,263
Support services:				
Pupil services	1,469	4,606	2,272	2,334
Improvement of instructional services	70,900	47,654	36,541	11,113
Student transportation	47,899	103,705	60,589	43,116
Non-salary				
Other support services	-	6,297	5,688	609
TOTAL EXPENDITURES	6,668,036	6,862,578	6,479,143	383,435
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(1,300,000)	(1,300,000)	(1,298,685)	1,315
OTHER FINANCING SOURCES				
Transfers in	1,300,000	1,300,000	1,301,424	1,424
NET CHANGE IN FUND BALANCES	-	-	2,739	2,739
FUND BALANCES (DEFICITS) - BEGINNING OF FISCAL YEAR	(2,739)	(2,739)	(2,739)	-
FUND BALANCES (DEFICITS) - END OF FISCAL YEAR	$ (2,739)	$ (2,739)	$ -	$ 2,739

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, 2019

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Federal revenues	$ 6,880,896	$ 9,876,073	$ 4,281,470	$ (5,594,603)
TOTAL REVENUES	6,880,896	9,876,073	4,281,470	(5,594,603)
EXPENDITURES				
Current:				
Instruction	2,199,287	4,084,710	2,313,721	1,770,989
Support services:				
Pupil services	147,726	268,087	166,222	101,865
Improvement of instructional services	411,688	636,713	417,550	219,163
Federal grant administration	3,029,154	3,113,181	122,617	2,990,564
Educational media services	-	360,250	235,450	124,800
General administration	19,308	18,693	2,200	16,493
School administration	-	109,273	72,883	36,390
Business administration	-	4,200	-	4,200
Student transportation	182,913	313,447	182,145	131,302
Other support services	50,820	51,820	29,680	22,140
Nutrition	840,000	840,000	739,002	100,998
TOTAL EXPENDITURES	6,880,896	9,800,374	4,281,470	5,518,904
NET CHANGE IN FUND BALANCES	-	75,699	-	(75,699)
FUND BALANCES - BEGINNING OF FISCAL YEAR	-	-	-	-
FUND BALANCES - END OF FISCAL YEAR	$ -	$ 75,699	$ -	$ (75,699)

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, 2019

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
State revenues	$ 552,413	$ 671,575	$ 600,597	$ (70,978)
Federal revenues	1,090,853	1,154,998	630,413	(524,585)
Other	9,810,052	15,397,581	8,126,077	(7,271,504)
TOTAL REVENUES	11,453,318	17,224,154	9,357,087	(7,867,067)
EXPENDITURES				
Current:				
Instruction	2,468,741	3,428,885	2,286,077	1,142,808
Support services:				
Pupil services	1,200,820	1,988,034	1,089,303	898,731
Improvement of instructional services	1,129,490	1,751,365	981,341	770,024
Educational media services	130,925	144,948	133,131	11,817
General administration	1,911,591	3,918,358	1,943,366	1,974,992
School administration	107,228	442,413	117,381	325,032
Business administration	159,980	159,980	133,638	26,342
Maintenance and operation of facilities	2,876,863	2,920,930	452,855	2,468,075
Student transportation	82,433	554,531	432,831	121,700
Central support	2,541,726	3,265,537	1,762,222	1,503,315
Other support services	229,317	229,035	229,825	(790)
TOTAL EXPENDITURES	12,839,114	18,804,016	9,561,970	9,242,046
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(1,385,796)	(1,579,862)	(204,883)	1,374,979
OTHER FINANCING SOURCES (USES)				
Transfers in	1,385,796	1,596,568	1,859,893	263,325
Transfers out	-	(484)	-	484
TOTAL OTHER FINANCING SOURCES	1,385,796	1,596,084	1,859,893	263,809
NET CHANGE IN FUND BALANCES	-	16,222	1,655,010	1,638,788
FUND BALANCES - BEGINNING OF FISCAL YEAR	3,745,224	3,745,224	3,745,224	-
FUND BALANCES - END OF FISCAL YEAR	$ 3,745,224	$ 3,761,446	$ 5,400,234	$ 1,638,788

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, 2019

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Sales tax income	$ 164,018,767	$ 164,018,767	$ 105,280,616	$ (58,738,151)
State revenues	-	-	1,300,463	1,300,463
Federal revenues	14,119,431	14,119,431	3,442,039	(10,677,392)
Investment income	170,658	170,658	2,377,863	2,207,205
TOTAL REVENUES	178,308,856	178,308,856	112,400,981	(65,907,875)
EXPENDITURES				
Current:				
Support services:				
Maintenance and operation of facilities	35,092,469	8,050,852	8,410,888	(360,036)
Student transportation services	-	965,000	573,846	391,154
Debt service:				
Principal	13,565,372	282,297	-	282,297
Interest	-	4,029,142	4,029,142	-
Capital outlays:				
Facilities acquisition and construction	129,651,015	158,981,565	127,151,855	31,829,710
TOTAL EXPENDITURES	178,308,856	172,308,856	140,165,731	32,143,125
NET CHANGE IN FUND BALANCES	-	6,000,000	(27,764,750)	(33,764,750)
FUND BALANCES - BEGINNING OF FISCAL YEAR	101,815,086	101,815,086	101,815,086	-
FUND BALANCES - END OF FISCAL YEAR	$ 101,815,086	$ 107,815,086	$ 74,050,336	$ (33,764,750)

ATLANTA INDEPENDENT SCHOOL SYSTEM

Statement of Changes in Fiduciary Assets and Liabilities
Agency Fund
For the Fiscal Year Ended June 30, 2019

	Balance June 30, 2018	Additions	Deductions	Balance June 30, 2019
ASSETS				
Cash and cash equivalents	$ 752,395	$ 2,357,353	$ (2,331,802)	$ 777,946
LIABILITIES				
Due to local schools and student groups	$ 752,395	$ 2,357,353	$ (2,331,802)	$ 777,946

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, 2019

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, 2019

DESCRIPTION	ALLOTMENTS FROM GEORGIA DEPARTMENT OF EDUCATION (1)	ELIGIBLE QBE PROGRAM COSTS SALARIES	ELIGIBLE QBE PROGRAM COSTS OPERATIONS	TOTAL
Direct Instructional Programs				
Kindergarten Program	$ 22,199,073	$ 19,704,804	$ -	$ 19,704,804
Kindergarten Program-Early Intervention Program	5,746,384	1,339,421	-	1,339,421
Primary Grades (1-3) Program	51,588,308	59,209,798	21,489,598	80,699,396
Primary Grades-Early Intervention (1-3) Program	18,028,846	8,136,546	-	8,136,546
Upper Elementary Grades (4-5) Program	22,608,440	39,589,600	-	39,589,600
Upper Elem Grades-Early Intervention (4-5) Program	13,674,172	6,434,342	-	6,434,342
Middle Grades (6-8) Program	-	167,249	-	167,249
Middle School (6-8) Program	37,961,172	38,963,246	6,145,820	45,109,066
High School General Education (9-12) Program	31,305,393	53,890,051	10,266,416	64,156,467
Vocational Laboratory (9-12) Program	5,249,344	6,214,234	391,548	6,605,782
Students with Disabilities				
Category I	7,255,498	1,608,834	3,296,025	4,904,859
Category II	3,860,967	1,638,579	-	1,638,579
Category III	22,606,158	45,911,583	-	45,911,583
Category IV	6,250,519	1,199,349	-	1,199,349
Category V	2,665,169	-	-	-
Gifted Student - Category VI	14,146,492	12,894,462	38,073	12,932,535
Remedial Education Program	6,556,046	5,100,463	11,377	5,111,840
Alternative Education Program	2,490,344	26,845	-	26,845
English Speakers of Other Languages (ESOL)	4,420,921	6,532,240	15,231	6,547,471
TOTAL DIRECT INSTRUCTIONAL PROGRAMS	$ 278,613,246	$ 308,561,646	$ 41,654,088	$ 350,215,734
Media Center Program	7,601,770	5,826,842	799,981	6,626,823
Staff and Professional Development	1,180,598	35,219	2,190,569	2,225,788
Staff and Professional Development	27,308	-	11,286	11,286
TOTAL QBE FORMULA FUNDS	$ 287,422,922	$ 314,423,707	$ 44,655,924	$ 359,079,631
Twenty days additional Instruction		-	-	-
Pupil Transportation		18,617,719	8,923,260	27,540,979
On behalf		-	-	-
Indirect costs - Central Admin.		-	-	-
Indirect costs - School Admin.		-	-	-
Indirect costs - Facilities M&O		-	-	-
Nurses		3,534,460	38,375	3,572,835
		$ 336,575,886	$ 53,617,559	$ 390,193,445

(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, 2019

	Pre-Kindergarten Program
Salaries	$ 4,373,764
Employee benefits	1,736,178
Employee travel	6,923
Other purchased services	243,294
Materials and supplies	118,984
	$ 6,479,143

ATLANTA INDEPENDENT SCHOOL SYSTEM

SCHEDULE OF APPROVED LOCAL OPTION SALES TAX PROJECTS
FISCAL YEAR ENDED JUNE 30, 2019

PROJECT	ORIGINAL ESTIMATED COST (1)	CURRENT ESTIMATED COSTS (2)	AMOUNT EXPENDED IN CURRENT YEAR (3)	AMOUNT EXPENDED IN PRIOR YEARS (4)	PROJECT STATUS
SPLOST IV					
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.	$ 19,500,463	$ 30,648,161	$ 1,750	$ 30,646,411	Ongoing
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	4,104,544	405,570,573	Ongoing
SPLOST V					
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.	525,695,691	525,695,691	112,975,685	29,683,664	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.	20,057,000	20,057,000	2,980,412	1,765,703	Ongoing
Totals	$ **1,065,215,985**	$ **1,065,863,683**	$ **120,062,391**	$ **467,666,351**	

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	120,062,391
Expenditures not reflected above that were paid from other local sources of the School System	$20,103,340
Total Capital Projects Expenditures	**$ 140,165,731**

(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.

