FAYETTE COUNTY
BOARD OF EDUCATION

Fayetteville, Georgia

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Fiscal Year ended June 30, 2014

FAYETTE COUNTY BOARD OF EDUCATION
Fayetteville, Georgia

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Fiscal Year ended June 30, 2014

Prepared by
Tom Gray,
Assistant Superintendent of Business and Personnel Management
and

Fayette County Board of Education Finance Department
210 Stonewall Avenue West
Fayetteville, Georgia 30214

Fayette County Board of Education

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INTRODUCTORY SECTION



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FAYETTE COUNTY BOARD OF EDUCATION

Joseph C. Barrow, Jr., Ed.D.
Superintendent

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Board Members
Marion Key, *Chair*
Bob Todd, Ph.D. *Vice Chair*
Dan Colwell
Barry Marchman, Ph.D
Leonard Presberg

"Where Excellence Counts"

December 19, 2014

To the Members of the Fayette County Board of Education and the Citizens of Fayette County, Georgia:

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of the Fayette County Board of Education (the School System) for the fiscal year ended June 30, 2014. The finance department prepared this report. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the School System's administration.

We believe the data, as presented, is accurate in all material respects and is reported in a manner designed to fairly set forth the financial position and results of operations of the School System as measured by the financial activity of its various funds. All disclosures necessary to enable the reader to gain a reasonable understanding of the School System's financial affairs have been included.

Mauldin & Jenkins, Certified Public Accountants, LLC, has issued an unmodified ("clean") opinion on the Fayette County Board of Education's financial statements for the year ended June 30, 2014. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the School System

The School System was established under the laws of the State of Georgia in 1927 when the existing local schools were consolidated. The School System is an independent K-12 district and is not considered to be a component unit of any other government. It serves the communities of Brooks, Fayetteville, Peachtree City, Tyrone and Woolsey. The School System provides all basic services required by state law and policies of the State Board of Education. These services include: regular and special education instructional programs at the elementary, middle and secondary levels and additional service in pre-kindergarten.

The Board of Education is made up of five members elected to serve four year terms. Its primary functions are to develop and adopt policies by which the schools are administered, to continually evaluate the effectiveness of these policies and to make certain that they are being administered as the Board intended. The administration of the educational programs and school business is the responsibility of the superintendent of schools and his staff.

There were 20,243 students enrolled in the School System in school year 2013-2014. Projected enrollment for the 2014-2015 school year is 20,200 students. The School System has five high schools. The oldest high school facility was built in 1981 but was renovated and expanded in 2005. At year end, the School System had five middle schools. The oldest middle school facility was built in 1979 but was renovated and expanded in 2001. A new middle school opened in school year 2007-2008. At year end, the School System had fourteen (14) elementary schools. One of these facilities was built prior to 1970, nine were built between 1970 and 1999, and four were built after 2000, with one opening in school year 2008-2009. In developing the 2014 budget, the administration and the Board evaluated enrollment numbers compared to building capacity and overall operational costs and determined the need to close four school facilities for the 2013-2014 school year. All facilities are periodically evaluated to assess the need for renovation or expansion. A schedule of building information is provided in the Statistical Section of the CAFR.

Local economy

The national economy hit a significant downturn in the fall of 2008 and it has not fully recovered. Fayette County felt the same effects of the downturn the rest of the nation felt. For Fayette County, the economic effects have been seen primarily in real estate, residential construction and banking.

As with most of Georgia and the nation as a whole, the job market of Fayette County has remained tight but improved over the last year. According to the Georgia Department of Labor, Fayette County's unemployment rate (seasonally adjusted) is 7.1% at June 2014. This rate is above the national average rate of 6.1% and lower than the State of Georgia average rate of 7.8%. The unemployment rate has improved locally, state-wide and nationally since December 2011. Fayette County's unemployment rate for December 2011 was 7.9%.

The changes in the real estate market have significantly impacted the School System's local revenue. Like much of the state and nation, Fayette County experienced growth in the real property digest in the seven years from fiscal year 2002 to fiscal year 2009 of 61%, averaging 8.7% growth per year. Recently, the property tax digest values have fallen over 20% reducing the annual property tax levies by $22.3 million from a high of $100.4 million in 2009 to $78.1 million in 2013. The 2014 property tax digest showed indications of stabilization in residential property. The overall digest has remained relatively flat from fiscal year 2014 to 2015. Looking forward, recent industry growth mentioned below gives indications of growth in the overall digest in the next several years.

Recently, investment in the film production industry has been the focus of growth for Fayette County. Pinewood Studios Group of London has developed five state-of-the-art sound stages, administration offices and buildings for set and effects development and film equipment vendors. Construction of the studios began in the late summer 2013 and operations began in January 2014. In late 2014, the studio announced plans to double the facilities resources over the next year.

Future plans include the establishment of a film production school. The School System recently sold an under-utilized elementary school located adjacent to the studio property. This facility is expected to be part of the film educational element that industry investors hope to develop in conjunction with the new studios. The economic impact is not expected to be felt immediately; the potential growth of support

businesses and new residents moving into the county could have a huge impact on the School System in the coming years. There have been indications of a resurgence of residential construction in the county that is expected to increase the tax digest starting in 2015.

Other significant economic activity includes the post-secondary arena. The Georgia Military College (GMC) announced in October 2014 plans to construct a new campus in the county as part of its 15-year strategic plan. The institution will offer programs at the junior college level but also expand into a four-year bachelor of applied science degree program. Plans include collaboration with the Fayette County School System and entities such as Piedmont-Fayette Hospital to provide extended educational opportunities for students in several areas. The focus is to prepare and equip a work force for local and regional businesses.

Since K-12 education is the largest portion of the State of Georgia's (the State) budget, the state economy directly impacts the financial picture of all school systems in Georgia. The State of Georgia has been funding a smaller percentage of the total cost of education over the last several years. School systems historically had been funded approximately 60% by the State. In 1996, the overall educational support for education in Georgia was funded 59.39% by the State. By 2010, the split between state and local was 50/50 and for 2014 the State is still funding about one-half or less of the total cost for education.

Most of the funding reductions have occurred due to years of "austerity reductions" (also called "amended formula adjustment") or budget cuts imposed by the State. These are reductions to the amounts earned by school systems based on a funding formula written in state law that have been allocated to all systems across the state to help the State provide for a balanced budget. From fiscal year 2003 to fiscal year 2014, the Fayette County School System received approximately $90.2 million less than it earned due to these cuts. This reduction is net of $12.4 million in federal funds from the American Recovery and Reinvestment Act (ARRA) that flowed through the State of Georgia that was intended to offset the cuts. In addition, the funding formula has not been adjusted in recent years for inflation. As a result, the local taxpayer has had to shoulder the burden of state budget cuts and inflationary costs.

As discussed above, recent economic news indicates that the state economy is improving. For fiscal year 2015, the State increased education funding by $535.2 million or 7.1%. Most of this increase was targeted by the State to increase teacher pay, maintain student school calendar days, and reduce furlough days for employees.

Long-term Financial Planning

Total fund balance of the general fund has increase from 8.9% to 14.9% of total operating expenditures and represents just over one and three-quarters of one month's expenditures. Since fund balance was significantly increasing from a low of $1.7 million in fiscal year 2008 as a result of conservative revenue estimates, significant salary reductions and deliberate cut backs in operational costs and changes in staffing requirements, the Board determined in late fiscal year 2011 to reinstate salary schedules to pre-2008 levels. Due to continued erosion of local tax revenues and state funding and the increases in cost related to the increased salary schedules and in employer matching costs for health insurance, fund

balance had been budgeted to close the gap between revenues and expenditures in fiscal year 2012 and again in fiscal year 2013. However, the School System took immediate action during the 2013 and 2014 fiscal years and implemented cost reduction strategies to avoid deficit spending. The strategies included five furlough days and personnel reductions through attrition and "right-sizing" the district by closing four schools, increasing class sizes and reducing staff to reflect the current enrollment levels in order to balance the budget at a sustainable level.

The School System has traditionally used general obligation bonds to finance construction of new schools. The recent 2005 and 2007 bond issuances have provided funding for the construction of one middle school and two elementary schools. Based on recent population projections, the School System does not foresee the need to construct any schools in the near future. Furthermore, with declining enrollment projections, the School System has excess capacity and addressed that issue via the school closures mentioned above along with the sale of an under-utilized elementary school which has been used for specialized programs.

In November 2009, the citizens of Fayette County passed a 1% educational Special Purpose Local Option Sales Tax (SPLOST). This additional funding has been used toward technology (including infrastructure improvements, hardware and software), security, textbooks, facilities improvements and debt service on existing general obligation bonds. In November 2011, the citizens of Fayette County voted to extend the current SPLOST for an additional five years. The new SPLOST will be used for needs similar to the current SPLOST. The SPLOST is significant to the immediate future financial needs of the School System, as it will allow the System to make much needed purchases, such as textbooks and computers, while relieving the operating budget of those costly expenditures.

Relevant Financial Policies

The Fayette County School System annually evaluates and sets its strategic directions in order to realize its mission of committing to excellence through effective instruction, high expectations and continued improvement. One of these strategies is to obtain the necessary funding to provide quality educational opportunities. This is accomplished, in part, by maximizing the use of financial resources by improving financial reporting and by enhancing internal control systems.

In developing and evaluating the School System's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: (1) the cost of control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. We believe the School System's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

As a recipient of federal and state financial assistance, the School System is also responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation for weaknesses by management and staff.

As part of the School System's annual single audit required to be performed in conformity with the provisions of the Single Audit Act Amendments of 1996 and the U.S. Office of Management and Budget Circular A-133, Audits of State and Local Governments and Nonprofit Organizations, tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine that the School System has complied with applicable laws and regulations.

The School System maintains budgetary controls to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board of Education. Activities of the General Fund, Debt Service Fund and special revenue funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the aggregate level by fund type. The School System also maintains an encumbrance accounting system as one technique of maintaining budgetary control. Budget balances are encumbered, or set aside, when purchase orders are issued. Encumbered amounts lapse at year end but may be re-appropriated as a part of the following year's budget.

Major Initiatives

The mission of the Fayette County School System is to deliver effective instruction and set high expectations resulting in continued improvement in student achievement. In order to achieve this mission, the School System annually evaluates its strategic directions and the goals associated with those strategies. One of the School System's strategic directions has been to apply information technology in each school and the Central Office to improve the effectiveness and quality of instruction, as well as to increase the efficiency of administrative operations. Following this strategic direction, the School System began a "technology renewal" process in 2004. The School System has continued its commitment to technology improvements and renewal through the 2008 SPLOST. Through this funding mechanism, the School System has been able to replace computers throughout all schools and administrative offices, provide 21st century class rooms in all schools, improve local area networks and internet connectivity. As the learning environment changes for students, the School System is committed to providing resources for students to learn in a 21st century environment, full of technology possibilities. To further the educational experience for students, the School System has embarked on a "BYOT" or "bring your own technology" initiative where students can use various personal electronic devices, from laptops to smart phones, to enhance learning. To aid in this initiative, wireless networks have been added to all schools and administrative offices. The School System is also exploring options to implement a learning management platform to bring together digital learning resources and make them readily available to all students.



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Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Fayette County Board of Education for its comprehensive annual financial report for the fiscal year ended June 30, 2013. 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 satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements.

The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the Fayette County Board of Education for the year ended June 30, 2013. This was the second year that the School System received this prestigious award. This award certifies that the comprehensive annual financial report substantially conforms to the principles and standards of financial reporting as recommended and adopted by ASBO. The award is granted only after intensive reviews of financial reports by an expert panel of practicing school business officials.

ASBO's Certificate of Excellence in Financial Reporting is valid for one year only. We believe that our current comprehensive annual financial report also conforms to the principles and standards and we are submitting it to ASBO for review to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated service of the entire staff of the finance department. We wish to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit must also be given to the superintendent and the members of the Board of Education for their unfailing support in maintaining the highest standards of professionalism in the management of the School System's finances.