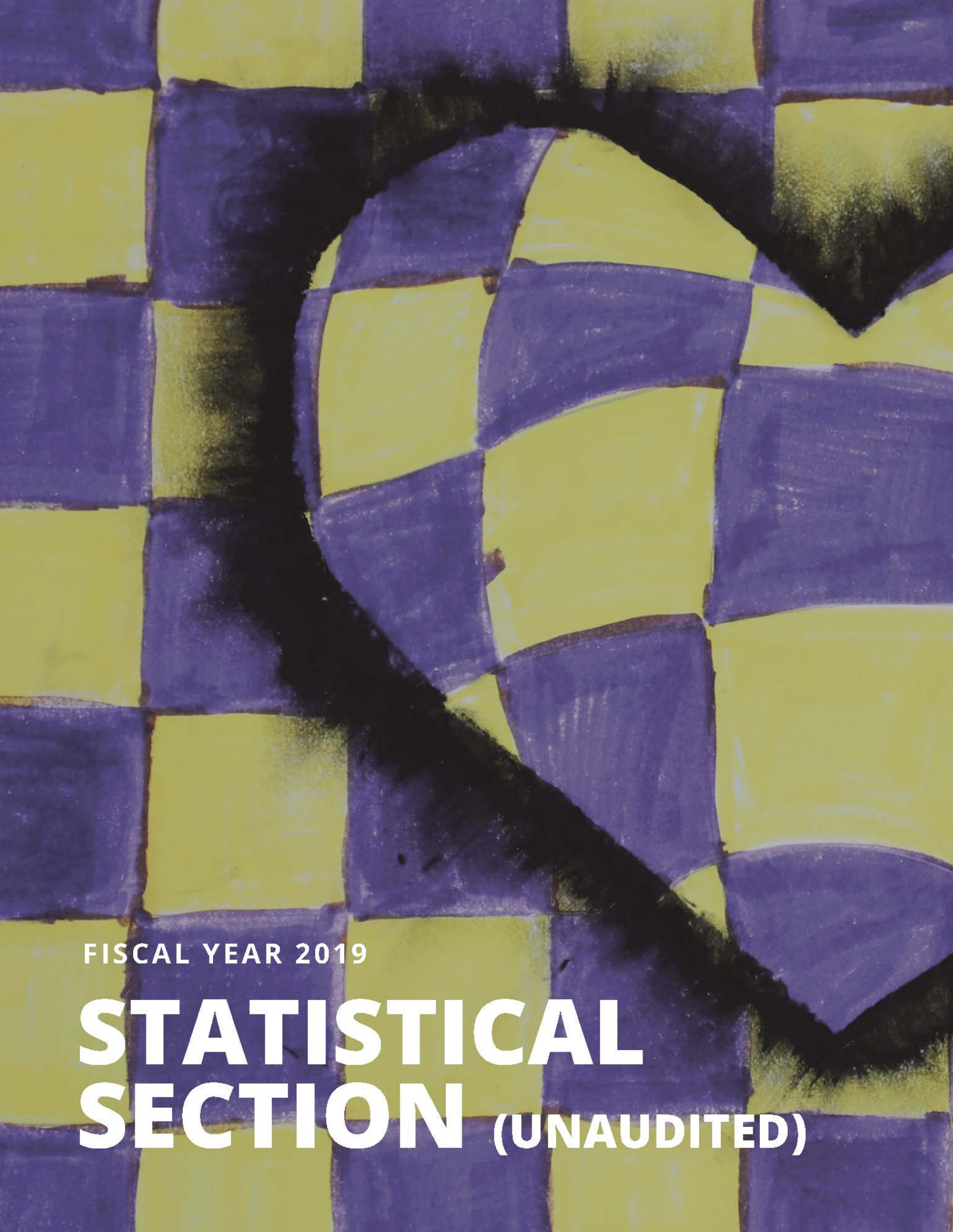
(5) The Original Estimated Cost is based on Collections at 100%

ATLANTA INDEPENDENT SCHOOL SYSTEM

SCHEDULE OF STATE REVENUE

FISCAL YEAR ENDED JUNE 30, 2019

AGENCY/FUNDING	GOVERNMENTAL FUND TYPES			
	GENERAL FUND	CAPITAL PROJECTS FUND	OTHER NONMAJOR GOVERNMENTAL FUNDS	TOTAL
GRANTS				
Georgia Department of Early Care and Learning				
Bright from the Start (Lottery)				
Pre-Kindergarten Program	$ -	$ -	$ 5,180,459	$ 5,180,459
Education, Georgia Department of				
Quality Basic Education				
Direct Instructional Cost				
Kindergarten Program	12,325,023	-	-	12,325,023
Kindergarten Program - Early Intervention Program	3,267,987	-	-	3,267,987
Primary Grades (1-3) Program	28,565,550	-	-	28,565,550
Primary Grades - Early Intervention (1-3) Program	10,035,859	-	-	10,035,859
Upper Elementary Grades (4-5) Program	12,663,746	-	-	12,663,746
Upper Elementary Grades - Early Intervention (4-5) Program	7,624,258	-	-	7,624,258
Middle School (6-8) Program	21,286,712	-	-	21,286,712
High School General Education (9-12) Program	17,495,847	-	-	17,495,847
Vocational Laboratory (9-12) Program	2,914,104	-	-	2,914,104
Students with Disabilities - All Categories	24,043,194	-	-	24,043,194
Gifted Student - Category VI	7,977,648	-	-	7,977,648
Remedial Education Program	3,690,791	-	-	3,690,791
Alternative Education Program	1,393,972	-	-	1,393,972
English Speakers of Other Languages (ESOL)	2,519,726	-	-	2,519,726
Media Center Program	4,249,824	-	-	4,249,824
20 Days Additional Instruction	1,264,994	-	-	1,264,994
Staff and Professional Development	669,771	-	-	669,771
Principal Staff and Prof Development	15,492	-	-	15,492
Indirect Cost				
Central Administration	3,216,182	-	-	3,216,182
School Administration	8,967,033	-	-	8,967,033
Facility Maintenance and Operations	8,690,356	-	-	8,690,356
Categorical Grants				
Pupil Transportation				
Regular	2,985,668	-	-	2,985,668
Nursing Services	1,143,269	-	-	1,143,269
Other State Programs				
Charter Schools - Facilities	221,269	-	-	221,269
Charter System Grant	4,410,572	-	-	4,410,572
CTAE - Apprenticeship	38,019	-	-	38,019
CTAE - CTE Extended Day	232,143	-	-	232,143
CTAE - Supervision	21,084	-	-	21,084
CTAE - MS Coding	25,000	-	-	25,000
Math and Science Supplement	491,469	-	-	491,469
Preschool Handicapped State Grant	634,985	-	-	634,985
Residential Treatment Centers Grant	526,771	-	-	526,771
Teacher's Retirement	157,420	-	-	157,420
SHBP One-Month Employer Contr Holiday	(2,852,010)	-	-	(2,852,010)
Georgia Early Education Alliance for Ready Students	-	-	25,000	25,000
Dept. of Family and Children Services	-	-	117,861	117,861
Governors Office of Student Achievement	122,557	-	5,234	127,791
HUD Choice Neighborhood	-	-	16,435	16,435
Technical and Adult Education, Georgia Department of				
Adult Education	-	-	436,066	436,066
School Nutrition				
State School Nutrition Service Program	-	-	647,248	647,248
Georgia State Financing and Investment Commission				
Brown Middle, Kimberly Ele & Boyd Ele School Construction Proj	-	1,300,463	-	1,300,463
	$ 191,036,285	$ 1,300,463	$ 6,428,303	$ 198,765,051



FISCAL YEAR 2019

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 Pages

Financial Trends **84-90**

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 **91-97**

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

Debt Capacity **98-100**

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 **101-106**

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 **107-110**

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,	2010	2011	2012	Restated 2013	Restated 2014	Restated 2015	2016	Restated 2017	2018	2019
Governmental Activities										
Net investment in capital assets	$ 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	$ 1,294,404,835	$ 1,326,321,101
Restricted	111,943,417	112,855,070	116,028,486	119,946,096	103,222,132	70,686,257	31,929,343	65,461,019	121,641,738	107,184,529
Unrestricted (deficit)	128,194,970	147,834,977	95,879,455	101,540,763	96,220,509	(838,250,590)	(814,836,296)	(1,265,019,857)	(1,252,464,176)	(1,147,810,611)
Total Governmental Activities Net Position	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	122,799,755	163,582,397	285,695,019
Business-Type Activities										
Net investment in capital assets	-	-	-	141,550	111,750	-	-	-	-	-
Unrestricted	2,038,487	2,183,644	4,893,181	5,481,550	7,038,771	-	-	-	-	-
Total Business-Type Activities Net Position	1,972,799	2,183,644	4,893,181	5,623,100	7,150,521	-	-	-	-	-
Primary Government Activities										
Net investment in capital assets	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	1,294,404,835	1,326,321,101
Restricted	111,943,417	112,855,070	116,028,486	119,946,096	103,222,132	70,686,257	31,929,343	65,461,019	121,641,738	107,184,529
Unrestricted (deficit)	130,233,457	150,018,621	100,772,636	107,022,313	103,259,280	(838,250,590)	(814,836,296)	(1,265,019,857)	(1,252,464,176)	(1,147,810,611)
Total Primary Government Activities Net Position	**$ 1,298,921,348**	**$ 1,367,474,912**	**$ 1,388,294,282**	**$ 1,414,275,150**	**$ 1,422,105,891**	**$ 497,975,314**	**$ 548,192,385**	**$ 122,799,755**	**$ 163,582,397**	**$ 285,695,019**

Source: **Atlanta Independent School System Financial Reports for previous years and fiscal year ended June 30, 2019.**