Respectfully submitted,



Tom Gray
Assistant Superintendent of Business
and Personnel Management



Laura Brock
Coordinator of Audits and Purchasing

Association of School Business Officials International

The Certificate of Excellence in Financial Reporting Award
is presented to

Fayette County Board of Education

For Its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 2013

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

Terrie S. Simmons, RSBA, CSBO
President

John D. Musso, CAE, RSBA
Executive Director

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Fayette County
Board of Education
Georgia

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

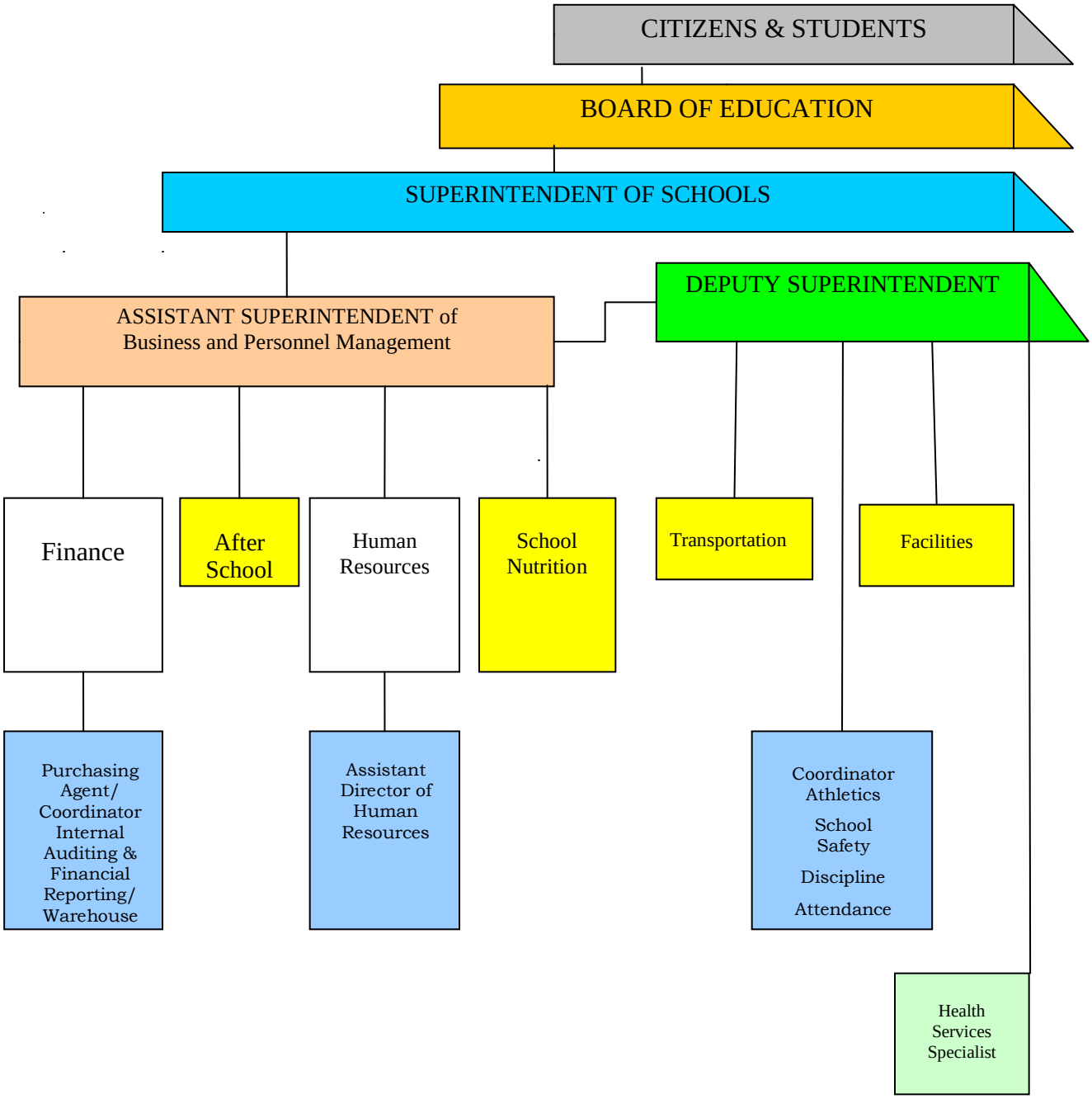
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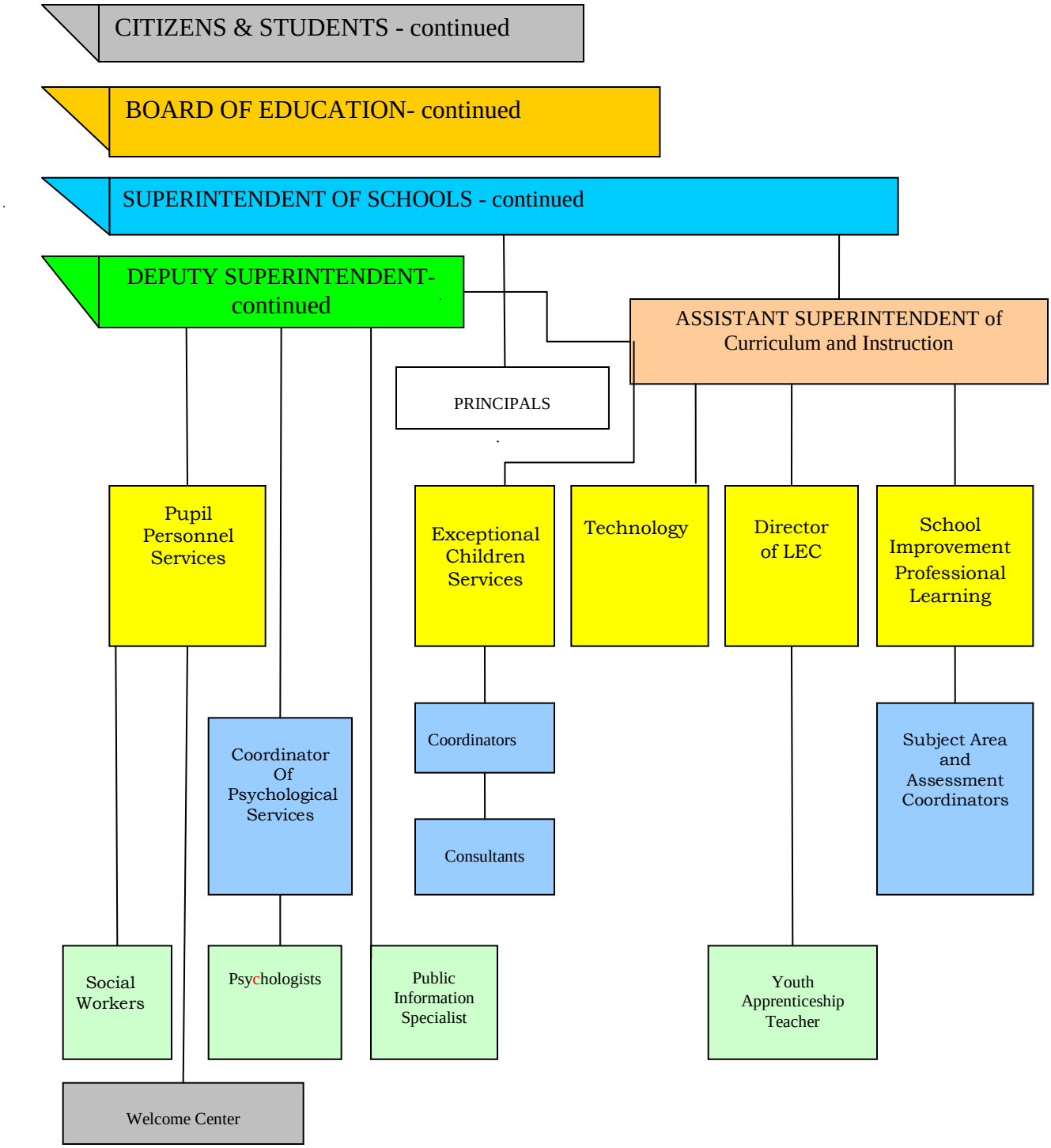
Executive Director/CEO

Fayette County Board of Education

ORGANIZATIONAL CHART

June 30, 2014




CITIZENS & STUDENTS - continued
BOARD OF EDUCATION- continued
SUPERINTENDENT OF SCHOOLS - continued
DEPUTY SUPERINTENDENT- continued
ASSISTANT SUPERINTENDENT of Curriculum and Instruction
PRINCIPALS
Pupil Personnel Services
Exceptional Children Services
Technology
Director of LEC
School Improvement Professional Learning
Coordinators
Consultants
Coordinator Of Psychological Services
Subject Area and Assessment Coordinators
Social Workers
Psychologists
Public Information Specialist
Youth Apprenticeship Teacher
Welcome Center

Fayette County Board of Education

LISTING OF PRINCIPAL OFFICIALS

June 30, 2014

BOARD MEMBERS

Ms. Marion Key, Chair, Post 3

Dr. Bob Todd, Vice Chair, Post 4

Mr. Dan Colwell, Post 2

Mr. Leonard Presberg, Chair Post 5

Dr. Barry Marchman, Post 1

SUPERINTENDENT'S CABINET

Dr. Joseph C. Barrow, Superintendent

Mr. Sam Sweat, Deputy Superintendent

Mr. Tom Gray, Assistant Superintendent of Business and Personnel Management

Mr. Chris Horton, Director of Exceptional Children's Services

Ms. Linda Beaubien, Assistant Director of Human Resources

Ms. Melinda Berry-Dreisbach, Public Information Specialist

Ms. Rae Presley-King, Director of School Improvement and Professional Learning

Ms. Lisa Collins, Coordinator of CTAE

Mr. Mike Satterfield, Director of Facility Services

Mr. Roy Raybold, High School Principal

Ms. Connie Baldwin, Middle School Principal

Ms. Wenonah Bell, Elementary School Principal

Dr. Louis Robinson, Elementary School Principal

FINANCIAL SECTION



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MAULDIN & JENKINS
CERTIFIED PUBLIC ACCOUNTANTS, LLC

INDEPENDENT AUDITOR'S REPORT

Superintendent and Members of the
Fayette County Board of Education
Fayetteville, 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 **Fayette County Board of Education** (the "School System") as of and for the year ended June 30, 2014 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 from material misstatement.

An audit involves performing procedures to obtain audit 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 the 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 School System as of June 30, 2014, and the respective changes in financial position, and, where applicable, cash flows thereof and the budgetary comparison for the General Fund for the 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 (on pages 21 through 35) 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 introductory section, combining and individual nonmajor fund financial statements and schedules, the Schedule of Expenditures by Object – Lottery Program, and the Quality Basic Education Program – Earnings and Expenditures by Program Schedule, and the statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of special purpose local option sales tax proceeds is presented for purposes of additional analysis as required by the Official Code of Georgia 48-8-121, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules, the Schedule of Expenditures by Object – Lottery Program, the Quality Basic Education Program – Earnings and Expenditures by Program Schedule and schedule of expenditures of special purpose local option sales tax proceeds (collectively "the supplementary information") are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the 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 supplementary information is 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, 2014 on our consideration of the Fayette County Board of Education'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 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 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 Fayette County Board of Education's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Macon, Georgia
December 18, 2014



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Our discussion and analysis of the Fayette County Board of Education's (the School System) financial performance provides an overview of the School System's financial activities for the fiscal year ended June 30, 2014. The intent of this discussion and analysis is to look at the School System's financial performance as a whole. Readers should also review the notes to the basic financial statements to enhance their understanding of the School System's financial performance.

Financial Highlights

- The assets and deferred outflows of resources of the School System exceeded its liabilities at the close of fiscal year 2014 by $242,841,043 (net position).

- The School System's total net position increased by $12,716,751.

- At the end of fiscal 2014, the School System's governmental funds reported combined ending fund balances of $76,156,823, an increase of $14,898,402 in comparison with the prior year. Of this total, $23,813,312 is available for spending at the School System's discretion (assigned and unassigned fund balance).

- At the end of fiscal 2014, unassigned fund balance for the General Fund was $22,751,211 or 14.40% of total General Fund expenditures.

- Total bonded debt for the School System increased by a net $232,708, a result of the scheduled debt service payments on bonds issued in 2005, 2007 and 2009 and the advance refunding of a significant portion of each of the 2005 and 2007 series bonds.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the School System's basic financial statements. These basic financial statements consist of three sections: system-wide financial statements, fund financial statements, and notes to the financial statements. This report also contains other information supplementary to the basic financial statements.

System-wide Financial Statements

The system-wide financial statements are designed to provide readers with a broad overview of the Fayette County School System's finances in a manner similar to a private-sector business. They include the statement of net position and the statement of activities found on pages 38 and 39 of this report.

The statement of net position presents information on the School System's assets, deferred outflows of resources and liabilities, with the residual balance being reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the School System is improving or deteriorating.

The statement of activities presents information showing how the School System's net position changed during the current fiscal year. All of the current year's revenues and expenses are accounted for in the statement of activities, regardless of when cash is received or paid. Therefore, some revenues and expenses are reported here that will only result in cash flows in future years, such as uncollected property taxes and earned but unused vacation leave. Additionally, this statement shows how much of the School System's activities are funded by program revenue (charges for services, state funding, grants and contributions) and how much of the School System's functions rely on general revenues (primarily taxes) for funding.

Fund Financial Statements

Traditional users of governmental financial statements will find the fund financial statements presentation more familiar. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Fayette County School System, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All funds of the School System can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds – Governmental funds are used to account for essentially the same functions reported as governmental activities in the system-wide financial statements. However, this set of financial statements focuses on events that produce near-term inflows and outflows of spendable resources as well as on the balances of spendable resources available at the end of the fiscal year.