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 and for fiscal year 2017, see Note T of FY2018 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 2015, 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,	2010	2011	2012	Restated 2013	Restated 2014	Restated 2015	2016	Restated 2017	2018	2019
Expenses										
Governmental Activities										
Instruction	$ 438,036,127	$ 377,491,180	$ 405,995,101	$ 426,037,447	$ 463,069,508	$ 481,535,172	$ 509,804,437	$ 538,600,743	$ 548,543,131	$ 528,376,412
Pupil Services	37,303,898	39,024,421	29,543,231	25,105,338	27,826,272	30,763,057	35,198,187	52,335,789	53,690,214	51,626,810
Improvement of instructional services	40,427,290	50,496,694	38,215,985	42,917,654	40,341,847	48,046,569	39,684,582	49,457,808	49,949,929	44,948,413
Educational media	8,394,083	9,616,559	8,958,197	8,869,786	9,056,362	10,921,506	12,132,847	8,790,315	7,622,141	6,476,218
Federal grant administration	-	-	1,118,206	1,973,342	2,217,909	2,405,337	1,669,202	2,244,931	1,990,551	2,012,917
General administration	14,110,681	14,514,905	17,882,230	14,324,803	13,450,517	16,697,432	13,464,419	11,228,888	12,355,629	12,201,430
School administration	28,239,428	33,287,126	30,826,584	40,648,067	42,089,001	41,929,991	41,752,774	43,648,857	38,891,016	39,215,766
Business administration	15,327,591	17,889,836	22,610,577	15,157,828	12,480,379	12,353,040	9,453,803	9,679,120	7,862,778	7,237,195
Maintenance and operation of facilities	90,747,017	96,333,469	97,084,662	80,783,550	89,278,591	100,306,868	102,343,863	105,893,809	97,953,163	106,751,761
Student transportation	39,593,169	28,898,209	29,770,071	24,892,766	30,987,580	29,800,605	31,922,287	34,408,310	31,621,678	32,621,657
Central support	48,566,805	36,729,914	28,379,529	28,361,651	25,040,308	24,684,505	20,521,363	18,918,080	20,976,023	20,610,763
Other support services	3,350,291	4,382,181	13,035,152	3,011,547	13,929,445	3,563,951	3,796,962	979,587	1,044,426	2,224,857
Nutrition	-	15,657	358,681	910,473	1,209,017	1,083,116	28,548,019	30,470,614	27,023,594	28,429,867
Interest and fiscal charges	2,022,585	2,258,183	6,418,786	5,851,816	5,603,226	5,475,553	5,003,615	4,406,716	4,682,822	4,562,117
Total Governmental Activities Expenses	766,118,965	710,938,335	730,196,992	718,846,068	776,579,962	809,566,702	855,296,360	911,063,567	904,207,095	887,296,183
Business-Type Activities										
Food services	23,222,029	23,800,532	22,705,598	23,680,487	23,898,174	25,167,134	-	-	-	-
Total Business-Type Activities Expenses	23,222,029	23,800,532	22,705,598	23,680,487	23,898,174	25,167,134	-	-	-	-
Total Primary Government Activities Expenses	**789,340,994**	**734,738,867**	**752,902,590**	**742,526,555**	**800,478,136**	**834,733,836**	**855,296,360**	**911,063,567**	**904,207,095**	**887,296,183**
Program Revenues										
Governmental Activities										
Charges for Services										
Instruction	90,084	31,492	3,490	2,591	26,383	12,616	22,056	12,190	16,726	50,102
Pupil services	-	-		3,373,883	3,237,092	4,596,681	4,953,646	3,705,644	2,367,520	3,006,040
Maintenance and operation of facilities	995,042	783,989	996,731	1,158,726	988,989	1,006,553	1,197,526	1,262,666	1,252,305	1,264,229
Other support services	-	670,918	724,400	-	-	-	-	-	-	-
Nutrition	754,773	-	-	-	-	-	-	1,307,557	1,017,616	976,054
Operating Grants and Contributions										
Instruction	110,873,809	111,426,958	110,219,318	113,724,544	120,464,226	134,257,445	145,331,457	151,457,569	160,660,230	159,965,568
Pupil services	14,470,057	18,641,247	11,780,166	8,489,114	10,715,721	10,295,171	12,003,494	18,519,800	18,720,540	16,685,270
Improvement of instructional services	27,647,132	33,328,056	30,489,786	34,826,333	32,986,455	37,136,248	28,683,276	27,545,720	19,644,884	16,679,586
Educational media	1,404,768	2,000,787	-	2,223,907	2,389,577	2,939,771	3,400,017	2,363,675	2,538,834	1,932,009
Federal grant administration	-	-	1,118,206	1,973,342	2,217,909	2,440,200	1,708,350	2,145,806	1,944,538	2,124,962
General administration	3,705,087	5,053,926	7,689,306	6,213,208	7,024,079	9,321,899	5,317,536	4,146,886	4,849,452	7,722,188
School administration	6,841,227	7,958,215	7,325,735	10,237,170	11,077,536	11,438,765	12,059,944	11,304,921	10,413,733	9,760,828
Business administration	2,925,304	4,077,543	4,105,440	3,227,896	2,653,498	2,608,697	2,148,730	2,077,243	2,082,577	1,964,025
Maintenance and operation of facilities	15,521,798	20,416,518	22,290,143	18,353,454	18,959,112	18,473,478	20,108,020	21,706,603	21,803,899	19,712,466
Student transportation	8,286,759	6,735,023	8,218,788	6,767,808	8,914,204	8,283,087	9,482,254	10,166,765	9,586,627	9,965,471
Central support	9,984,164	9,260,421	7,961,419	5,947,248	6,540,388	6,422,446	5,867,185	5,913,062	6,701,941	6,566,273
Community Services	2,116,177	-	-	-	-	-	-	-	-	-
Other support services	-	2,845,306	4,210,388	2,467,522	11,980,412	3,175,348	3,371,346	516,574	325,174	703,494
Nutrition	-	14,696	358,681	407,762	771,988	26,044,389	28,252,937	28,612,987	25,158,104	26,008,299
Interest and fiscal charges	-	-	2,520,803	3,659,230	3,368,321	3,408,579	3,401,254	3,411,020	3,405,852	3,442,039
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	1,882,627	596,438
Improvement of instructional services	-	-	-	135,500	576,500	1,165,151	115,325	-	-	-
Maintenance and operation of facilities	-	-	-	135,650	-	60,759	-	-	-	3,678,326
Total Governmental Activities Program Revenues	205,616,181	248,612,781	228,816,108	227,229,116	252,160,501	293,332,559	291,500,163	301,110,509	294,373,179	292,803,667
Business-Type Activities										
Charges for Services										
Food Services	1,836,912	1,695,061	1,638,841	1,279,087	958,435	-	-	-	-	-
Operating Grants and Contributions										
Food Services	21,442,603	22,233,560	23,774,887	23,131,319	24,467,160	-	-	-	-	-
Total Business-Type Activities Program Revenues	23,279,515	23,928,621	25,413,728	24,410,406	25,425,595	-	-	-	-	-
Total Primary Government Activities Program Revenues	**$ 228,895,696**	**$ 272,541,402**	**$ 254,229,836**	**$ 251,639,522**	**$ 277,586,096**	**$ 293,332,559**	**$ 291,500,163**	**$ 301,110,509**	**$ 294,373,179**	**$ 292,803,667**

Continued on next page

Note: **Starting with fiscal year 2015, 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,	2010	2011	2012	Restated 2013	Restated 2014	Restated 2015	2016	Restated 2017	2018	2019
Net (Expense)/Revenue										
Governmental Activities										
Instruction	$ (327,072,234)	$ (240,665,044)	$ (286,968,985)	$ (308,406,084)	$ (335,310,788)	$ (337,019,835)	$ (360,375,114)	$ (382,197,163)	$ (385,983,548)	$ (367,764,304)
Pupil Services	(22,833,841)	(20,383,174)	(17,763,065)	(13,242,341)	(13,873,459)	(17,085,558)	(18,241,047)	(30,110,345)	(32,602,154)	(31,935,500)
Improvement of instructional services	(12,780,158)	(17,168,638)	(7,726,199)	(7,955,821)	(6,778,892)	(9,745,170)	(10,885,981)	(21,912,088)	(30,305,045)	(28,268,827)
Educational media	(6,989,315)	(7,615,772)	(8,958,197)	(6,645,879)	(6,666,785)	(7,981,735)	(8,732,830)	(6,426,640)	(5,083,307)	(4,544,209)
Federal grant administration	-	-	-	-	-	34,863	39,148	(99,125)	(46,013)	112,045
General administration	(10,405,594)	(9,460,979)	(10,192,924)	(8,111,595)	(6,426,438)	(7,375,533)	(8,146,883)	(7,082,002)	(7,506,177)	(4,479,242)
School administration	(21,398,201)	(25,328,911)	(23,500,849)	(30,410,897)	(31,011,465)	(30,491,226)	(29,692,830)	(32,343,936)	(28,477,283)	(29,454,938)
Business administration	(12,402,287)	(13,812,293)	(18,505,137)	(11,929,932)	(9,826,881)	(9,744,343)	(7,305,073)	(7,601,877)	(5,780,201)	(5,273,170)
Maintenance and operation of facilities	(74,230,177)	(75,132,962)	(73,797,788)	(61,135,720)	(69,330,490)	(80,766,078)	(81,038,317)	(82,924,540)	(74,896,959)	(82,096,740)
Student transportation	(31,306,410)	(22,163,186)	(21,551,283)	(18,124,958)	(22,073,376)	(21,517,518)	(22,440,033)	(24,241,545)	(22,035,051)	(22,656,186)
Central support	(38,582,641)	(27,469,493)	(20,418,110)	(22,414,403)	(18,499,920)	(18,262,059)	(14,654,178)	(13,005,018)	(14,274,082)	(14,044,490)
Community Services	2,116,177	-	-	-	-	-	-	-	-	-
Other support services	(3,350,291)	(865,957)	(8,100,364)	(544,025)	(1,949,033)	(388,603)	(425,616)	(463,013)	(719,252)	(1,521,363)
Nutrition	754,773	(961)	-	(502,711)	(437,029)	1,008,492	(295,082)	(550,070)	(847,874)	(1,445,514)
Interest and fiscal charges	(2,022,585)	(2,258,183)	(3,897,983)	(2,192,586)	(2,234,905)	(2,066,974)	(1,602,361)	(995,696)	(1,276,970)	(1,120,078)
Total Governmental Activities Net (Expenses)/Revenues	(560,502,784)	(462,325,554)	(501,380,884)	(491,616,952)	(524,419,461)	(541,401,277)	(563,796,197)	(609,953,058)	(609,833,916)	(594,492,516)
Business-Type Activities										
Food Services	57,486	128,089	2,708,130	729,919	1,527,421	-	-	-	-	-
Total Business-Type Activities Net (Expenses)/Revenues	57,486	128,089	2,708,130	729,919	1,527,421	-	-	-	-	-
Total Primary Government Activities Net Expense	**$ (560,445,298)**	**$ (462,197,465)**	**$ (498,672,754)**	**$ (490,887,033)**	**$ (522,892,040)**	**$ (541,401,277)**	**$ (563,796,197)**	**$ (609,953,058)**	**$ (609,833,916)**	**$ (594,492,516)**
General Revenues and Other Charges in Net Position										
Governmental Activities										
Taxes										
Property Taxes levied for general purposes	$ 498,921,379	$ 469,310,346	$ 414,313,637	$ 416,364,236	$ 429,448,006	$ 450,321,405	$ 507,480,889	$ 514,306,061	$ 539,738,290	$ 599,871,585
Property Taxes levied for debt Services	1,271,739	1,174,306	1,111,471	1,910,601	2,385,690	2,319,188	2,568,017	668,480	32,014	12,696
Special Local Option Sales Tax & Other Taxes	63,438,076	52,901,075	93,699,732	85,376,919	88,603,776	92,655,880	93,792,152	93,790,758	99,589,667	105,280,616
Grants and Contributions not restricted to specific programs	1,306,947	1,310,441	11,613,166	20,946,374	10,216,768	12,209,288	9,384,782	7,525,758	9,626,231	8,273,721
Investment Earnings	230,484	124,833	134,088	198,096	68,541	156,570	609,138	1,164,952	1,630,356	3,132,820
Other	10,583,834	5,298,494	-	-	-	2,870,395	-	-	-	-
Gain on sale of capital assets	897,453	614,466	-	-	-	9,283,900	178,290	909,142	-	33,700
Extra ordinary items		-	-	(7,928,325)	-	-	-	-	-	-
Total Governmental Activities	576,649,912	530,733,961	520,872,094	516,867,901	530,722,781	569,816,626	614,013,268	618,365,151	650,616,558	716,605,138
Business-Type Activities										
Investment Earnings	8,202	17,068	1,407	-	-	-	-	-	-	-
Total Business-Type Activities	8,202	17,068	1,407	-	-	-	-	-	-	-
Total Primary Government Activities	**576,658,114**	**530,751,029**	**520,873,501**	**516,867,901**	**530,722,781**	**569,816,626**	**614,013,268**	**618,365,151**	**650,616,558**	**716,605,138**
Change in Net Position										
Governmental Activities	16,147,128	68,408,407	19,491,818	25,250,949	6,303,320	27,088,373	50,217,071	8,412,093	40,782,642	122,112,622
Business-Type Activities	65,688	145,157	2,709,537	729,919	1,527,421	1,326,976	-	-	-	-
Total Primary Government	**$ 16,212,816**	**$ 68,553,564**	**$ 22,201,355**	**$ 25,980,868**	**$ 7,830,741**	**$ 28,415,349**	**$ 50,217,071**	**$ 8,412,093**	**$ 40,782,642**	**$ 122,112,622**

Source: **Atlanta Independent School System Financial Reports for previous years and fiscal year ended June 30, 2019**

Notes: **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 and for fiscal year 2017, see Note T of the FY2018 CAFR.
Starting with fiscal year 2015, 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,	2010
Pre-GASB 54	
General Fund	
Reserved	$ 33,799,205
Unreserved	75,928,012
Total General Fund	$ 109,727,217
All Other Governmental Funds	
Reserved	$ 136,951,993
Unreserved, reported in:	
Capital Project Funds	-
Special Revenue Funds	11,767,769
Total All Other Governmental Funds	148,719,762
Total	$ 258,446,979

	2011	2012	Restated 2013	Restated 2014	Restated 2015	2016	Restated 2017	2018	2019
GASB 54									
General Fund									
Nonspendable	$ 456,347	$ 1,023,447	$ -	$ -	$ -	$ 227,162	$ 63,210	$ 239,347	$ 257,001
Restricted	1,104,717	299,867	395,553	955,364	1,732,429	3,106,199	3,440,290	3,141,762	3,154,973
Committed	16,995,134	1,589,097	1,139,666	1,124,458	1,089,486	1,292,525	1,418,790	1,421,131	1,395,511
Assigned	16,000,000	28,351,208	25,300,000	25,000,000	2,800,000	24,005,021	17,303,806	8,669,038	8,007,805
Unassigned	46,711,357	50,754,070	55,989,982	61,387,638	69,746,719	66,306,776	63,380,812	57,608,161	72,222,419
Total General Fund	81,267,555	82,017,689	82,825,201	88,467,460	75,368,634	94,937,683	85,606,908	71,079,439	85,037,709
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	101,815,086	74,050,336
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	323,707	418,018
Restricted	54,845,311	49,926,602	5,810,236	2,791,977	1,653,276	10,693,829	10,279,607	12,022,218	8,330,809
Assigned	2,210,361	2,129,346	2,364,322	3,076,229	2,305,708	1,292,046	2,101,913	1,788,459	5,400,234
Unassigned	-	-	-	-	-	-	-	(2,739)	-
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	115,946,731	88,199,397
Total	$ 224,127,163	$ 267,809,189	$ 220,093,368	$ 203,001,338	$ 150,219,174	$ 126,662,921	$ 142,890,861	$ 187,026,170	$ 173,237,106

Source: **Atlanta Independent School System Financial Report for previous years and fiscal year ended June 30, 2019**

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 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,	2010	2011	2012	Restated 2013	Restated 2014	Restated 2015	2016	Restated 2017	2018	2019
Revenues										
Local Taxes	$ 493,825,791	$ 445,986,671	$ 445,177,849	$ 413,467,525	$ 433,996,780	$ 454,927,297	$ 511,492,393	$ 518,224,539	$ 532,696,413	$ 599,659,003
Sales taxes income	95,443,229	57,678,243	93,097,083	85,979,568	88,603,776	92,655,880	93,792,152	93,790,758	99,589,667	105,280,616
State revenues	110,942,787	132,033,597	142,661,322	146,333,340	166,924,818	170,977,501	192,400,197	202,948,388	207,698,871	198,765,051
Federal revenues	82,463,268	84,046,858	75,794,627	67,825,396	78,966,352	113,265,229	88,560,089	86,269,601	75,008,749	78,281,171
Investment income	410,218	282,686	134,088	198,096	68,541	156,570	609,138	1,164,952	1,630,356	5,510,683
Facility rental fees	995,042	783,989	996,731	1,158,726	988,989	1,006,553	1,197,526	1,262,666	1,252,305	1,264,229
Tuition charges	90,084	31,492	3,490	2,591	26,383	12,616	22,056	12,190	16,726	50,102
Charges for services	754,773	670,918	724,400	3,373,883	3,237,092	4,596,681	4,953,646	4,979,146	3,361,508	3,940,006
Other	22,081,274	13,897,009	20,717,752	31,594,799	14,590,435	16,082,334	14,330,549	12,387,171	16,806,242	16,441,886
Total Revenues	**807,006,466**	**735,411,463**	**779,307,342**	**749,933,924**	**787,403,166**	**853,680,661**	**907,357,746**	**921,039,411**	**938,060,837**	**1,009,192,747**
Expenditures										
Current Expenditures										
Instruction	403,804,829	373,889,853	369,977,089	384,975,252	406,426,726	452,833,641	477,989,545	498,663,838	515,504,873	545,357,281
Support Services:										
Pupil Services	36,234,070	38,474,947	29,461,159	25,023,266	27,819,145	31,526,739	35,726,688	51,027,337	52,868,194	53,119,645
Improvement of instructional services	39,447,284	49,820,431	38,215,985	42,917,654	40,368,632	48,830,299	40,399,037	47,970,931	49,128,759	46,529,988
Educational media	8,145,710	9,446,870	8,916,740	8,828,329	9,019,486	11,238,567	12,305,325	8,418,504	7,463,402	6,836,979
Federal grant administration	-	-	1,118,206	1,973,342	2,217,909	2,440,200	1,708,350	2,145,806	1,944,540	2,124,962
General administration	13,763,790	14,320,518	17,882,230	14,324,803	13,474,897	16,913,708	13,572,077	11,070,288	11,758,631	14,035,310
School administration	27,509,235	32,841,337	30,826,584	40,648,067	42,213,686	43,525,481	42,672,757	41,864,605	38,455,013	39,724,987
Business administration	15,934,176	16,837,414	16,653,106	12,509,036	9,829,649	9,951,233	7,768,723	7,675,658	7,673,969	7,704,561
Maintenance and operation of facilities	90,301,296	96,145,841	98,718,040	77,738,813	77,358,846	77,195,740	79,699,348	87,966,545	87,842,343	88,441,793
Student transportation	36,256,980	26,016,620	27,596,737	22,567,164	28,399,995	28,708,916	30,747,886	34,015,172	31,559,065	35,848,398
Central Support	47,399,446	36,238,019	28,294,967	28,361,651	25,140,028	25,095,644	20,746,465	18,422,454	20,787,949	20,710,652
Other support services	-	4,323,494	13,035,152	3,011,547	13,929,494	3,608,149	3,855,684	967,692	1,019,328	1,161,006
Nutrition	-	15,657	358,681	910,473	1,209,017	26,201,178	28,547,837	30,374,312	25,818,293	28,703,705
Other	3,274,650	-	-	-	-	-	-	-	-	-
Capital Outlays	139,770,104	170,374,153	46,053,815	117,779,131	91,461,362	114,183,045	128,932,728	51,663,723	35,782,804	127,151,855
Debt Service:										
Principal	2,022,585	5,934,366	7,904,791	9,538,823	9,188,890	9,643,101	9,439,490	8,983,035	2,047,181	1,047,300
Interest and fiscal charges	5,755,506	1,803,937	5,331,323	6,684,960	6,488,819	6,140,938	5,447,694	4,780,869	4,705,703	4,576,373
Bond issuance cost	-	1,466,547	-	-	-	-	-	-	-	-
Total Expenditures	**$ 869,619,661**	**$ 877,950,004**	**$ 740,344,605**	**$ 797,792,311**	**$ 804,546,581**	**$ 908,036,579**	**$ 939,559,634**	**$ 906,010,769**	**$ 894,360,047**	**$ 1,023,074,795**