Because the focus of governmental funds is narrower than that of the system-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the system-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Fayette County School System maintains twenty-three individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, the Debt Service Fund, and the Capital Projects SPLOST Fund, each of which are considered to be a major fund. Data from the other twenty governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements on pages 77-91 of this report.

The Fayette County School System adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate its compliance with this budget. One should note that the budget is not prepared on the same basis as accounting principles generally accepted in the United States of America ("USGAAP"). A reconciliation of general fund revenues and expenditures on a USGAAP basis and on the budgetary basis is provided in Note B to the financial statements.

Proprietary funds – The financial statements of the School System include one internal service fund: the Workers' Compensation Fund. Internal service funds are a type of proprietary fund used to accumulate and allocate costs internally among various functions within the School System.

Basic proprietary fund financial statements can be found on pages 45-47 of this report.

Fiduciary funds – Fiduciary funds are used to account for resources held for the benefit of parties outside of the School System. Fiduciary funds are not reflected in the system-wide financial statements because the resources of those funds are not available to support the School System's own programs.

The basic fiduciary fund financial statements can be found on pages 48-49 of this report.

Notes to the financial statements – The notes provide additional information that is essential to a full understanding of the data provided in the system-wide and fund financial statements. Notes to the financial statements can be found on pages 51-76 of this report.

Other information – In addition to the basic financial statements and the notes that accompany them, this report includes combining fund statements referred to earlier and schedules of the special local option sales tax (SPLOST), lottery program and the Georgia Quality Basic Education (QBE) Program. This other information follows the notes to the financial statements.

System-wide Financial Analysis

As noted earlier, changes in net position over time can be a useful indicator of a School System's financial position. At the end of the fiscal year ending June 30, 2014, the School System's assets and deferred outflows of resources exceeded liabilities by $242,841,043.

The following summarizes the components to the School System's net position at June 30, 2014 and 2013:

Fayette County School System's Net Assets

	2014	2013
Current assets	$ 103,525,425	$ 91,923,568
Capital assets	228,936,486	245,442,163
Total assets	332,461,911	337,365,731
Deferred outflows of resources	5,057,113	-
Current liabilities	26,506,185	37,521,672
Noncurrent liabilities	68,171,796	69,719,767
Total liabilities	94,677,981	107,241,439
Net position		
Net investment in capital assets	168,187,655	178,523,433
Restricted	41,020,287	37,659,348
Unrestricted	33,633,101	13,941,511
Total net position	$ 242,841,043	$ 230,124,292

The School System's current assets increased approximately $11.60 million over the prior year. The most significant component of this increase was a net increase in balances held in bank deposits and investments of $12.42 million resulting from the overall revenue inflows in excess of spending. Taxes receivable decreased by $0.31 million primarily as a result the timing of receipts of intangible and transfer taxes. Amounts receivable from other governments increased by $0.50 million. The receivable balance is effected by timing of drawdown requests of state and federal grants ($0.47 million increase), the change in QBE earnings for July and August teachers' salaries ($0.30 million increase), and the loss of grant and state bond funds for buses that were not available in 2014 ($1.27 million decrease).

The School System's capital assets had a $16.51 million net decrease. Depreciation of $9.97 million reduced the net book value of capital assets. Also, the School System expended $4.68 million in capital outlay, of which $4.59 million was related to the educational Special Purpose Local Option Sales Tax (SPLOST) approved in fiscal year 2009. The SPLOST I will continue to provide funding for computers, technology upgrades, transportation, security, facility improvements, and general obligation debt reduction into fiscal year 2015. Furthermore, spending of SPLOST II is planned to begin in late fiscal 2015.

Current liabilities of the School System decreased $11.02 million over the prior year. The largest portion of this decrease is the decrease in accrued interest related to the School System's general obligation bonds payable. As a part of its debt refunding during the year, $7.02 million of accrued interest was refinanced into the principle of the 2013 bonds. Accrued salaries and benefits decreased $0.96 million as compared to the prior year, resulting from an overall reduction in staff with the closing of four schools. Annual changes in accounts payable (decrease of $2.59 million) are affected by the timing of payments at or near year end.

Non-current liabilities (which include the current portion of those liabilities) decreased $1.55 million. This reflects reductions in the balances of certificates of participation and capital leases of $1.22 million based on required payment schedules. Net bonds payable decreased $0.66 million as the result of normal payments and a debt refunding transaction. These increases were partially offset by an increase in workers' compensation claims of $0.35 million.

The School System's net investment in capital assets (net of outstanding related debt used to acquire those capital assets and accumulated depreciation) equals 69.3% of total net position. The School System uses these capital assets to provide services to students, and consequently, these assets are not available for future spending. Although the School System's net investment in capital assets is reported net of related debt, it should be noted that the assets themselves cannot be used to liquidate these liabilities. The investment in capital assets decreased by $10.34 million from the prior year due primarily to a decrease in capital assets, net of depreciation, of $16.51 and the deferred loss on the refunding of general obligation bonds of $5.06 million.

Total restricted net position increased $3.36 million over the prior year. Net position is restricted when limitations are imposed on its use through constitutional provisions or enabling legislation, or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

Unrestricted net position of $33.63 million indicates the amount of liquid assets the School System has to meet the existing obligations to its creditors. Most of the School System's obligations are for

long-term debt which will be repaid based on future property taxes levied specifically for the repayment of bonded indebtedness.

Fayette County School System's Changes in Net Position

	2014	2013
Revenues:		
Program revenues		
Charges for services	$ 6,196,548	$ 6,130,721
Operating grants and contributions	96,557,210	94,197,669
Capital grants and contributions	132,000	1,270,878
General revenues		
Property taxes	84,458,044	84,722,620
Sales taxes	20,241,186	19,968,392
Other taxes	1,731,527	2,159,303
Interest and investment earnings	85,588	93,786
Other	420,342	671,912
Extraordinary item	(6,050,097)	-
Total revenues	203,772,348	209,215,281
Expenses:		
Instruction	123,283,652	126,989,501
Pupil services	8,940,118	9,446,688
Improvement of instructional services	3,919,268	4,059,005
Educational media services	3,078,138	3,435,491
General administration	1,778,299	1,676,637
School administration	11,570,184	12,982,540
Business administration	872,724	1,067,217
Maintenance and operation of facilities	12,683,045	13,854,947
Student transportation services	8,820,745	8,687,580
Central support services	2,830,478	2,700,778
Other support services	491,443	276,311
Community services	2,137,412	2,311,865
Food services	7,495,355	7,534,165
Interest expense	3,154,736	3,466,114
Total expenses	191,055,597	198,488,839
Increase in net position	12,716,751	10,726,442
Net position, beginning of the year, as restated	230,124,292	219,397,850
Net position, end of year	$ 242,841,043	$ 230,124,292

Total revenues of the School System decreased approximately $5.44 million, driven primarily by the following items:

- The School system experienced a $6.05 million loss on extraordinary items, resulting from the surplus and sale of an underutilized elementary school facility. The loss is determined by the difference in the amount recorded in the statement of net position for the depreciated cost of the property and the amount received upon sale. This transaction is considered to be an extraordinary item because it is both unusual in nature and infrequent in occurrence.

- Property and other taxes were relatively flat as the tax digest only showed a slight decrease.

- Operating grants and contributions increased by $2.36 million. The School System experienced an overall increase in federal grants of $0.76 million, primarily related to the IDEA grant. State funding increased by $1.60 million, primarily related to state QBE funding as discussed in more detail as it relates to the General Fund below.

- The School System experienced a decrease in revenue from capital grants and contributions in 2014 of $1.14 million. During the previous fiscal year, the School System obtained a federal grant to replace certain school buses in an effort to mitigate diesel emissions and improve air quality. This grant was unavailable for fiscal year 2014.

Total expenses decreased by $7.43 million over prior year. Significant changes were:

- Total salaries decreased by approximately $8.16 million, resulting from major operational reductions in staffing. The School System began the school year anticipating a reduction of approximately 270 positions at the school level. The drastic reduction in staff reflected the closing of three elementary schools and one middle school. The closings were made to increase student teacher ratios and class sizes in areas of the System with low student population and to better leverage administrative costs of running a school. In addition, twenty central office and support positions were reduced.

- The School System is required to pay an employer match towards health insurance. The School System experienced a decrease in health benefits of over $1.22 million. The majority of this decrease is due to the reduction in staff. In addition, participation levels slightly decreased due to changes in the plan structure and increases in costs to employees.

- Teachers' retirement (TRS) cost increased slightly over the prior year, even with the reduction in the number of staff. The increase was the result of an increase in the required employer contribution rate from 11.41% to 12.28% of eligible salaries.

- Overall workers' compensation costs for the School System increased $0.32 million over prior year as a result of adjustments in anticipated future costs of existing claims.

- Overall, non-salary and benefits cost increased over the prior year, as the monetary effect of staffing reductions allowed for spending in areas such as supplies and materials, books and periodicals, and expendable equipment.

- Total energy costs increased slightly for fiscal year 2014. Bus fuel cost the system approximately $74,000 less than in the prior year. Electricity increased by $48,000 and natural gas bills increased approximately $155,000 as temperatures were more normal compared to the previous year which had a mild winter and spring.

- Total costs of capital project funds that were not capitalized as capital assets in the system-wide financial statements were $0.67 million lower in 2014 than in 2013. Many of the assets purchased under the SPLOST have a cost below the School System's capitalization threshold of $5,000. These items include, but are not limited to computers, LCD projectors (i.e., technology in the classroom) and textbooks. Most of these initial costs related to technology in the classroom were incurred in 2012. Depreciation of capital assets decreased by $86,000 over prior year.

By function, variances in expenses were driven by the following items:

- Instruction costs decreased $3.71 million or 2.9%, primarily the result of a $4.82 million decrease in salaries and a $1.70 million decrease in benefits. The drop in salaries and benefits relates to the reduction in staffing of administration, teachers, paraprofessionals and other support staff. These decreases were offset by increases in supplies and expendable equipment of $0.55 million and $1.2 million in textbook purchases and of $1.07 million in instructional equipment purchases through SPLOST which fell below individual capitalization thresholds, primarily computers and 21st century classroom equipment.

- School administration decreased by $1.41 million. This was the result of closing three elementary schools and one middle school which eliminated school administration positions for those schools.

- Maintenance and operations decreased by $1.17 million. Salaries and benefits for this function remained at nearly the same levels as in the prior year. In 2013, the School System spent approximately $1.27 million more in various capital improvement projects. These projects included parking lot recoating and sealing, painting, flooring and ceiling grid replacement. Many of these projects were started in fiscal year 2012.

- Pupil services decreased $0.51 million, improvement of instruction decreased $0.14 million and educational media services decreased $0.38 million. Combined, this accounted for over $1.00 million in the reduction expenditures. These areas were all affected by the reduction in staffing.

Financial Analysis of the School System's Funds

As noted earlier, the School System uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds – Governmental funds provide information on near-term inflows, outflows, and balances of spendable resources. This information is useful in assessing the School System's financing requirements. Unassigned fund balance is a useful measure of the School System's net resources available for spending at the end of the fiscal year.

As of June 30, 2014, the School System's governmental funds reported combined ending fund balances of $76,156,823, an increase of $14,898,402 in comparison with the previous year. The net change is primarily the result of collecting $6.35 million more of local option sales tax under the two SPLOST referendums than was spent during the year and revenues exceeding expenditures and other uses in the General Fund by $8.46 million. Approximately 29.9% ($22,751,211) of ending fund

balance is made up of unassigned fund balance of the General Fund that is available for spending at the School System's discretion. Fund balances of special revenue funds and capital project funds are classified as restricted, committed or assigned. These categories are defined based on the level of limitations imposed on their use. Note A12 on page 57 of provides a definition of the various categories of fund balance. Note J on pages 67 and 68 provides additional detail. Total fund balances for the governmental funds are as follows:

Fund Balances at June 30, 2014	
Nonspendable	$ 185,164
Restricted	$ 47,746,430
Committed	$ 4,411,917
Assigned	$ 1,062,101
Unassigned	$ 22,751,211

The *General Fund* is the chief operating fund of the School System. Its fund balance increased $8.46 million over the prior year. Overall, revenues for the General Fund increased approximately $0.54 million compared to the prior year. This was a result of an increase of $1.32 million in state funds and a decrease of $0.77 million in local funds.

- All public school systems in Georgia receive state funding based on the Quality Basic Education Act (QBE) earnings formula. The formula is based on a system's enrollment multiplied by dollar values for different cost categories. Many factors affect the total QBE earnings for a school system, including the student enrollment, the instructional program classification of those students, the experience level of teachers (training and experience or "T&E") and the relative property wealth of the school system. Overall, earnings of direct instruction increased slightly by $420,000, despite having 146 fewer full time equivalent (FTE) students. This is due to the mix of FTEs (students) within each program classification. The School System earned $667,000 less in indirect costs - $353,000 less in school administrative salaries and $313,000 less in central office operations cost allocations. Furthermore, Fayette County's tax digest began declining in fiscal year 2011. That decline is reflected in the calculation for the System's local 5 mill share portion of the formula. The decrease in the tax base translated into a reduction of local 5 mill share of $755,000 million and an increase in state funding by the same amount. The amended formula adjustment, or austerity cut, decreased by $1.10 million, meaning more revenue. Categorical grants under QBE for transportation costs and nursing services were relatively flat, having a small increase of $48,000. Additionally, QBE earnings recorded on the modified accrual basis within the fund level financial statements includes adjustments for an amount receivable from the state at year end to pay teachers' salaries for July and August. The change in this receivable from 2013 to 2014 is a $53,000 reduction to revenue. In total, QBE earnings increased $1.60 million over last year.

- Other state revenue related to grants and on-behalf payments decreased $0.28 million.

- Property taxes decreased by $1.51 million. Although the gross tax digest increased just below 1%, the net digest decreased 0.25% due to an increase in exemptions. In addition, outstanding accounts have decreased and therefore collections on prior year balances have decreased.

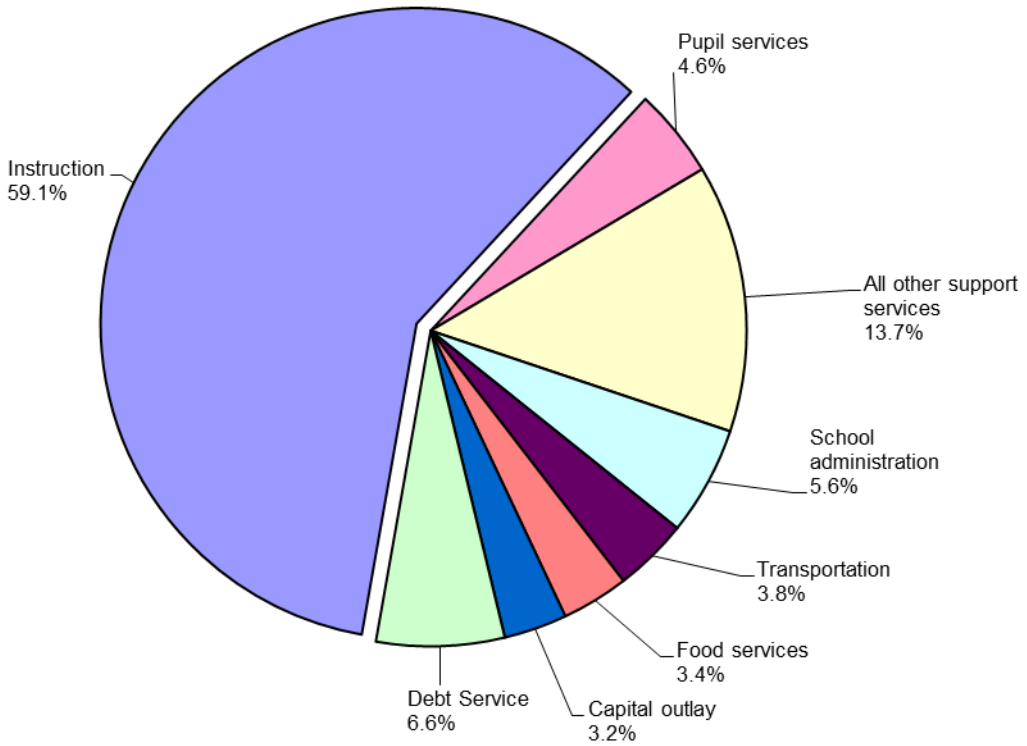
- Ad valorem for automobiles was down $1.68 million as the state transitioned to a sales tax based auto tag registration system. This decrease was offset by an increase in title ad valorem tax of $2.98 million. The net increase was $1.30 million for automotive related tax revenue.

- Intangible and transfer taxes, both related to real estate transactions, were down $0.40 million.

- All other local revenue sources decreased $0.22 million.

Expenditures for the General Fund decreased $9.69 million or 5.79% from 2013. The reduction in the number of staffing allotments with the closing of four schools significantly impacted salaries and related benefits (FICA and health insurance cost) as previously discussed. Overall, non-payroll related operating costs increased $0.66 million. Fuel and energy costs were $0.13 million higher than the previous year. Supplies and expendable equipment purchases increased $0.32 million. Principal and interest payments made from the General Fund for certificates of participation decreased $0.31 million based on the payment structure.

2014 Total Expenditures - All Governmental Funds



The *Debt Service Fund* is used to accumulate resources in order to pay current and future principal and interest amounts on bonded debt. Tax revenues had a modest decrease of approximately $0.36 million over 2013, a result of a decrease in the net school bond digest of 0.29%. During the year, $5.22 million of SPLOST proceeds were spent on debt service.

The *Capital Projects SPLOST Fund* is used to account for various projects funded through a one-cent local option sales tax for education as approved through voter referendum. During the year sales tax and interest earned for fiscal year 2014 was $15.23 million. Approximately $13.98 million was spent during the year, including a $5.22 million transfer to debt service to pay existing bonded debt. The remaining balance has been set aside to continue the projects as specified in the SPLOST referendum.

Other governmental funds consist of non-major special revenue funds and non-major capital project funds. The aggregate fund balance of these funds increased by approximately $5.44 million over the prior year. Most of the increase was in the capital project funds, with an increase of $5.05 million related to collection of sales tax under the 2012 SPLOST referendum (SPLOST II). In the special revenue funds, the After School Program had the largest increase with a $0.28 million increase and the Principals' Fund had the largest decrease with a $0.03 million decrease.

Proprietary funds- The School System's proprietary fund provides the same type of information found in the system-wide financial statements, but in more detail. The proprietary fund consists of an internal service fund, the Workers' Compensation Fund. At June 30, 2014, the proprietary fund has a net position of approximately $50,000, down $91,000 from prior year.

General Fund Budgetary Highlights

The School System's original budget was set based on preliminary state QBE allotments communicated by the State in May 2013. As in prior years, the State amended the QBE allotments during the year. Once the earnings sheets were finalized in March 2014, actual QBE earnings were approximately $248,000 less than the initial budget. The net adjustments were primarily the result of adjustments in the calculation for the number of full time equivalent (FTE) students used in the calculation. The Board did not amend the budget for this adjustment.

The School System had a positive revenue budget variance of $2.7 million. This variance was due to better than anticipated local revenues. Property tax collections were $1.0 million over budget. While automotive tax was under budget by $2.82 million, title ad valorem tax (TAVT) was $3.85 million over budget. The TAVT will replace the automotive tax as discussed below. Other revenues accounted for $0.76 million in budget variance related to increases in intangible taxes, transfer taxes and miscellaneous revenues.

The State instituted a new method for vehicle taxes that began in March 2013. The State began phasing in a one-time sales tax based calculation on auto tag registration to be paid when vehicles change ownership. Vehicles will stay on the old ad valorem tax system that assesses the tax each year based on 40% of the value of the vehicle times the millage rate. Starting in March 2013, any sale or change in ownership of a vehicle generated the new one time *title ad valorem tax (*TAVT) base on the vehicles fair market value time 6%. This change has increased the overall ad valorem tax for vehicles as this methodology captures taxes on "casual sales" or sales between individuals and not through a retail location. It is unclear if this increase in revenue will be maintained going forward. However,

included in the language of the new law are provisions to maintain the overall tax collections for vehicles at or above the amounts collected state-wide in 2012 through future rate adjustments.

Budget variances in salaries and benefits have the most significant impact on the budgeted expenditures, as personnel cost makes up 90.5% of the General Fund budget. Overall, personnel costs were lower than the budget by $3.02 million. Salaries were $2.12 million below budget and benefits were $0.90 million below budget. The School System continued the practice as in recent years to delay filling vacancies, especially in non-teaching positions. Each position was reviewed prior to filling to see if operations could be adjusted without the position filled. Some of the budget variance for benefits corresponds to the variance in salaries. In addition, lower than anticipated participation in employee health insurance created additional savings in employee matching costs.

Expenditures overall were $5.44 million under budget. The instruction function accounted for the major portion of this variance with $2.98 million. Instruction accounts for 68% of the total budget. Other major variances were seen in business administration ($0.35 million), maintenance and operations of facilities ($0.88 million), student transportation services ($0.67 million), and central support services ($0.35 million). These variances are discussed below.

Instruction showed a $2.98 million variance of which $2.78 million was related to salary and benefits. This is a 2.6% budget variance and is mainly attributable to vacancies during the year, lower than planned health insurance participation, and lower salaries for replacement employees.

Maintenance and operations of facilities was under budget by approximately $0.88 million. This favorable variance was attributable to lower than anticipated energy costs and lower than expected facility improvement and maintenance projects to be funded out of the General Fund.

Business services was under budget by $0.35 million due to a delay in the selection and implementation of ERP software. The School System planned to upgrade the finance, purchasing, and human resources software system, but an appropriate solution was not selected until after the end of the fiscal year.

Transportation was under budget by approximately $0.67 million, mostly in personnel costs. The School System struggled to fully staff bus driver positions and made operational adjustments to meet student transportation requirements.

Central support services was below budget by $0.35 million. The budgetary savings in this area is due to a delay in the implementation of software for a learning management system and delay in upgrade of equipment for the financial software system.

Expenditures recorded in other support services are primarily related to salaries funded by a source other than the School System such as booster clubs and parent teacher organizations (PTOs). As such, the School System does not budget for these expenditures. Proceeds related to these costs are recorded in other local revenue and are not budgeted also.

The School System saved $0.10 million budgeted for interest on tax anticipation notes As the result of continued efforts to reduce costs below budgeted amounts, the School System did not have to have short-term borrowings to meet cash flow needs.

Capital Assets and Debt Administration

Capital assets – The School System's balance of capital assets as of June 30, 2014 totals $228,936,486, net of accumulated depreciation. Capital assets include land, land improvements, buildings, autos and trucks, other equipment and construction in progress. This balance reflects a net decrease in capital assets of $16.51 million. The change in capital assets is affected by additions to capital assets, disposals and sales of capital assets and depreciation expense.

Major capital asset related events during the year included the following:

- The School System purchased 10 buses totaling approximately $0.78 million, funded with SPLOST proceeds.
- Camera surveillance systems were installed at three of the five high schools and at the Alternative School and Open Campus facilities.
- Network cabling was upgraded at an administrative facility.
- The visitor side bleacher seating at one of the high school stadiums was replaced.
- Upgrades were made to the network firewall filter.
- The technology backup/redundancy system was expanded.
- In late summer 2013, the School System sold a building and its thirty acre surrounding lot. The building was constructed in 2009 for the purpose of an elementary school. Due to unanticipated student enrollment declines, the building never opened as an elementary school, but had housed special education programs and administrative offices. The net book value of this property was $11.11 million.

Additional information on the School System's capital assets can be found in Note G on page 63 and 64 of this report.

Long-term debt – As of June 30, 2014, the School System had total bonded debt of $65,640,447 from four separate bond issuances. This bonded debt is payable from an ad valorem tax on all taxable property within the School District, without limit as to rate or amount.

During the year, the School System issued $53,240,000 in general obligation bonds to advance refund a portion of the 2005 Bonds and a portion of the 2007 bonds. These new bonds mature in 2026. Concurrent with this transaction, the School System sold an unoccupied school facility for $5,170,000 with the proceeds placed in escrow to defease additional amounts of the 2007 bonds. These transactions taken together will reduce the total debt service payments over the life of the bonds by $9,720,000, a net present value savings of $7,205,000.

The School System maintains a "AA-" rating from Standard & Poor's and a "Aa2" rating from Moody's Investor Services for general obligation debt, without credit enhancements as a result of the Georgia Intercept Program or bond insurance.

State statues limit the amount of general obligation debt a governmental entity may issue to ten percent of its total assessed valuation. The current debt limitation for the School System is $394,231,773 which is significantly in excess of the School System's outstanding general obligation debt.

Additional information on the School System's long-term debt can be found in Note I on pages 64 to 66 of this report.

Economic Factors and Next Year's Budgets and Rates

In preparing the fiscal year 2015 budget, School System administration had to consider several factors that would impact the 2015 revenues as compared to the previous year:

- School System enrollment has continued to decline which would negatively impact earnings of State funding. The School System assumed a slight decrease in enrollment.

- The tax digest was expected to remain flat or increase slightly. Additionally, the maintenance and operations millage rate was already at the 20.00 mill maximum.

- The local economy showed signs of improvement with some new industry moving into the area and an increase in residential building. Also, several multi-use developments are in the planning stages or have been presented to local officials for approval.

- The State of Georgia did propose to increase funding for education state-wide by over $314 million. The proposal adjusted the funding mechanism in a manner that gives school systems flexibility in the use of the increased funding. For Fayette County this should increase state funding by $9 million.