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

Fiscal Year Ended June 30,	2010	2011	2012	Restated 2013	Restated 2014	Restated 2015	2016	Restated 2017	2018	2019
Excess / (Deficiency) of Revenues over (under) Expenditures	**$ (62,613,195)**	**$ (142,538,541)**	**$ 38,962,737**	**$ (47,858,387)**	**$ (17,143,415)**	**$ (54,355,918)**	**$ (32,201,888)**	**$ 15,028,642**	**$ 43,700,790**	**$ (13,882,048)**
Other Financing Sources (Uses)										
Proceeds from Bonds	-	104,415,000	-	-	-	-	-	-	-	-
Premium on bonds	-	3,097,709	-	-	-	-	-	-	-	-
Proceeds from Capital Leases	-	-	4,467,505	-	-	-	-	-	-	-
Proceeds from sale of capital assets	1,224,378	706,016	251,784	142,566	51,385	2,930,530	250,088	1,199,298	434,519	92,984
Transfers in	44,664,147	10,974,126	600,090	5,925,802	1,238,300	288,955	1,402,164	2,550,527	2,705,646	3,161,317
Transfers out	(44,664,147)	(10,974,126)	(600,090)	(5,925,802)	(1,238,300)	(288,955)	(1,402,164)	(2,550,527)	(2,705,646)	(3,161,317)
Total Other Financing Sources/(Uses)	**1,224,378**	**108,218,725**	**4,719,289**	**142,566**	**51,385**	**2,930,530**	**250,088**	**1,199,298**	**434,519**	**92,984**
Net Change in Fund Balances	(61,388,817)	(34,319,816)	43,682,026	(47,715,821)	(17,092,030)	(51,425,388)	(31,951,800)	16,227,940	44,135,309	(13,789,064)
Fund Balance at Beginning of Fiscal Year	323,846,887	258,446,979	224,127,163	267,809,189	220,093,368	210,040,109	158,614,721	126,662,921	142,890,861	187,026,170
Change in accounting practice	(4,011,091)	-	-	-	-	-	-	-	-	-
FUND BALANCE AT END OF FISCAL YEAR	**$ 258,446,979**	**$ 224,127,163**	**$ 267,809,189**	**$ 220,093,368**	**$ 203,001,338**	**$ 158,614,721**	**$ 126,662,921**	**$ 142,890,861**	**$ 187,026,170**	**$ 173,237,106**
FUND BALANCE AT END OF FISCAL YEAR	$ 258,446,979	$ 224,127,163	$ 267,809,189	$ 220,093,368	$ 203,001,338	$ 158,614,721	$ 126,662,921	$ 142,890,861	$ 187,026,170	$ 173,237,106
Debt service as a percentage of noncapital expenditures	1.08%	1.30%	1.91%	2.39%	2.16%	1.99%	1.79%	1.58%	0.78%	0.61%

Source: **Atlanta Independent School System Financial Reports for previous years and fiscal year ended June 30, 2019.**

Notes: **Large fluctuations in expenditures due to reclasses within functions in FY2010-2011 .**
Decrease in Sales tax income between FY10 and FY11 was due in part to the adjustment for overpayment 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 2015, 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]	Other [3]	Total	Total current expenditures % of change from prior year	Total expenditures % of change from prior year
2010 [4]	$ 397,022,707	$ 19,336,072	$ 36,787,333	$ 136,817,366	$ 40,770,273	$ 630,733,751	1.95%	1.95%
2011 [4]	370,061,246	24,014,862	42,918,150	133,081,824	39,937,929	610,014,011	-3.29%	-3.29%
2012	354,658,932	23,126,330	43,942,259	136,262,413	46,644,887	604,634,821	-0.88%	-0.88%
2013	375,555,820	22,019,608	49,946,736	105,425,858	25,836,983	578,785,005	-4.28%	-4.28%
2014	392,615,401	22,987,226	50,096,842	106,235,157	24,962,789	596,897,415	3.13%	3.13%
2015	440,936,459	28,028,356	52,951,820	108,345,064	26,213,781	656,475,480	9.98%	9.98%
2016	479,682,810	32,066,457	52,506,041	109,262,530	21,813,684	695,331,522	5.92%	5.92%
2017	504,257,876	44,031,586	50,858,509	119,024,084	19,632,776	737,804,831	6.11%	6.11%
2018	528,032,749	46,282,870	47,221,449	118,580,971	22,308,788	762,426,827	3.34%	3.34%
2019	553,358,010	48,044,167	47,810,012	120,516,325	20,883,083	790,611,597	3.70%	3.70%

Source: **Atlanta Independent School System Financial Reports for previous years and fiscal year ended June 30, 2019.**

Notes:
1 Instruction includes Improvement of Instructional Services and Educational Media.
2 Business Services includes Business Administration , Maintenance and Facilities, 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
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%
2018	532,696,413	201,961,932	1,161,069	14,351,071	750,170,485	71%	26.92%	0.15%	1.91%
2019	599,659,003	191,036,285	1,216,000	15,726,912	807,638,200	74%	23.65%	0.15%	1.95%

Source: **Atlanta Independent School System Financial Reports for previous years and fiscal year ended June 30, 2019.**

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, 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%
June 30, 2018	13,493,027,408	14,154,056,870	843,130,074	1,210,968,574	2,985,921,567	26,715,261,359	66,788,153,398	32.56%
June 30, 2019	17,863,794,272	15,356,502,641	820,071,202	1,052,958,644	2,665,173,788	32,428,152,971	81,070,382,428	30.97%

Source: **Statistical section of the City of Atlanta, Georgia Comprehensive Annual Financial Report**

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, 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	1.020	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	1.160	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
June 30, 2018	8.84	21.740	0.50	1.48	0.000	32.56	1.176	5.00	10.38 **(2)**	0.25	0.00	10.63
June 30, 2019	7.85	20.740	0.50	1.88	0.000	30.97	1.168	5.00	10.20 **(2)**	0.23	0.00	10.43

Source: **Statistical section of the City of Atlanta, Georgia Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2019.**

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, 2018 Nine Years Ago [1]
Schedule 9

2018

Tax Payer	Type of Business	Taxable Assessed Value [1]	Rank	Percentage of Total City Taxable Assessed Value
Development Authority of Fulton [2]	Government	$ 1,499,129,649	1	4.62%
Georgia Power Company	Utility Service	296,507,118	2	0.91%
Sun Trust Plaza Association	Commercial Real Estate	155,526,240	3	0.48%
Bell South/AT&T	Communication Service	153,700,841	4	0.47%
Coca-Cola Company	Marketing and Manufacturing	139,558,319	5	0.43%
Post Apartment Homes	Residential Real Estate	134,827,371	6	0.42%
Norfolk Southern Corp	Transportation	132,696,882	7	0.41%
AC Property Owner LP	Commerical Real Estate	124,000,000	8	0.38%
Delta Airlines	Transportation	119,838,960	9	0.37%
Corporate Property Corporation	Commercial Real Estate	110,808,080	10	0.34%
Total		$ 2,866,593,460		8.83%

2009

	Type of Business	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Development Authority of Fulton	Government	$ 505,772,282	1	2.21%
Georgia Power Company	Utility Service	222,362,604	2	0.97%
Bell South	Communication Service	197,316,319	3	0.86%
Coca-Cola Company	Marketing and Manufacturing	166,718,521	4	0.73%
Post Apartment Homes	Residential Real Estate	148,085,301	5	0.65%
BF ATL, LLC	Commercial Real Estate	135,349,360	6	0.59%
Sun Trust Plaza Association	Commercial Real Estate	103,661,410	7	0.45%
Georgia Pacific Company	Pulp and Paper Manufacturing	98,028,880	8	0.43%
IEP Peachtree, LLC	Residential Real Estate	91,879,110	9	0.40%
Hines One Atlantic Center LP	Commerical Real Estate	86,807,370	10	0.38%
Total		$ 1,755,981,157		7.67%

Sources: 2018 - Statistical section of the City of Atlanta, Georgia Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2018.

Notes: 1 Information for FY2019 not available

Atlanta Independent School System
Property Tax Levies and Collections
Last Ten Fiscal Years
Schedule 10

Fiscal Year Ended	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years [2]	Total Collections To Date	
		Amount [1]	Percentage of Levy		Amount	Percentage of Levy
June 30, 2010	$ 472,043,954	$ 459,007,538	97.24%	$ 4,108,880	$ 463,116,418	98.11%
June 30, 2011	460,717,197	417,513,465	90.62%	5,011,539	422,525,004	91.71%
June 30, 2012	421,138,690	387,758,472	92.07%	5,651,609	393,410,081	93.42%
June 30, 2013	406,331,865	379,039,454	93.28%	9,857,638	388,897,092	95.71%
June 30, 2014	416,082,025	392,377,360	94.30%	8,330,097	400,707,457	96.30%
June 30, 2015	432,301,038	414,643,040	95.92%	6,389,866	421,032,906	97.39%
June 30, 2016	480,630,290	458,918,009	95.48%	93,938	459,011,947	95.50%
June 30, 2017	500,406,653	476,135,158	95.15%	8,587,749	484,722,907	96.87%
June 30, 2018	524,298,574	491,670,036	93.78%	11,917,403	503,587,439	96.05%
June 30, 2019	617,335,775	561,782,463	91.00%	-	561,782,463	91.00%

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Source: **Data from the original digest and the roll forward receivable reports from DeKalb and Fulton Counties.**
For the Fiscal Year Ended June 30, 2019.
Previous CAFR's have provided City of Atlanta data only.

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, 2019
Schedule 11

	TOTAL RATE	MAINTENANCE AND OPERATION	DEBT SERVICE
Atlanta Public Schools	20.74	20.74	0.00
Clayton County Schools	20.00	20.00	0.00
Cobb County Schools	18.90	18.90	0.00
DeKalb County Schools	23.18	23.18	0.00
Douglas County Schools	20.90	19.70	1.20
Fulton County Schools	17.80	17.80	0.00
Gwinnett County Schools	21.75	19.80	1.95
Rockdale County Schools	24.90	24.90	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
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	0.100	21.740	Increase of .046 mills
2012	21.640	0.100	21.740	No change from 2011
2013	21.640	0.100	21.740	No change from 2012
2014	21.640	0.100	21.740	No change from 2013
2015	21.715	0.025	21.740	No change from 2014
2016	21.715	0.025	21.740	No change from 2015
2017	21.740	0.000	21.740	No change from 2016
2018	20.740	0.000	20.740	Decrease of 1.000 mills

Sources: **Atlanta Public Schools June 2010 Tax Levy Board Resolution for tax year 2011.**
Georgia Department of Revenue for tax years 2009-2010, 2012-2017.
Atlanta Public Schools August 6, 2018 Tax Levy Board Resolution for tax year 2018.

Note: **The tax year does not equate to the fiscal year. Tax year 2018 collections are made in fiscal year 2019.**

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
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
2018	75,950,000	3,424,299	-	(3,141,762)	76,232,537	26,715,261,359	0.29%	274,129,000	27.81%	157
2019	75,130,000	3,196,999	-	(2,788,584)	75,538,415	32,428,152,971	0.23%	292,221,000	25.85%	152

Source: **Atlanta Independent School System Financial Reports for previous years and fiscal year ended June 30, 2019.**

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, 2019
Schedule 14

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable (6)	Estimated Share of Overlapping Debt
Overlapping Debt:			
Certificate of Participation - City of Atlanta (5)	$ 84,745,025	100.0%	$ 84,745,025
APSJFA Revenue Bonds - City of Atlanta (5)	25,197,012	100.0%	25,197,012
SWMA Revenue Refunding Bonds - City of Atlanta (5)	5,885,000	100.0%	5,885,000
Limited Obligation Bonds - City of Atlanta (5)	391,226,226	100.0%	391,226,226
Capital Leases - City of Atlanta (5)	30,049,168	100.0%	30,049,168
Fulton County (1)	304,877,955	47.0%	143,292,639
DeKalb County (2)	276,934,000	4.6%	12,738,964
Subtotal of overlapping debt			693,134,034
Contractual General Obligation Debt:			
City of Atlanta General Obligation Debt (less APS Portion)	322,826,910	100.0%	322,826,910
Atlanta and Fulton Recreation Authority			
Series 2010 Bonds (5)	91,690,000	66.7%	61,157,230
Series 2014 A/B Park Improvement Bonds (5)	60,490,000	100.0%	60,490,000
Series 2017 Zoo Parking Deck Bonds	30,390,000	100.0%	30,390,000
Series 2017A Philips Arena Downtown Project (5)	106,505,000	100.0%	106,505,000
Series 2017B Philips Arena Downtown Project (5)	43,285,000	100.0%	43,285,000
AURA Bonds Series 2010 (ADA) - COA (3)	14,805,000	100.0%	14,805,000
AURA Downtown Parking Deck Series 2017 (ADA) - COA (3)	14,850,000	100.0%	14,850,000
Urban Residential Finance Authority (URFA) - COA (4)	60,305,000	100.0%	60,305,000
AFCRA Revenue Zoo Series 2007 (1)	7,640,000	75.0%	5,730,000
Overlapping Contractual Obligations:			
Fulton-Dekalb Hospital Authority (1)	68,585,000	47.0%	32,234,950
Total Overlapping Debt			1,445,713,124
School District Direct Debt:			
City of Atlanta General Obligation Debt (APS Portion)	3,196,999	100.0%	3,196,999
Less: Sinking fund (less APS Portion)	(2,788,584)	100.0%	(2,788,584)
Net City of Atlanta General Oblication Debt (APS Portion)			408,415
ERS, Inc (COPS, Series 2006/2007)	2,670,000	100.0%	2,670,000
ERS, Inc (COPS, Series 2011A)	72,460,000	100.0%	72,460,000
Net ERS, Inc. (COPS, All Series)			75,130,000
Total Overlapping and Direct Debt			$ 1,521,251,538.85

Sources:

(1) Fulton County CAFR - Year Ended 12/31/2018
(2) DeKalb County CAFR - Year Ended 12/31/2018
(3) DDA - Financial Statements as of 6/30/2018
(4) URFA - Financial Statements as of 6/30/2018
(5) City of Atlanta Comprehensive Annual Financial Report as of 6/30/2018
(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,	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Assessed Value	$ 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	$26,715,261,359	$32,428,152,971
Legal Debt Margin										
Debt limit (10% of assessed value)	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	2,671,526,136	3,242,815,297
Debt applicable to limit:										
ERS, Inc (COPS, Series 2006/2007)	8,995,000	8,400,000	7,780,000	7,135,000	6,395,000	5,765,000	5,035,000	4,280,000	3,490,000	2,670,000
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	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)	8,995,000	115,912,709	114,764,042	107,431,623	99,948,185	92,437,941	84,678,997	76,740,000	75,950,000	75,130,000
Less: Amount reserved for repayment of debt	-	-	-	-	-	-	-	-	-	-
Total debt applicable to limit	8,995,000	115,912,709	114,764,042	107,431,623	99,948,185	92,437,941	84,678,997	76,740,000	75,950,000	75,130,000
Legal Debt Margin	2,392,287,887	2,194,485,119	2,091,366,029	2,029,677,399	2,066,814,872	2,155,256,543	2,411,683,084	2,479,543,698	2,595,576,136	3,167,685,297
Total net debt applicable to the limit as a % of the debt limit	0.37%	5.02%	5.20%	5.03%	4.61%	4.11%	3.39%	3.00%	2.84%	2.32%

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, 2009	480,700	$ 198,067	$ 37,793	34.0	49,032	9.9%
June 30, 2010	422,753	198,872	37,493	33.3	48,909	10.3%
June 30, 2011	432,092	214,002	39,826	33.0	49,796	9.9%
June 30, 2012	444,002	222,204	40,738	32.2	50,009	8.8%
June 30, 2013	448,312	228,134	41,307	33.2	49,558	7.8%
June 30, 2014	456,143	228,134	41,307	33.4	50,131	6.8%
June 30, 2015	463,878	244,065	43,856	33.3	51,145	5.3%
June 30, 2016	472,522	261,782	45,934	33.0	51,500	4.6%
June 30, 2017	486,290	274,129	47,348	33.5	51,296	3.8%
June 30, 2018	498,044	292,221	49,657	33.5	52,147	3.5%

Sources: **Statistical section of the City of Atlanta, Georgia 2019 Comprehensive Annual Financial Report. For the Fiscal Year Ended June 30, 2019.**
Enrollment data from GA Department of Education.
(1) Statistical Data from the City of Atlanta is one year in arrears.

Atlanta Independent School System

Principal Employers
June 30, 2018 and Nine Years Ago
Schedule 17

2018

Employer	Type Of Business	Employees	Percentage of Total City Employment
Delta Air Lines, Inc.	Transportation	5,962	2.29%
The Coca-Cola Co One Coca Cola	Marketing and Manufacturing	4,058	1.56%
Air Service Corp	Transportation	2,722	1.05%
NCR Corporation	Management/Admin Svc	2,674	1.03%
Accenture	Consulting	2,063	0.79%
Atlanta Falcon Stadium Company	Contractor, Other than Building	1,996	0.77%
Allied Universal Security Service	Security Services	1,843	0.71%
Atl Hawks, LLC	Miscellaneous Recreation Svcs	1,701	0.65%
Cable News Network, Inc	Media	1,535	0.59%
Deloitte Consulting LLP	Consulting	1,522	0.59%
Total		**26,076**	**10.03%**

2009

Employer	Type Of Business	Employees	Percentage of Total City Employment
Allied Barton Security Services	Security Services	4,058	2.11%
International Business Machine	Technology Services	3,739	1.94%
The Coca-Cola Company	Marketing and Manufacturing	3,020	1.57%
Accenture LLP	Consulting	2,100	1.09%
Turner Broadcasting System, Inc.	Media/Entertainment	1,868	0.97%
Cable News Network	Media	1,792	0.93%
Air Service Corp	Transportation	1,386	0.72%
AT&T Services Inc	Telecommunications	1,172	0.61%
Tenet Health System, Inc	Healthcare	1,164	0.60%
Georgia-Pacific Corporation	Pulp and Paper Manufacturing	1,139	0.59%
Total		**21,438**	**11.13%**

Source: 2018 - Statistical section of the City of Atlanta, Georgia 2019 Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2019.
2019 - Information not Available

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

Fiscal Year	Total	Free	Reduced	Paid
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
2018	3,323,949	3,215,823	14,337	93,789
2019	3,390,817	9,277,801	13,556	99,460

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
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
2018	5,094,795	4,639,710	47,041	408,044
2019	5,138,248	4,675,400	46,180	416,668

Source: **Nutrition Department of APS**

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

Fiscal Year	Total	Elementary	Middle	High
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
2018	71	45	11	15
2019	81	53	15	13

Source: **FY2009 - 2018 - information from Atlanta Public Schools - school list**
FY2019 - From GA Dept of Education and includes regular, charter and non-traditional schools

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

Grade Level	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
PK	965	991	1,111	1,098	1,108	1,113	1,101	1,232	1,300	1,376
KK	4,501	4,598	4,795	4,822	4,911	5,029	4,687	4,646	4,555	4,477
Grade 1	4,377	4,601	4,609	4,698	4,816	4,902	4,979	4,802	4,668	4,599
Grade 2	4,431	4,248	4,379	4,417	4,602	4,677	4,781	4,851	4,747	4,571
Grade 3	4,431	4,481	4,269	4,289	4,341	4,509	4,567	4,727	4,783	4,650
Grade 4	4,168	4,221	4,266	3,962	4,008	4,105	4,397	4,436	4,623	4,683
Grade 5	3,904	4,177	4,172	4,094	3,963	3,979	4,057	4,301	4,398	4,479
Grade 6	3,451	3,623	3,563	3,603	3,591	3,604	3,590	3,658	3,829	4,007
Grade 7	3,204	3,490	3,503	3,471	3,505	3,568	3,402	3,424	3,634	3,667
Grade 8	3,303	3,242	3,465	3,379	3,404	3,517	3,511	3,320	3,366	3,500
Grade 9	4,420	4,412	4,475	4,395	4,741	4,732	4,083	3,718	3,941	3,885
Grade 10	2,873	2,982	3,003	2,928	2,822	3,068	3,084	3,013	3,109	3,072
Grade 11	2,354	2,299	2,352	2,346	2,378	2,232	2,761	2,635	2,729	2,823
Grade 12	2,527	2,431	2,047	2,056	1,941	2,110	2,500	2,533	2,465	2,588
Totals	48,909	49,796	50,009	49,558	50,131	51,145	51,500	51,296	52,147	52,377

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 Capacity

June 30, 2019

Schedule 22

School Acreage, Square Footage, Planning Capacity, Area per Student, Effective Age