In developing the 2015 budget, the administration faced potential increases in health insurance costs for classified employees, increase to the employer contributions for the Teachers' Retirement System (TRS), and potential changes in state revenues. However, indications of an improving economy lead the administration to believe that the School System can provide additional resources strategically in efforts to improve classroom instruction and student achievement.

The administration's main 2015 budget goals were to:

1.) restore a full calendar for students, teachers, administration and support staff,

2.) maintain educational programs and enhance areas focused on college and career readiness,

3.) increase staffing in the classroom to impact instruction, and

4.) continue support for the integration of instructional technology in the classroom.

In 2014, the School System went through a drastic reduction in staffing and structure by closing three elementary schools and one middle school. For 2015, these closures allowed the System to maintain elementary schools at or around 500 students per school. This is a more efficient model for the use of administration and support staff at each location. Under this consolidated structure, the School System was able to more consistently staff schools at a target class size based on each level

(elementary or secondary). The challenge remained to provide sufficient resources to teachers and administration to meet educational goals and requirements.

For the 2015 budget, the School System restored some personnel or added staff in strategic areas:

- paraprofessionals at all levels to focus on instructional support,
- paraprofessionals for school administration support, and
- administration at the central office.

One major challenge in the staffing model was due to the implementation of a 7-period day schedule at four of the five high schools. The goal of the 7-period schedule is to provide students more options in course selection and provide a more extensive educational experience. In order to implement the new schedule with minimal staffing increases, the School System pays teachers an additional supplement to teach an additional period each day. Each high school was allotted a standard number of supplements that was adjusted based on the need at each school for scheduling and course offering requirements. The additional supplements are allotted based on the scheduling needs of the student population at each school.

With the anticipation of flat tax revenues, the School System was able to maintain the debt service millage rate at 1.45 mills. The School System budgeted $5 million of SPLOST receipts to be used toward the principle and interest payments on outstanding general obligation bonds. Additionally, the debt service fund has a fund balance of approximately $3.68 million to make up for any shortfalls in tax collections.

During 2015, the School System will continue to use sales tax receipts from SPLOST proceeds to fund capital improvements, including computer replacements, technology upgrades, bus purchases and safety and facilities improvements. In November 2012, the voters of the county approved a referendum to continue the educational SPLOST which was set to expire in March 2014. The second SPLOST will continue for an additional five years, beginning April 2014. This alternative funding source has been extremely vital to the School System over the last several years and will continue to be significant.

The School System continues to utilize SPLOST funding for technology improvements designed to impact learning for students. Previously, this meant shifting funding of items historically funded in the General Fund such as textbooks and technology devices to the SPLOST fund. This makes more resources available in the General Fund for direct classroom instruction. These types of purchases will continue and the School System will make the transition to digital content where possible. The focus for technology will turn to devices and equipment that will fulfill the vision of a "connected classroom". The "connected classroom" concept includes not just technology to connect the student to information but equipment, furniture, and digital content that also connects the student to the teacher and other students. The concept provides flexibility for the teacher to allow students to collaborate and interact in multiple ways.

In addition to the focus on technology and equipment with SPLOST funds, the School System has started to implement facility projects targeted to maintain and improve school buildings to provide a safe and comfortable environment for students and staff. Example projects include replacing roof and HVAC systems based on the System's long term facilities plan. In addition, renovation of buildings, improvements to athletic facilities, and long term infrastructure projects have been

planned. One major project planned for 2015 is the construction of a new transportation maintenance facility that will not only improve the efficiency of equipment maintenance but will improve on operational factors such as refueling and storage of vehicles. Other improvements include new athletic/physical education facilities at two middle schools, and major renovations at one high school to improve facility use.

The economic factors for the School System and local economy have seen positive changes since the 2015 budget was adopted. Local revenues appear to be improving with an expected increase in the tax digest. In addition, increases in intangible and transfer taxes seem to be a consistent trend. Even though the picture for automotive ad valorem taxes combined the new TAVT is unclear, the trend appears to be an overall increase in local revenue in the long run.

Requests for Information

This financial report is designed to provide a general overview of the School System's finances for all those with an interest in 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 Laura Brock, Coordinator of Audits and Purchasing, P.O. Box 879, Fayetteville, Georgia, 30214.



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Basic Financial Statements

Fayette County Board of Education

STATEMENT OF NET POSITION

June 30, 2014

	Governmental Activities
ASSETS	
Cash	$ 15,434,836
Investments	70,029,414
Due from other governments	13,238,967
Interest receivable	2
Taxes receivable	4,637,042
Prepaid items	4,788
Inventory	180,376
Capital assets, not being depreciated:	
Land	14,665,111
Construction in progress	2,855,707
Capital assets, net of accumulated depreciation:	
Buildings	194,761,973
Trucks and autos	8,244,473
Other equipment	8,409,222
Total assets	332,461,911
DEFERRED OUTFLOWS OF RESOURCES	
Deferred loss on refunding	5,057,113
Total deferred outflows of resources	5,057,113
LIABILITIES	
Accounts payable	2,493,226
Accrued interest	1,677,403
Salaries and benefits payable	21,957,354
Retainage payable	95,999
Unearned revenue	82,203
Claims payable	200,000
Noncurrent liabilities:	
Due within one year	8,804,570
Due in more than one year	
Accrued compensated absences	1,281,802
Claims payable	865,000
Bonds payable	57,220,424
Total liabilities	94,677,981
NET POSITION	
Net investment in capital assets	168,187,655
Restricted for:	
Capital projects	37,450,753
Debt service	2,001,775
Grant purposes	567,801
Unrestricted	34,633,059
TOTAL NET POSITION	$ 242,841,043

The accompanying notes are an integral part of this statement.

Fayette County Board of Education

STATEMENT OF ACTIVITIES

For the year ended June 30, 2014

Functions/Program Activities	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position: Governmental Activities
Governmental Activities:					
Instruction	123,283,652	391,846	73,935,677	50,000	(48,906,129)
Support services					
Pupil services	8,940,118	-	1,432,444	-	(7,507,674)
Improvement of instructional services	3,919,268	-	1,005,560	-	(2,913,708)
Educational media services	3,078,138	-	2,251,162	-	(826,976)
General administration	1,778,299	-	2,436,057	-	657,758
School administration	11,570,184	-	4,580,152	-	(6,990,032)
Business administration	872,724	-	12,054	-	(860,670)
Maintenance and operation of facilities	12,683,045	-	5,133,478	-	(7,549,567)
Student transportation services	8,820,745	-	1,662,120	-	(7,158,625)
Central support services	2,830,478	-	436,906	82,000	(2,311,572)
Other support services	491,443	-	196,953	-	(294,490)
Community services	2,137,412	2,238,940	292,837	-	394,365
Food services	7,495,355	3,565,762	3,181,810	-	(747,783)
Interest expense	3,154,736	-	-	-	(3,154,736)
Total governmental activities	191,055,597	6,196,548	96,557,210	132,000	(88,169,839)

General revenues	
Taxes	
Property taxes, levied for general purposes	78,952,883
Property taxes, levied for debt service	5,505,161
Intangible taxes, general purposes	1,204,912
Intangible taxes, debt service	83,280
Transfer taxes, general purposes	394,716
Transfer taxes, debt service	33,008
Other taxes, general purposes	15,611
Sales tax, capital outlay and debt service	20,241,186
Interest and investment earnings	85,588
Other	420,342
Total general revenues before extraordinary item	106,936,687
Extraordinary item	(6,050,097)
Total general revenues and extraordinary item	100,886,590
Change in net position	12,716,751
Net position - beginning of year	230,124,292
Net position - end of year	242,841,043

The accompanying notes are an integral part of this statement.

Fayette County Board of Education

BALANCE SHEET
GOVERNMENTAL FUNDS

June 30, 2014

	Major Governmental Funds				
	General	Debt Service Fund	Capital Projects SPLOST Fund	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash	$ 7,259,687	$ 352,450	$ 64,082	$ 6,865,003	$ 14,541,222
Investments	24,311,094	3,260,759	36,892,989	5,564,285	70,029,127
Due from other governments	12,118,794	-	-	1,120,173	13,238,967
Interest receivable	-	-	2	-	2
Taxes receivable	2,724,118	226,113	-	1,686,811	4,637,042
Due from other funds	637,462	-	31,369	-	668,831
Prepaid items	4,788	-	-	-	4,788
Inventory	-	-	-	180,376	180,376
Total assets	$ 47,055,943	$3,839,322	$ 36,988,442	$ 15,416,648	$ 103,300,355
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES					
Liabilities:					
Accounts payable	$ 965,145	$ -	$ 1,487,668	$ 11,557	$ 2,464,370
Salaries and benefits payable	20,714,886	-	-	1,242,468	21,957,354
Due to other funds	281,369	-	-	637,462	918,831
Retainage payable	-	-	95,999	-	95,999
Unearned revenue	82,203	-	-	-	82,203
Total liabilities	22,043,603	-	1,583,667	1,891,487	25,518,757
Deferred Inflows					
Unavailable property tax revenue	1,464,631	160,144	-	-	1,624,775
Total deferred inflows	1,464,631	160,144	-	-	1,624,775
Fund Balances:					
Nonspendable	4,788	-	-	180,376	185,164
Restricted	-	3,679,178	35,404,775	8,662,477	47,746,430
Committed	791,710	-	-	3,620,207	4,411,917
Assigned	-	-	-	1,062,101	1,062,101
Unassigned	22,751,211	-	-	-	22,751,211
Total fund balances	23,547,709	3,679,178	35,404,775	13,525,161	76,156,823
Total liabilities, deferred inflows and fund balances	$ 47,055,943	$3,839,322	$ 36,988,442	$ 15,416,648	$ 103,300,355

The accompanying notes are an integral part of this statement.

Fayette County Board of Education

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION

June 30, 2014

Amounts reported for governmental activities in the statement of net position are different because:

Total fund balances - governmental funds	$	76,156,823
Capital assets used in governmental activities are not financial resources and, therefore are not reported as assets in governmental funds.		228,936,486
Property taxes receivable not collected within sixty days of year-end are not available soon enough to pay for the current period's expenditures, and therefore are reported as unavailable property tax revenue in the funds.		1,624,775
Deferred losses on refunding of debt are reported in governmental activities and amortized over the life of the new debt.		5,057,113
Internal service funds are used to charge the costs of workers' compensation claims to the individual funds. The assets and liabilities of the internal service fund are included in the statement of net position.		50,045
Long-term liabilities, including capital leases payable, are not due and payable in the current period and, therefore are not reported as liabilities in the funds. Long-term liabilities at year end consist of:		
Bonds payable		(65,640,447)
Accrued interest on bonds and leases		(1,677,403)
Compensated absences payable		(1,500,852)
Unamortized discount on issuance of bonds		8,490
Unamortized premium on issuance of bonds		(173,987)
Net position of governmental activities	$	242,841,043

The accompanying notes are an integral part of this statement.

Fayette County Board of Education

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS

For the year ended June 30, 2014

	Major Governmental Funds				
	General	Debt Service Fund	Capital Projects SPLOST Fund	Other Governmental Funds	Total Governmental Funds
Revenues					
State funds	$ 84,938,165	$ -	$ -	$ 976,215	$ 85,914,380
Federal funds	-	-	-	8,535,870	8,535,870
Local and other funds	81,879,443	5,632,439	15,284,982	12,622,786	115,419,650
Total revenues	166,817,608	5,632,439	15,284,982	22,134,871	209,869,900
Expenditures					
Current					
Instruction	108,256,101	-	1,714,445	5,483,130	115,453,676
Support services					
Pupil services	7,883,461	-	-	1,058,005	8,941,466
Improvement of instructional services	3,169,763	-	-	570,720	3,740,483
Educational media services	2,787,976	-	-	82,112	2,870,088
General administration	1,418,617	-	-	288,556	1,707,173
School administration	10,581,224	-	-	328,446	10,909,670
Business administration	861,971	-	-	-	861,971
Maintenance and operation of facilities	12,311,722	-	-	82,111	12,393,833
Student transportation services	7,284,196	-	-	157,252	7,441,448
Central support services	2,570,756	-	-	-	2,570,756
Other support services	301,974	-	-	189,469	491,443
Community service	41	-	-	2,137,395	2,137,436
Food services	94,611	-	-	6,613,203	6,707,814
Capital outlay	-	-	6,262,906	55,229	6,318,135
Debt Service					
Principal retirement	455,000	7,988,145	763,755	-	9,206,900
Interest and fees	25,742	3,221,486	17,717	-	3,264,945
Bond issuance cost	-	323,414	-	-	323,414
Total expenditures	158,003,155	11,533,045	8,758,823	17,045,628	195,340,651
Excess (deficiency) of revenues over (under) expenditures	8,814,453	(5,900,606)	6,526,159	5,089,243	14,529,249
Other financing sources (uses)					
Proceeds from sale of assets	-	5,170,000	-	-	5,170,000
Issuance of refunding bonds	-	53,240,000	-	-	53,240,000
Payments to refunded bond escrow agent	-	(58,040,847)	-	-	(58,040,847)
Transfers in (out)	(357,411)	5,223,517	(5,223,517)	357,411	-
Total other financing sources (uses)	(357,411)	5,592,670	(5,223,517)	357,411	369,153
Net change in fund balances	8,457,042	(307,936)	1,302,642	5,446,654	14,898,402
Fund balances, beginning of year	15,090,667	3,987,114	34,102,133	8,078,507	61,258,421
Fund balances, end of year	$ 23,547,709	$ 3,679,178	$ 35,404,775	$ 13,525,161	$ 76,156,823

The accompanying notes are an integral part of this statement.

Fayette County Board of Education

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES WITH THE SYSTEM-WIDE STATEMENT OF ACTIVITIES

For the year ended June 30, 2014

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds		$ 14,898,402
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation ($9,969,036) exceeds capital outlay ($4,683,456).		(5,285,580)
Governmental funds report proceeds from the sale of capital assets. In the statement of activities, the proceeds are netted against the net depreciated value of those assets and a gain or loss on the sale is recorded.		(11,220,097)
Issuance of long-term debt provides current financial resources to governmenetal funds, while the repayment of the pricipal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, deferred gains on refundings, and similar items when debt is first issued, where these amounts are deferred and amortized in the statement of activities. The details of this difference are as follows:		
Repayment of bond principle	7,988,145	
Repayment of capital lease and certificates of participation principle	1,218,755	
Payment to refunding escrow agent for principle and interest	52,039,999	
Issuance of general obligation bonds	(53,240,000)	
Deferred loss on bond refunding	5,394,253	
Reduction of bond discounts and premiums on bond refunding	606,595	
Amortization on bond discounts and premiums	283,939	
Amortization on deferred loss on bond refunding	(337,140)	
		13,954,546
Because some property taxes will not be collected for several months after the School System's fiscal year ends, they are not considered "available" revenues and are deferred in the governmental funds. Unavailable tax revenues decreased by this amount this year.		(47,455)
In the statement of activities, certain operating expenses - compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This year, vacation leave taken exceeded the amounts earned by this amount.		21,390
Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.		486,824
Internal service funds are used to charge the costs of workers' compensation claims to the individual funds. Net income of the internal service fund is reported in the governmental activities.		(91,279)
Change in net position of governmental activities		$ 12,716,751

The accompanying notes are an integral part of this statement.

Fayette County Board of Education

General Fund
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - (NON-GAAP BASIS)

For the year ended June 30, 2014

	Original Budget	Final Budget	Actual (Budget basis)	Variance
Revenues				
State funds	$ 84,024,590	$ 84,024,590	$ 84,142,436	$ 117,846
Federal funds	-	-	-	-
Local and other funds	78,067,089	79,301,079	81,879,443	2,578,364
Total revenues	162,091,679	163,325,669	166,021,879	2,696,210
Expenditures				
Current				
Instruction	110,257,841	111,234,083	108,256,101	2,977,982
Support services				
Pupil services	8,176,297	8,240,959	7,883,461	357,498
Improvement of instructional services	3,255,021	3,275,207	3,169,763	105,444
Educational media services	2,821,017	2,843,657	2,787,976	55,681
General administration	1,278,130	1,283,724	1,417,303	(133,579)
School administration	10,528,808	10,609,490	10,581,224	28,266
Business administration	1,193,793	1,200,485	849,918	350,567
Maintenance and operation of facilities	12,928,861	12,972,537	12,094,973	877,564
Student transportation services	7,800,882	7,808,142	7,135,161	672,981
Central support services	2,896,964	2,903,320	2,556,308	347,012
Other support services	-	-	295,990	(295,990)
Community service	-	-	41	(41)
Food services	-	-	2,016	(2,016)
Debt service				
Principal retirement	455,000	455,000	455,000	-
Interest and fees	124,065	124,065	25,742	98,323
Total expenditures	161,716,679	162,950,669	157,510,977	5,439,692
Excess of revenues over revenues	375,000	375,000	8,510,902	8,135,902
Other financing uses				
Transfers out	(375,000)	(375,000)	(357,411)	17,589
Total other financing uses	(375,000)	(375,000)	(357,411)	17,589
Net change in fund balances	$ -	$ -	$ 8,153,491	$ 8,153,491

The accompanying notes are an integral part of this statement.

Fayette County Board of Education

STATEMENT OF NET POSITION
PROPRIETARY FUNDS

June 30, 2014

	Governmental Activities-- Internal Service Workers' Compensation Fund
ASSETS	
Current Assets:	
Cash	$ 893,614
Investments	287
Due from other funds	250,000
Total assets	1,143,901
LIABILITIES	
Current Liabilities:	
Accounts payable	28,856
Claims payable	200,000
Total current liabilities	228,856
Noncurrent Liabilities:	
Claims payable	865,000
Total noncurrent liabilities	865,000
Total liabilities	1,093,856
NET POSITION	
Unrestricted	50,045
Total net position	$ 50,045

The accompanying notes are an integral part of this statement.

Fayette County Board of Education
Proprietary Funds

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

For the year ended June 30, 2014

	Governmental Activities-- Internal Service Workers' Compensation Fund
Operating revenues	
Local and other funds	$ 1,150,000
Total operating revenues	1,150,000
Operating expenses	
Administration	57,955
Claims	1,183,324
Total operating expenses	1,241,279
Change in net position	(91,279)
Net position, beginning of year	141,324
Net position, end of year	$ 50,045

The accompanying notes are an integral part of this statement.

Fayette County Board of Education
Proprietary Funds

STATEMENT OF CASH FLOWS

For the year ended June 30, 2014

	Governmental Activities-- Internal Service Workers' Compensation Fund
Cash flows from operating activities:	
Cash received from interfund services	$ 900,000
Cash paid to suppliers	(896,136)
Net cash provided by operating activities	3,864
Net increase in cash	3,864
Cash at beginning of year	889,750
Cash at end of year	$ 893,614
Reconciliation of operating loss to net cash provided by operating activities:	
Operating loss	$ (91,279)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Change in assets and liabilities:	
Due from other funds	(250,000)
Accounts payable	(4,857)
Claims payable	350,000
Net cash provided by operating activities	$ 3,864

The accompanying notes are an integral part of this statement.

Fayette County Board of Education
Fiduciary Funds

STATEMENT OF FIDUCIARY NET POSITION
June 30, 2014

	David Phillips Memorial Private-Purpose Trust Fund	Agency Fund Club and Class Funds
ASSETS		
Cash	$ -	$ 1,489,590
Investments	9,446	-
Total assets	9,446	1,489,590
LIABILITIES		
Due to student groups	-	1,489,590
NET POSITION		
Restricted for scholarships	$ 9,446	$ -

The accompanying notes are an integral part of this statement.

Fayette County Board of Education
Fiduciary Funds

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the year ended June 30, 2014

	David Phillips Memorial Private-Purpose Trust Fund
ADDITIONS	
Donations	$ -
Interest	12
Total additions	12
DEDUCTIONS	
Other support services	500
Change in net position	(488)
NET POSITION, beginning of year	9,934
NET POSITION, end of year	$ 9,446

The accompanying notes are an integral part of this statement.



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NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Fayette County Board of Education (the "School System") have been prepared in conformity with accounting principles generally accepted in the United States of America ("USGAAP") as applicable to government units. The more significant of the School System's accounting policies are summarized below.

1. Description of System-wide Financial Statements

The system-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the School System. All fiduciary activities are reported only in the fund financial statements. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support.

2. Reporting Entity

The School System was established under the laws of the State of Georgia and operates under the guidance of a five member school board (the "Board") elected by the voters of Fayette County and a superintendent appointed by the Board. The School System is organized as a separate legal entity and has the power to levy taxes, issue bonds with voter approval, and conduct all other business pursuant to the operation of the School System. Its budget is not subject to approval by any other entity. Accordingly, the School System is a primary government and consists of all the organizations that compose its legal entity. There are no component units included in the School System's reporting entity as defined by Governmental Accounting Standards Board ("GASB") Statement No. 14 as amended by GASB Statement No. 39 and GASB Statement No. 61.

3. Basis of Presentation – System-wide Financial Statements

While separate system-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the system-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the system-wide financial statements.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

4. Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the School System's funds, including its fiduciary funds. Separate statements for each fund category – governmental, proprietary, and fiduciary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements

The School System reports the following major governmental funds:

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

The *Debt Service Fund* is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. The primary revenue source is local property taxes levied specifically for debt service.

The *Capital Projects – SPLOST Fund* is used to account for various projects funded by an educational special purpose local option sales tax and approved by voter referendum.

The School System does not report any enterprise funds.

Additionally, the School System reports the following fund types:

The *special revenue funds* account for revenue sources that are restricted or committed to expenditure for specific programs, primarily federal and state grant funded programs. These grants are awarded to the School System for the purpose of accomplishing specific educational tasks as defined in the grant agreements. These funds also contain several locally funded programs whose expenditures are limited to specific purposes. School Activity Funds are also reported as special revenue funds. The School Activity Funds are used to account for funds collected primarily through the fund raising efforts of the individual school. Each school's principal is responsible, under the authority of the School System, for collecting, controlling, disbursing and accounting for his or her school's funds. All resources of the fund, including any earnings on invested resources, may be used to support the schools' activities.

The *capital project funds* account for resources provided for the acquisition, construction or renovation of major capital facilities.

The *internal service fund* accounts for the self-insurance of workers' compensation of the School System's employees.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

4. Basis of Presentation – Fund Financial Statements - continued

The *fiduciary funds* are a classification of funds used to account for assets held on behalf of various funds, governments or individuals. The fiduciary funds include the following fund types:

The *agency fund* accounts for student club and class accounts.

The *private-purpose trust fund* accounts for resources devoted to the presentation of a scholarship award to a student each year. The corpus of this trust fund is to be invested and remain intact, with the investment earnings to be used to provide the scholarships.

During the course of operations the School System has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the system-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is include as internal balances in the governmental activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the system-wide financial statements. Transfers between the funds included in the governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

5. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The system-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. 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 year for which they are levied. Grants and similar items are recognized as revenue as soon as all requirements imposed by the provider have been met.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

5. Measurement Focus and Basis of Accounting - continued

The 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 tax revenues to be available if they are collected within sixty days of the end of the current fiscal period. Additionally, the School System considers grant revenues to be available if all requirements imposed by the provider have been met, regardless of timing of the collection. Expenditures generally are 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. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales taxes, grant revenue, state QBE ("Quality Basic Education") revenue and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period. Expenditure-driven grant are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met.

The State of Georgia ("the State") 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 school year (July 1 – June 30) and paid over a twelve month contract period, generally September 1 through August 31. In accordance with the requirements of the enabling legislation of the QBE program, the State 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 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 year, the State has a signed appropriation that includes this final amount, which represents the State's intent to fund this final payment. Based on guidance in Government 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.

The proprietary and private-purpose trust funds are reported using the economic resources measurement focus and the accrual basis of accounting. The agency fund has no measurement focus but utilized the accrual basis of accounting for reporting its assets and liabilities.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

6. Cash and Cash Equivalents

The School System's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. Official Code of Georgia Annotated ("O.C.G.A.") 45-8-14 authorizes the School System to deposit its funds in one or more solvent banks or insured federal savings and loan associations.

7. Investments

Investments made in nonparticipating interest-earning contracts (such as certificates of deposit) and repurchase agreements are reported at cost. Participating interest-bearing contract and money market investments with a maturity at purchase of one year or less are reported at amortized cost. Both participating interest earning contracts and money market investments with a maturity at purchase greater than one year are reported at fair value.

8. Inventories and Prepaid Items

Inventories of donated food commodities used in the preparation of meals are reported at their federally assigned value and purchased foods inventories are reported at cost using the first-in, first-out method (FIFO). The School System uses the consumption method to account for both donated and purchased inventories whereby donated food commodities are recorded as an asset and as revenue when received or purchased, and expenditures/expenses are recorded as inventories are used rather than when purchased.

Payments made to vendors for services that will benefit periods beyond year end are recorded as prepaid items using the consumption method by recording as asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed rather than when purchased.

9. Capital Assets

Capital assets, which include property and equipment, are reported in the system-wide financial statements. Capital assets are defined by the School System as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of 3 years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair 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 assets' lives are not capitalized.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

9. Capital Assets- continued

Land and construction in progress are not depreciated. Other property and equipment of the School System is depreciated using the straight line method over the following estimated useful lives:

Buildings and improvements	25 to 50 years
Computers	5 years
Machinery and equipment	5 to 20 years
Kitchen equipment	15 to 20 years
Vehicles	10 years

10. Compensated Absences

It is the School System's policy to permit employees to accumulate earned but unused vacation benefits. All vacation is accrued when incurred in the system-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Sick and personal leave does not vest with the employee and unused accumulated sick and personal leave is forfeited upon retirement or termination of employment. Therefore, no liability is recorded for non-vesting accumulating rights to receive sick pay benefits.

11. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The School System has only one item tha qualified for reporting in this category. A deferred loss on refunding results from the difference in the carrying valure of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of net position and governmental funds balance sheet will sometimes report a separate section for *deferred inflows of resources*. This separate financial statement element represents an acquisition of net position 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 one item that qualifies for reporting in this category. Accordingly, the item, unavailable property tax revenue, is reported only in the governmental funds balance sheet. This amount will be recognized as an inflow of resources in the period in which the amount becomes available.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

12. Fund Balance Policy and Flow Assumptions

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring use of resources for specific purposes. The School System itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the School System's highest level of decision-making authority. The School Board is the highest level of decision-making authority for the School System that can, by a majority vote after a recommendation brought to it by the Superintendent or a member of the Board prior to year end, commit fund balance. Once approved, the limitation imposed by the vote remains in place until a similar action is taken to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the School System for specific purposes but do not meet the criteria to be classified as committed. By policy, the Board has authorized the Superintendent to assign fund balance, with Board consent. The Board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget.

Other categories of fund balance are:

Nonspendable: Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted: Fund balances are reported as restricted when there are limitations imposed on their use whether through constitutional provisions or enabling legislation, or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Unassigned: Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the criterion to be classified as nonspendable, restricted, committed or assigned.

Sometimes the School System will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the School System's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

13. Net Position Flow Assumptions

Sometimes the School System will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the system-wide and proprietary fund financial statements, a flow assumption must be made about the order in which resources are to be applied.

Based on the School System's policy on fund balance flows where restricted fund balance is depleted before using unrestricted fund balance, restricted – net position is to be depleted before unrestricted – net position is applied.

14. Program Revenues

Amounts reported as *program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

15. Proprietary Funds Operating and Nonoperating Revenues and Expenses

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the School System's internal service fund are charges to customers for services. Operating expenses for the internal service funds include the cost of services and administrative expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

NOTE B – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Fayette County Board of Education adopts annual budgets for its general fund, debt service fund and special revenue funds. Appropriations not spent or encumbered lapse at year end. Any outstanding encumbrances must be reappropriated in the budget of the following year. The budget process begins when the School System's administration prepares a tentative budget for the Board's approval. After approval of this tentative budget by the Board, such budget is advertised at least once in a newspaper of general circulation in the locality. At the next regular meeting of the Board after advertisement, the Board receives comments on the tentative budget, makes revisions as necessary and adopts a final budget. This final budget is then submitted to the Georgia Department of Education, in accordance with provisions of the Quality Basic Education Act.

NOTE B – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY – continued

The level of legal budgetary control (the level at which expenditures may not exceed appropriations) is at the aggregate level by fund type. Management may make transfers of appropriations within a specific fund and between funds within the same fund type.

The Statement of Revenues and Expenditures - Budget and Actual presents actual and budget data for the General Fund. To facilitate comparison with the budget, adjustments have been made to actual revenues and expenditures to reflect actual amounts on the budget basis.

The primary differences between the budget basis and accounting principles generally accepted in the United States of America ("USGAAP") are:

(a) State revenue relating to Quality Basic Education expenditures is recorded when received (budget) rather than when susceptible to accrual (USGAAP).

(b) Payments made by the State of Georgia for School System employee benefits are recognized as revenues and expenditures under USGAAP and are not recognized on the budget basis.

(c) Capital leases are recorded as expenditures and as other financing sources under USGAAP and are not recorded under the budgetary basis.

Adjustments necessary to convert the General Fund's net change in fund balance from the USGAAP basis to the budget basis are shown below:

USGAAP Basis Net Change in Fund Balances	$	8,457,042
Adjustments for:		
State QBE revenue		(303,551)
State paid employee benefit revenue		(492,178)
State paid employee benefit expenditures		492,178
Budget Basis Net Change in Fund Balances	$	8,153,491

Additionally, the School System budgets purchases of buses and capital lease payments for buses under transportation services. In reporting actual expenditures – budget basis, these items have been reclassified from capital outlay and debt service, respectively, to student transportation services.

NOTE C – DEPOSTS AND INVESTMENTS

Credit Risk. O.C.G.A. 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. The School System may invest its funds in obligations of the State of Georgia or other states, obligations issued by the United States government, obligations fully insured or guaranteed by the United States government or a United States government agency, obligations of any corporation of the United States government, prime banker's acceptances, the Georgia Fund 1 administered and regulated by the Georgia Office of the State Treasurer, repurchase agreements, and obligations of political subdivisions of the State of Georgia. The School System does not have a policy for credit risk beyond the types of investments authorized by Georgia state law.

At June 30, 2014, the School System had the following investments:

Investment Type	Maturities	Rating	Fair Value
Georgia Fund 1	62 day weighted average	AAAf	$ 69,955,637
Money market mutual funds	N/A	N/A	22,598
Certificates of deposit	November 2, 2014	N/A	60,625
			$ 70,038,860

Georgia Fund 1, created by O.C.G.A. 36-83-8, is a stable net asset value investment pool which follows Standard and Poor's criteria for AAAf rated money market funds. However, Georgia Fund 1 operates in a manner consistent with Rule 2a-7 of the Investment Company Act of 1940 and is considered to be a 2a-7 like pool. The pool is not registered with the Securities Exchange Commission as an investment company. The Office of the State Treasurer is the regulatory oversight agency for Georgia Fund 1. The pool's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal ($1.00 per share value). Net asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participant's shares sold and redeemed based on $1.00 per share. Pooled cash and cash equivalents and investments are reported at cost which approximates fair value. The pool does not issue any legally binding guarantees to support the value of the shares. Participation in the pool is voluntary and deposits consist of funds from local governments; operating and trust funds of Georgia's state agencies; colleges and universities; and current operating funds of the State of Georgia's general fund. Investments in Georgia Fund 1 are directed toward short-term instruments such as U.S. Treasury obligations, securities issued or guaranteed as to principal and interest by the U.S. government or any of its agencies or instrumentalities, banker's acceptances and repurchase agreements.

Interest rate risk. 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. However, the School System does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

NOTE C – DEPOSTS AND INVESTMENTS - continued

Custodial Credit Risk. Custodial credit risk is the risk that, in the event of failure of a depository financial institution or of counterparties to investment transactions, the School System will not be able to recover deposits, investments or collateral securities that are in the possession of an outside party. The School System follows Georgia state law which requires bank balances to be covered by federal deposit insurance or by collateral held by the School System's agent in the School System's name. As of June 30, 2014, the School System was not exposed to custodial credit risk for investments. The School System does not have a policy for custodial credit risk beyond the requirements of Georgia state law.

NOTE D – DUE FROM OTHER GOVERNMENTS

Due from other governments consists of grant reimbursements due primarily from the Georgia Department of Education.

NOTE E – TAXES RECEIVABLE

Property taxes were levied on September 15, 2013, based on property values assessed as of January 1, 2013, and were considered past due if not paid on or before November 15, 2013, at which time the applicable property is subject to lien, and penalties and interest may be assessed. State law limits the School System's tax levy for operations to 20 mills (one mill equals $1 per thousand dollars of assessed value). Taxes levied in calendar year 2013 were levied at 20.00 mills for operations and 1.45 mills for school bonds.

Tax revenues, at the fund reporting level, amounted to $80,609,610 for maintenance and operations and $5,627,417 for school bonds.

A one percent Special Purpose Local Option Sales Tax (SPLOST) is to be used for capital outlay for educational purposes and for debt service. The State of Georgia collects the tax on behalf of the School System. Collection on the tax authorized unther the 2008 referendum (SPLOST I) terminated on March 31, 2014. Collection of the tax authorized under the 2012 referendum will terminate once a total of $107,000,000 has been collected or on March 31, 2019, whichever occurs first.

SPLOST tax revenues, at the fund reporting level, amounted to $20,241,186 as of June 30, 2014.

NOTE E – TAXES RECEIVABLE - continued

At June 30, 2014, taxes receivable, at the fund reporting level, consisted of the following:

- $1,624,775 (net of $837,005 in allowances for doubtful accounts) in delinquent property taxes receivable was recognized as receivable and as deferred inflows,
- $1,166,430 of property tax was recognized as receivable and as revenue because it was considered susceptible for accrual based on collections within 60 days of year end,
- $1,686,811 of SPLOST receipts recognized as receivables and as revenue because it was considered susceptible for accrual based on collections within 60 days of year end,
- and $159,026 of intangible recording and real estate transfer taxes.

NOTE F – INTERFUND RECEIVABLES AND PAYABLES

At June 30, 2014, interfund receivables and payables consisted of the following:

	RECEIVABLE FUNDS			
	Major Funds			
	General Fund	SPLOST	Workers' Compensation	Total
PAYABLE FUNDS				
General Fund	$ -	$ 31,369	$ 250,000	$ 281,369
Non-Major Funds:				
Nutrition Service	13,020	-	-	13,020
Title I	179,673	-	-	179,673
IDEA	293,043	-	-	293,043
Vocational Grants	10,711	-	-	10,711
Title II	89,286	-	-	89,286
Title III	37,929	-	-	37,929
Race to the Top	13,800	-	-	13,800
	$ 637,462	$ 31,369	$ 250,000	$ 918,831

Interfund balances resulted from the time lag between receiving and recognizing certain revenues and meeting temporary cash flow requirements.

NOTE G – CAPITAL ASSETS

The following is a summary of capital asset activity for the fiscal year ending June 30, 2014:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated				
Land	$ 15,431,494	$ -	$ (766,383)	$ 14,665,111
Construction in progress	576,445	2,279,262	-	2,855,707
Total capital assets, not being depreciated	16,007,939	2,279,262	(766,383)	17,520,818
Capital asset, being depreciated				
Buildings and improvements	331,606,878	-	(11,117,893)	320,488,985
Autos and trucks	19,751,211	839,573	(625,431)	19,965,353
Other equipment	26,802,431	1,564,621	(2,271,864)	26,095,188
Total capital assets, being depreciated	378,160,520	2,404,194	(14,015,188)	366,549,526
Less accumulated depreciation for:				
Buildings and improvements	(119,957,752)	(6,547,128)	777,868	(125,727,012)
Autos and trucks	(10,912,521)	(1,426,306)	617,947	(11,720,880)
Other equipment	(17,856,023)	(1,995,602)	2,165,659	(17,685,966)
Total accumulated depreciation	(148,726,296)	(9,969,036)	3,561,474	(155,133,858)
Total capital assets being depreciated, net	229,434,224	(7,564,842)	(10,453,714)	211,415,668
Governmental activities capital assets, net	$ 245,442,163	$ (5,258,580)	$ (11,220,097)	$ 228,936,486

Depreciation expense was charged to various functions for governmental activities as follows:

Instruction	$ 6,463,559
Support services	
Pupil services	1,577
Improvement of instructional services	190,604
Educational media services	208,050
General administration	34,535
School administration	568,304
Business administration	2,836
Maintenance and operations of facilities	56,587
Student transportation services	1,374,468
Central support services	260,246
Community service	19,522
Food services	788,748
Total depreciation	$ 9,969,036

NOTE H – LEASE OBLIGATIONS

Capital Leases

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

These capital leases were paid in full during the fiscal year ended June 30, 2014.

NOTE I – LONG-TERM DEBT

General Obligation Bonds

In September 2013, the School System issued $53,240,000 in Series 2013 General Obligation Bonds to advance refund a portion of its outstanding Series 2005 General Obligation Bonds and a portion of its outstanding Series 2007 General Obligation Bonds. The net proceeds of $52,901,111 (after payment of underwriting fees, insurance and other issuance costs) were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for future debt service payments beginning in 2017 on the Series 2005 Bonds and future debt service payments beginning in 2018 through a portion of 2026 on the Series 2007 Bonds. As a result, these portions of the Series 2005 and Series 2007 Bonds are considered defeased and the liability for these bonds has been removed from the statement of net position.

Additionally, the School System sold an unoccupied elementary school facility for $5,170,000. The proceeds of the sale were placed in escrow to defease the principal and interest payments of the Series 2007 Bonds due in 2026 and 2027 remaining after the transaction to advance refund the debt with the issuance of the Series 2013 Bonds. These bonds are considered to be defeased and the liability for these bonds has been removed from the statement of net position.

Taken together, these two transactions reduced the School System's total debt service payments over the next fifteen years by approximately $9,720,000, with an economic gain (the difference between the present values of the debt service payments on the old and the new debt) of approximately $7,205,000.

In July 2009, the School System issued $24,800,000 in 2009 General Obligation Bonds to currently refund $24,905,000 of outstanding 1999 General Obligation Bonds.

In March 2007, the School System issued $29,965,000 in 2007 General Obligation Bonds for the purpose of acquiring, constructing and equipping new school buildings and facilities, renovating existing facilities, and acquiring, installing and equipping system-wide technology. A portion of these bonds remain outstanding subsequent to the issuance of the advance refunding resulting from the issuance of the 2013 Bonds and the sale of property.