	Elementary Schools	Region	Acres	Sq.Ft.	Planning Capacity @ 21/1	SF per Student	Core Classrooms	Original Construction	Renovation	Actual Age (2019 basis)	Effective Age Basis	Effective Age (2019 basis)
1	Beecher Hills	W	9.5	61,177	420	146	20	1959	2019	60	2019	0
2	Benteen	E	4.0	79,633	504	158	24	1957	2000	62	2000	19
3	Bolton Academy	N	4.0	83,653	693	121	33	2003		16	2003	16
4	Boyd	N	19.7	80,246	525	153	25	1971	2016	48	2016	3
5	Brandon	N	10.0	76,672	735	104	35	1947	1994	72	1994	25
6	Brandon Primary	N	9.8	78,462	630	125	30	1954	2009	65	2009	10
7	Burgess-Peterson	E	8.3	85,836	693	124	33	2004		15	2004	15
8	Cascade	W	8.7	70,101	504	139	24	1995		24	1995	24
9	Centennial Place	E	5.0	63,806	546	117	26	1998		21	1998	21
10	Cleveland	S	15.8	75,286	525	143	25	1996		23	1996	23
11	Continental Colony	W	8.7	85,562	504	170	24	1963	2011	56	2011	8
12	Deerwood Academy	W	21.0	91,566	756	121	36	2004		15	2004	15
13	Dobbs	S	19.6	86,907	735	118	35	2003		16	2003	16
14	Dunbar	E	5.3	98,959	420	236	20	1969	2009	50	2009	10
16	Fickett	W	12.0	86,490	756	114	36	1972	1994	47	1994	25
17	Finch	S	4.1	95,024	798	119	38	2005		14	2005	14
18	Garden Hills	N	8.0	82,176	651	126	31	1938	2003	81	2003	16
19	Gideons	S	4.5	78,959	651	121	31	1958	2019	61	2019	0
20	Harper - Archer [2]	N	18.1	229,745	861	267	41	1963	2019	56	2019	0
21	Heritage Academy	S	7.0	80,864	714	113	34	2002		17	2002	17
22	Hollis Innovation Academy	W	5.0	228,028	756	302	36	1970	2004	49	2004	15
23	Hope - Hill	E	2.4	75,631	588	129	28	2002		17	2002	17
24	Humphries [1]	S	8.2	66,228	504	131	24	1940	1998	79	1998	21
25	Hutchinson [1]	S	8.5	70,797	693	102	33	1956	1994	63	1994	25
26	Jackson	N	12.5	96,639	714	135	34	1967	1994	52	1994	25
27	Jackson Primary	N	7.2	48,982	420	117	20	1959	2008	60	2008	11
28	Jones, M. A.	W	7.5	92,272	735	126	35	2005		14	2005	14
29	Kimberly	W	7.2	70,070	546	128	26	1958	2016	61	2016	3
30	Lin, Mary	E	5.2	91,338	735	124	35	1930	2015	89	2015	4
31	Miles	W	15.0	82,211	735	112	35	2003		16	2003	16
32	Morningside	E	5.2	98,037	756	130	36	1930	1994	89	1994	25
33	Obama Academy	E	6.0	75,646	693	109	33	1959	2000	60	2000	19
34	Parkside	E	8.3	80,836	651	124	31	2001		18	2001	18
35	Perkerson	S	9.0	75,297	588	128	28	1994		25	1994	25
36	Peyton Forest	W	25.0	64,300	525	122	25	1968	1999	51	1999	20
37	Rivers	N	8.0	112,000	756	148	36	2015		4	2015	4
38	Scott	N	8.0	72,891	672	108	32	1960	2006	59	2006	13
39	Slater	S	13.0	78,232	672	116	32	1952	2002	67	2002	17
40	Smith Intermediate	N	6.2	78,173	630	124	30	2009		10	2009	10
41	Smith Primary	N	10.3	70,545	630	112	30	1952	1994	67	1994	25
42	Springdale Park	E	5.5	95,555	693	138	33	2009		10	2009	10
43	Stanton, F. L.	N	5.2	57,910	357	162	17	1928	2000	91	2000	19
44	Thomasville Heights	S	11.2	83,023	798	104	38	1971	2001	48	2001	18
45	Toomer	E	10.6	70,012	588	119	28	1967	1998	52	1998	21
46	Tuskegee Airmen Global Academy [2]	W	4.8	107,745	756	143	36	2019		0	2019	0
47	Usher - Collier	N	14.0	102,962	756	136	36	1969	2003	50	2003	16
48	West Manor	W	10.8	37,150	336	111	16	1956	2000	63	2000	19
49	Woodson Park	N	7.0	88,921	609	146	29	1967	2000	52	2000	19
	Elementary School Totals		**449.9**	**4,142,555**	**30,513**	**136**	**1,453**	**1975**		**44**	**2004**	**15**

Atlanta Independent School System
School Buildings, Acreage, and Capacity
June 30, 2019
Schedule 22
School Acreage, Square Footage, Planning Capacity, Area per Student, Effective Age

	Middle Schools	Region	Acres	Sq.Ft.	Planning Capacity @ 24/1	SF per Student	Core Classrooms	Original Construction	Renovation	Actual Age (2019 basis)	Effective Age Basis	Effective Age (2019 basis)
1	Brown	W	15.6	185,607	936	198	39	1928	2016	91	2016	3
2	Bunche	W	42.3	148,708	936	159	39	1979	2015	40	2015	4
3	Inman	E	4.2	146,035	840	174	35	1923	2005	96	2005	14
4	King, M.L.	E	6.5	192,360	840	229	35	1967	2016	52	2016	3
5	Lewis Academy	N	15.1	217,578	1,680	130	70	2009		10	2009	10
6	Long	S	15.6	160,082	1,032	155	43	1973	2003	46	2003	16
7	Price	S	19.0	167,168	936	179	39	1954	2002	65	2002	17
8	Sutton 7th-8th (Northside Dr.)	N	17.5	301,386	1,560	193	65	1951	2011	68	2011	8
9	Sutton 6th (Powers Ferry Rd.)	N	12.5	160,667	960	167	40	1960	2006	59	2006	13
10	Sylvan Hills	S	13.0	156,000	936	167	39	2015		4	2015	4
11	Young	W	15.0	196,986	1,128	175	47	1951	2009	68	2009	10
Middle School Totals			**176.3**	**2,032,577**	**11,784**	**175**	**491**	**1965**		**54**	**2010**	**9**
	High Schools	**Region**	**Acres**	**Sq.Ft.**	**Planning Capacity @ 25/1**	**SF per Student**	**Core Classrooms**	**Original Construction**	**Renovation**	**Actual Age (2019 basis)**	**Effective Age Basis**	**Effective Age (2019 basis)**
1	BEST / King, C.S.	N	21.2	264,874	1,750	151	70	2009		10	2009	10
2	Carver	S	35.4	271,429	1,525	178	61	1920	2005	99	2005	14
3	Crim	E	17.9	203,949	925	220	37	1940	2007	79	2007	12
4	Douglass	N	32.0	336,101	1,950	172	78	1968	2004	51	2004	15
5	Forrest Hill	S	5.8	69,254	750	92	30	2008		11	2008	11
6	Grady	E	19.5	253,095	1,275	199	51	1924	2005	95	2005	14
7	Jackson, M.H.	E	25.0	314,251	1,500	210	60	1985	2014	34	2014	5
8	Mays	W	70.0	339,758	2,000	170	80	1981	2011	38	2011	8
9	North Atlanta	N	56.6	507,093	2,350	216	94	1978	2013	41	2013	6
10	South Atlanta	S	50.2	277,779	1,950	142	78	1973	2008	46	2008	11
11	Therrell	W	17.3	249,830	1,500	167	60	1960	2011	59	2011	8
12	Washington	W	21.1	261,269	1,625	161	65	1924	2005	95	2005	14
High School Totals			**372.0**	**3,348,682**	**19,100**	**173**	**764**	**1964**		**55**	**2008**	**11**
	DISTRCT TOTALS & AVERAGES		**Acres**	**Sq.Ft.**	**Planning Capacity**	**SF per Student**	**Core Classrooms**	**Original Construction**		**Actual Age (2019 basis)**	**Effective Age Basis**	**Effective Age (2019 basis)**
			998.1	**9,523,814**	**61,397**	**161**	**2,708**	**1971**		**48**	**2006**	**13**

NOTE:
1. Schools relocated for capital projects this year.
2. New school opening this year.

	Other Facilities / Programs	Region	Acres	Sq.Ft.	Planning Capacity @ 21/1	SF per Student	Core Classrooms	Original Construction	Renovation	Actual Age (2019 basis)	Effective Age Basis	Effective Age (2019 basis)
1	North Metro (Oglethorpe)	W	3.8	52,909	462	115	22	1958	1999	61	1999	20
2	Whitefoord Early Learning Center	E	2.3	59,438	546	109	26	1928	1994	91	1994	25
Other Facilities / Programs			**6.1**	**112,347**	**1,008**	**112**	**48**	**1943**		**76**	**1997**	**23**

	Relocation Sites	Region	Acres	Sq.Ft.	Planning Capacity @ 21, 24 or 25/1	SF per Student	Core Classrooms	Original Construction	Renovation	Actual Age (2019 basis)	Effective Age Basis	Effective Age (2019 basis)
1	Bethune ES Facility (Hutchinson)	W	4.5	78,561	693	113	33	1949	1999	70	1999	20
2	Campbell ES Facility (Humphries)	S	12.7	50,902	399	128	19	1915	1996	104	1996	23
3	Coan MS Facility	E	16.1	167,169	984	170	41	1967	2003	52	2003	16
4	Connally ES Facility	W	5.1	88,417	840	105	40	1975	2000	44	2000	19
5	East Lake ES Facility	E	2.7	79,378	483	164	23	1949	1994	70	1994	25
6	Fain ES Facility	N	8.0	83,782	588	142	28	1987		32	1987	32
7	Parks MS Facility (Gideons)	S	5.8	79,630	600	133	25	1966	1996	53	1996	23
8	Parks MS Facility (Gideons)	N	8.9	70,084	567	124	27	1963	2000	56	2000	19
9	Parks MS Facility (Gideons)	W	8.0	63,603	588	108	28	1964	1999	55	1999	20
Relocation Sites			**71.8**	**761,526**	**5,742**	**133**	**264**	**1959**		**60**	**1997**	**22**

	Charter School Facilities	Region	Acres	Sq.Ft.	Planning Capacity @ 21, 24 or 25/1	SF per Student	Core Classrooms	Original Construction	Renovation	Actual Age (2019 basis)	Effective Age Basis	Effective Age (2019 basis)
1	Kindezi (Adamsville ES)	W	4.9	75,058	630	119	30	1970	2001	49	2001	18
2	Kindezi (Hill C.W. ES)	E	7.6	79,042	651	121	31	1967		52	1967	52
3	KIPP Collegiate (Turner MS)	W	9.5	122,279	768	159	32	1950	1999	69	1999	20
4	KIPP Soul (Blalock ES)	W	16.4	78,332	735	107	35	1971	2002	48	2002	17
5	KIPP Vision (Waters ES)	S	15.0	75,960	672	113	32	1958	1999	61	1999	20
6	KIPP WAYS (Herndon ES)	W	6.5	85,046	672	127	32	2002		17	2002	17
7	Neighborhood Charter (Slanton ES)	E	3.5	43,040	378	114	18	1907	2005	112	2005	14
8	Wesley International (Cook ES)	E	2.6	85,856	609	141	29	2000		19	2000	19
9	Westside Atl Charter (Archer HS)	N	19.5	266,648	1,560	171	65	1957	1972	62	1972	47
Charter School Facilities			**85.5**	**911,261**	**6,675**	**130**	**304**	**1965**		**54**	**1994**	**25**

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
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
2018	762,428	52,147	14,621	48,445	14,738
2019	790,612	52,377	15,094	48,658	16,248

Sources:

1 Atlanta Independent School System General Fund Expenditures by Function schedule for fiscal year ended June 30, 2019 (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

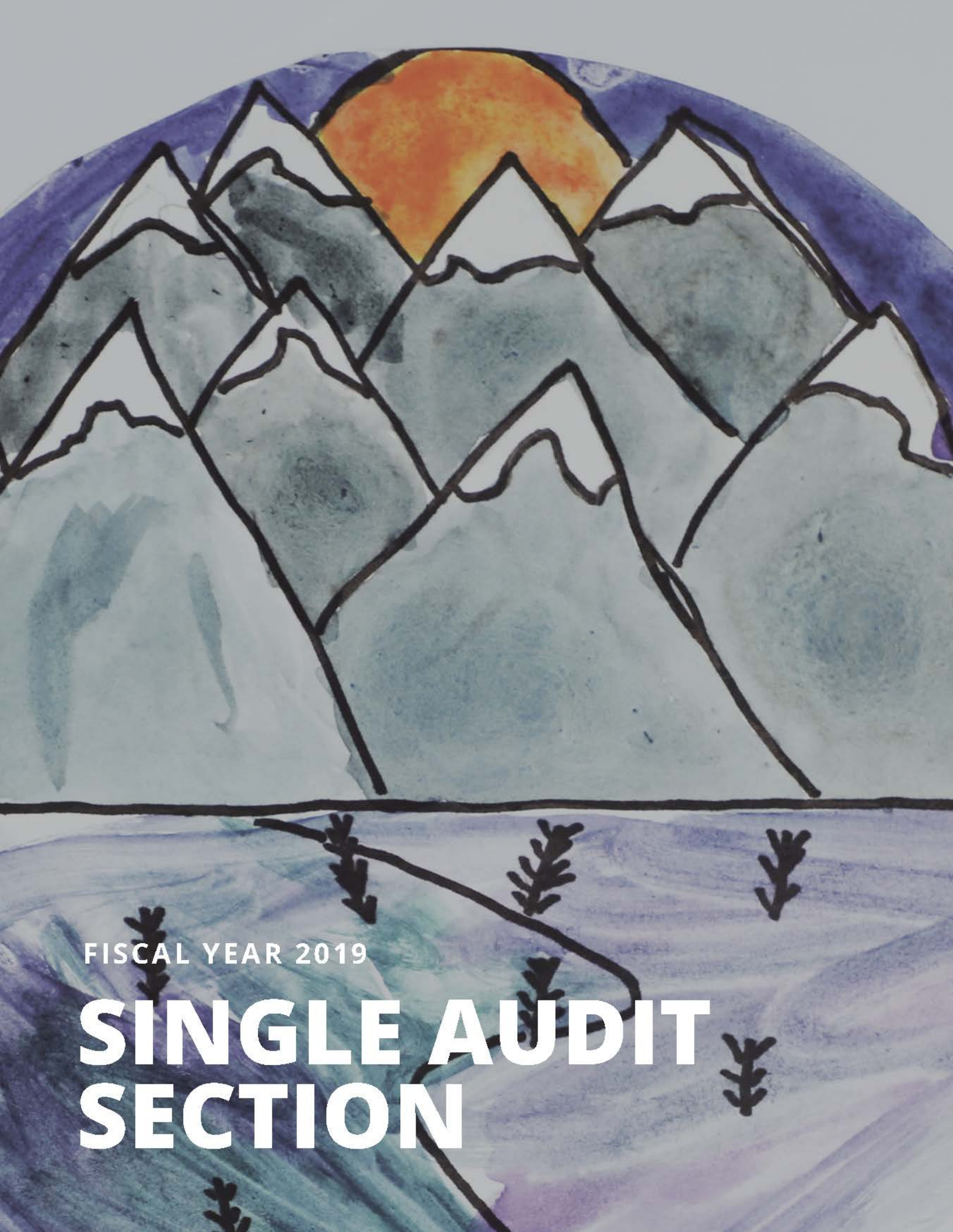
Employees by Function (Unaudited)

For the Last Ten Fiscal Years

Schedule 24

Function	Fiscal Year Ended June 30, 2019									
	2010	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**
Instruction	5,170	4,892	4,743	4,568	4,020	3,840	3,808	3,833	4,992	5,099
Pupil Services	348	350	303	224	193	224	280	339	567	612
Improvement of Instructional Services	327	314	387	318	329	306	303	313	369	323
Instructional Staff Training	-	-	-	-	-	-	-	-	-	18
Educational Media Services	121	123	118	116	112	91	79	83	90	80
Federal Grant Administration	-	-	-	-	-	-	-	-	-	26
General Administration	79	84	57	64	45	59	62	42	66	44
School Administration	434	438	431	440	443	507	521	514	504	493
Business Administration	188	199	187	161	85	79	69	63	67	72
Maintenance and Operations	628	630	667	578	401	374	533	429	543	562
Student Transportation Services	439	446	431	444	396	451	457	432	575	582
Central Services	128	136	132	142	153	89	111	122	142	139
Other Supporting Services	86	93	180	91	67	71	55	5	3	4
Nutrition Operations	122	119	108	101	88	84	80	73	70	64
Facilities, Acquisition and Contruction	1	2	2	2	3	4	2	2	3	4
Totals	8,071	7,826	7,746	7,249	6,335	6,179	6,360	6,250	7,991	8,122

Source: Information Technology Department of APS



FISCAL YEAR 2019

SINGLE AUDIT SECTION

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, 2019, 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 December 18, 2019.

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
December 18, 2019

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, 2019. 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, 2019.

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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that hav enot been identified.

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
December 18, 2019

ATLANTA INDEPENDENT SCHOOL SYSTEM

Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2019

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	19195GA324N1099	$ 7,064,459
Cash Assistance	10.555	19195GA324N1100	16,150,185
Non-Cash Assistance (Commodities) - Note 2	10.555	19195GA324N1100	138,299
After School Snack Program	10.555	19195GA324N1100	287,771
Total Child Nutrition Cluster			23,640,714
Other programs			
Pass-Through From Georgia Department of Education			
Fresh Fruit and Vegetable Program	10.582	195GA324L1903	739,002
Child and Adult Care Food Program	10.558	195GA368N2020	981,334
Total U.S. Department of Agriculture			25,361,050
U. S. Department of Education:			
Pass-Through From Georgia Department of Education			
Individuals with Disabilities Education Act (IDEA)-Special Education Cluster			
Part B-Special Education			
Title VIB Flow Through	84.027	H027A180073	10,594,289
Preschool	84.173	H173A180081	284,189
Subtotal Special Education Cluster			10,878,478
Other Programs			
Pass-Through From Georgia Department of Education			
Title I, Part A Cluster			
Title I - Grants to Local Educational Agencies	84.010	S010A170010	1,079,801
Title I - Grants to Local Educational Agencies	84.010	S010A180010	30,279,563
Subtotal Grants to Local Educational Agencies			31,359,364
Title I - School Improvement - G Funds	84.377	S377A180011	75,749
Subtotal School Improvements Grants Cluster			75,749
Title IIA (from GA DOE)			
Improving Teacher Quality	84.367	S367A170001	228,584
Improving Teacher Quality	84.367	S367A180001	1,547,025
Subtotal Improving Teacher Quality			1,775,609
Pass-Through From Georgia Department of Education			
Title III (from GA DOE)			
Limited English Proficient	84.365	S365A170010	54,889
Limited English Proficient	84.365	S365A180010	182,610
Subtotal Limited English Proficient			237,499
Title IIIA (from GA DOE)			
Immigrant	84.365	S365A180010	4,676
Pass-Through From Georgia Department of Education			
Title IV			
Education for Homeless Children and Youth	84.196	S196A170011	23,450
Education for Homeless Children and Youth	84.196	S196A180011	44,313
Subtotal Education for Homeless Children and Youth			67,763

Continued

ATLANTA INDEPENDENT SCHOOL SYSTEM

Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2019

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			
Vocational Education-Basic Grants to States			
CTE - Perkins IV - Program Improvement	84.048	V048A180010	731,968
Pass-Through From Georgia Department of Education			
Charter Schools - Implementation Grant	84.282	U282A170016	235,450
Subtotal Charter Schools			235,450
Pass-Through From Georgia Department of Education			
Title IVA - Student Support and Academic Enrichment	84.424	S424A180011	10,487
Title IVA - Student Support and Academic Enrichment	84.424	S424A190011	1,191,818
Subtotal Title IVA - Student Support and Academic Enrichment			1,202,305
Pass-Through From Georgia Department of Education			
21st Century Community Learning Centers	84.287	S287C170010	3,288
21st Century Community Learning Centers	84.287	S287C180010	978,561
Subtotal 21st Century Community Learning Centers			981,849
Pass-Through From Georgia Department of Technical and Adult Education (GDTAE)			
Adult Literacy	84.002	V002A190010	630,413
Pass-Through From Georgia State University			
Crest Education	84.336	U336S140036	80,958
Total U. S. Department of Education			48,262,081
U. S. Department of Defense			
R.O.T.C. Program - Army	N/A	N/A	1,216,000
Total U. S. Department of Defense			1,216,000
Total Expenditures of Federal Awards			**$ 74,839,131**

See 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, 2019

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. 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, 2019

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?	___ yes X 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)?	___ yes X 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)

-U.S. Department of Agriculture – Child Nutrition Cluster (CFDA #10.553 and 10.555)

-U.S. Department of Education – Title VI, Part B Individuals with Disabilities in Education Act (IDEA) Special Education Cluster (CFDA #84.027 and 84.173)

Dollar threshold used to distinguish between Type A and Type B programs:	$2,245,174
Auditee qualified as low-risk auditee?	___ yes X no

ATLANTA INDEPENDENT SCHOOL SYSTEM

Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2019

SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES

None reported

SECTION III
FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None reported

ATLANTA INDEPENDENT SCHOOL SYSTEM

Status of Prior Fiscal Year Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2019

2018-001 Procurement Requirements for Federally Funded Projects – U.S. Department of Education Title I, Part A (CFDA #84.010)

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. One (1) out of nine (9) vendors reviewed during our testing was 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 until halfway through fiscal year 2018 and therefore did not test this vendor prior to entering into covered transactions; however, during our testing, there were no parties noted on the excluded parties listing.

Status: Corrected for the current fiscal year's audit.