NOTE I – LONG-TERM DEBT – continued

General Obligation Bonds – continued

In February 2005, the School System issued $35,000,800 in 2005 General Obligation Bonds for the purpose of acquiring, constructing and equipping new school buildings and facilities, renovating existing facilities, and acquiring, installing and equipping system-wide technology. A portion of these bonds remain outstanding subsequent to the issuance of the advance refunding with the 2013 bond issuance.

General obligation bonds consist of the following as of June 30, 2014:

Series	Coupon Rate	Maturities	Balance
2005	3.65% to 4.50%	2010 to 2016	$ 4,120,474
2007	3.50% to 5.00%	2011 to 2017	4,095,000
2009	2.50% to 5.00%	2010 to 2015	4,590,000
2013	2.53%	2014 to 2026	52,834,973
			$ 65,640,447

Annual debt service requirements to maturity for general obligation bonds are as follows:

	Principal	Interest	Total
2015	$ 8,585,520	$ 2,477,638	$ 11,063,158
2016	4,189,954	2,126,933	6,316,887
2017	4,995,000	1,362,682	6,357,682
2018	5,205,000	1,211,110	6,416,110
2019	5,390,000	1,079,424	6,469,424
2020-2024	30,020,000	3,249,529	33,229,259
2025-2027	7,254,973	198,730	7,453,703
Total	$ 65,640,447	$ 11,706,046	$ 77,346,223

NOTE I – LONG-TERM DEBT – continued

Certificates of Participation

In June 1999, the School System issued $5,080,000 in Certificates of Participation (COPS) to advance refund $3,035,000 of outstanding 1991 COPS as well as to finance additional construction. These COPS are treated similar to a capital lease. A portion of the net proceeds was used to purchase U.S. government securities which were deposited into an irrevocable trust with an escrow agent to provide for all future debt service payments on the 1991 COPS. As a result, the 1991 COPS are considered to be defeased and the liability for those COPS has been removed from the School System's financial statements. The defeased certificates of participation were paid in full during the fiscal year ending June 30, 2002.

The certificates of participation were paid in full during the fiscal year ending June 30, 2014.

Changes in Long-Term Liabilities

The changes in long-term debt during the year were as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
General obligation bonds	$ 65,407,739	$ 53,240,000	$ (53,007,292)	$ 65,640,447	$ 8,585,520
Less discount on issuance of bonds	(59,448)	-	50,958	(8,490)	-
Plus premium on issuance of bonds	1,115,479	-	(941,492)	173,987	-
Total bonds payable	66,463,730	53,240,000	(53,897,826)	65,805,944	8,585,520
Certificates of participation	455,000	-	(455,000)	-	-
Capital leases payable	763,755	-	(763,755)	-	-
Claims payable	715,000	1,183,324	(833,324)	1,065,000	200,000
Accrued compensated absences payable	1,522,242	977,012	(998,402)	1,500,852	219,050
	$ 69,919,767	$ 55,400,336	$ (56,947,947)	$ 68,371,796	$ 9,004,570

Claims payable and compensated absences are generally liquidated by the General Fund.

NOTE J - FUND BALANCES

Nonspendable – The following fund balance are nonspendable because they are allocated to:

General Fund:	
Prepaid items	$ 4,788
Nonmajor Special Revenue Funds:	
School Nutrition Service Fund inventory	180,376
Total Nonspendable Fund Balance	$ 185,164

Restricted – The following balances are restricted for:

Debt Service Fund: used to account for tax proceeds and debt service payments on general obligation debt	$ 3,679,178
Capital Projects-SPLOST I Fund: used to account for sales tax proceeds collected under the 2008 SPLOST referendum and the cost of capital projects financed with those SPLOST proceeds	35,404,775
Nonmajor Special Revenue Funds:	
School Nutrition Services Fund – used to account for activity of the school lunch program	1,544,347
Friends Mentoring Program Fund– used to account for proceeds of grant from Department of Human Resources	19,768
Other Grants Fund– used to account for various grant awards	3,644
Nonmajor Capital Project Funds:	
Bond 2007 Fund– used to account for capital projects financed with proceeds of the 2007 bond referendum	2,045,978
SPLOST II Fund – used to account for sales tax proceeds collected under the 2012 SPLOST referendum and the cost of capital projects financed with those SPLOST proceeds	5,048,740
Total Restricted Fund Balance	$ 47,746,430

NOTE J - FUND BALANCES - continued

Committed - The following fund balances are committed to:

General Fund : to account for a portion of net eRate receipts set aside by the Board to be used on technology infrastucture	$	791,710
Nonmajor Special Revenue Funds:		
Community Education Fund – used to account for the activities of community school programs		1,143,636
After School Program Fund – used to account for the activities of after school programs		1,198,910
Donations Fund – used to account for resources provided by donations		79,038
Auditorium Rentals Fund – used to account for resources generated by auditorium facility rentals		52,530
Principals' Fund – used to account for resources generated by schools for various school activities and needs		1,146,093
Total Committed Fund Balance	$	4,411,917

Assigned – The following fund balances are assigned to:

Nonmajor Special Revenue Funds:		
Community Education Fund – to account for a portion of the year end fund balance which is appropriated in the subsequent year's budget	$	32,900
Auditorium Fund – to account for a portion of the year end fund balance which is appropriated in the subsequent year's budget		5,000
Nonmajor Capital Project Funds:		
Regular Capital Project Fund – to account for amounts intended to be spent on capital outlay		1,024,201
Total Assigned Fund Balance	$	1,062,101

NOTE K – INTERFUND TRANSFERS

Interfund transfers for the year ended June 30, 2014 consisted of the following amounts:

	TRANSFERS OUT			
	Major Funds		NonMajor Fund	
	General Fund	SPLOST	Donations	Total
TRANSFERS IN				
Debt Service Fund	$ -	$ 5,223,517	$ -	$ 5,223,517
Non-Major Funds:				
JR ROTC	198,544	-	-	198,544
Lottery	103,667	-	-	103,667
Community Education	200	-	-	200
After School Program	-	-	500	500
Bond 2007	55,000	-	-	55,000
	$ 357,411	$ 5,223,517	$ 500	$ 5,581,428

As authorized by the SPLOST referendum, a portion of SPLOST receipts are to be used toward principal and interest payments on certain general obligation debt. During the year, $5,223,517 of SPLOST receipts was transferred to the Debt Service Fund in order to make these debt service payments.

The General Fund provides funding for various programs accounted for in other funds but which are not completely funded by state, federal or local grants or other proceeds.

NOTE L– EXTRAORDINARY ITEM

In fiscal year 2014, the School System sold an unoccupied elementary school facility with a carrying value of approximately $11,220,000, net of accumulated depreciation. The difference between the carrying value and the proceeds from the sale are classified as an extraordinary item on the statement of activities.

NOTE M – RISK MANAGEMENT

The School System is exposed to various risks of loss for claims associated with torts; theft of, damage to and destruction of assets; errors and omissions; job related injuries to employees; natural disasters and unemployment compensation.

Risk Pool

The School System has elected to be a member of the Georgia School Boards Association- Risk Management Fund (GSBA–RMF), an interlocal risk management agency created under Georgia law. Coverage for losses arising from certain liability and property risks to the School System is provided through a group self-insurance plan. For accounting purposes, this plan is considered to be a risk transfer pool. Under this plan, the School System is responsible for the first $10,000 of each property loss, the first $500 of auto physical damage loss, the first $2,500 of each auto liability claim and the first $10,000 of each school leader's liability claim. The plan assumes certain risks of the School System in excess of the stated retentions up to certain customary coverage limits. The School System is required to make a financial contribution to the plan each year in an amount that is determined on the basis of actuarial projections of losses. There has been no significant reduction in insurance coverage from the coverage maintained in the prior year. Additionally, there were no settlements in excess of the insurance coverage in any of the past three years.

Management of GSBA–RMF has informed the School System it had no outstanding liabilities within the loss retentions stated in the preceding paragraph. Management of GSBA–RMF has also informed the School System that there is a possibility of additional contribution liability in the event that the plan is terminated or the School System elects to withdraw prematurely. No amount has been recorded in financial statements due to the belief that plan termination is unlikely and withdrawal by the School System is not contemplated.

Workers' Compensation Claims

The School System is self-insured for workers' compensation claims. The School System accounts for workers' compensation claims in an internal service fund. Workers' compensation claims expenditures and liabilities are reported when it is probable that a loss has occurred, and the amount of that loss can be reasonably estimated. The School System, in consultation with its claims administrator, has accrued a liability for claims that have been incurred but not reported.

Changes in the workers' compensation claims liability during the last two fiscal years were as follows:

Year Ended June 30,	Beginning of Year Liability	Current Year Claims Accrual	Claims Paid	End of Year Liability
2014	$ 715,000	$ 1,183,324	$ 833,324	$ 1,065,000
2013	$ 615,000	$ 583,763	$ 483,763	$ 715,000

NOTE M – RISK MANAGEMENT - continued

Unemployment Claims

The School System is self insured for unemployment compensation claims. These claims are accounted for in the School System's General Fund. Unemployment compensation expenditures and liabilities are reported when it is probable that a loss has occurred, and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported. Changes in the unemployment compensation liability during the last two fiscal years were as follows:

Year Ended June 30,	Beginning of Year Liability	Current Year Unemployment Accrual	Unemployment Paid	End of Year Liability
2014	$ -	$ 173,940	$ 173,940	$ -
2013	$ -	$ 949	$ 949	$ -

NOTE N – ON-BEHALF PAYMENTS FOR FRINGE BENEFITS

The School System has recognized revenue and expenditures in the General Fund for health insurance and retirement contributions paid on the School System's behalf as follows:

Georgia Department of Education	
Paid to Teachers' Retirement System (TRS)	$ 191,853
Office of Treasury and Fiscal Services	
Paid to the Public School Employees' Retirement System (PSERS)	300,325
	$ 492,178

NOTE O – RETIREMENT PLANS

Teachers Retirement System (TRS)

Plan Description. Substantially all teachers, administrative and clerical personnel employed by local school systems are covered by the Teachers Retirement System of Georgia (TRS), which is a cost-sharing multiple employer defined benefit plan created in 1943 by an act of the Georgia General Assembly to provide retirement benefits to qualifying employees in educational service. A Board of Trustees comprised of active and retired members and ex-officio state employees is ultimately responsible for the administration of TRS. The Teachers Retirement System of Georgia issues a separate stand alone financial audit report and a copy can be obtained from the Teachers Retirement System of Georgia at Two Northside 75, Suite 100, Atlanta, Georgia 30318.

NOTE O – RETIREMENT PLANS – continued

Teachers Retirement System (TRS) - continued

On October 25, 1996, the Board created the Supplemental Retirement Benefits Plan of the Georgia Teachers Retirement System (SRBP-TRS). SRBP-TRS was established as a qualified excess benefit plan in accordance with Section 415 of the Internal Revenue Code (IRC) as a portion of TRS. The purpose of SRBP-TRS is to provide retirement benefits to employees covered by TRS whose benefits are otherwise limited by IRC Section 415. Beginning July 1, 1997, all members and retired former members in TRS are eligible to participate in the SRBP-TRS whenever their benefits under TRS exceed the IRC 415 imposed limitations on benefits.

TRS provides service retirement, disability retirement and survivor's benefits for its members. The benefit structure of TRS is defined and may be amended by state statute. A member is eligible for retirement after 30 years of service, regardless of age, or after 10 years of service and attainment of age 60. A member is eligible for early retirement after 25 years of creditable service. Normal retirement benefits paid to members are equal to 2% of the average of the member's two consecutive highest paid years of service multiplied by the number of years of creditable service up to 40 years. Early retirement benefits are reduced by the lesser of one-twelfth of 7% for each month the member is below age 60, or 7% for each year or fraction of a year by which the member has less than 30 years of creditable service. It is also assumed that certain cost-of-living adjustments, based on the Consumer Price Index, will be made in future years. Retirement benefits are payable monthly for life. A member may elect to receive a partial lump-sum distribution in addition to a reduced monthly retirement benefit.

Retirement benefits also include death and disability benefits whereby the disabled member or surviving spouse is entitled to receive annually an amount equal to the member's service retirement benefit or disability retirement, whichever is greater. The benefit is based on the member's creditable service (minimum of 10 years) and compensation up to the date of death.

Members become fully vested after ten years of service. If a member terminates with less than ten years of service, no vesting of employer contributions occurs, but the member's contributions are refunded with interest.

Funding Policy. TRS is funded by member and employer contributions as adopted and amended by the TRS Board of Trustees. Member contributions are limited by state law to not less than 5% or more than 6% of a member's earnable compensation. Required member contributions were 6% of annual salary for the fiscal year ended June 30, 2014 and 2013 (5.53% in 2012). The member contribution rate will remain the same effective July 1, 2014. The employer contribution rates were 12.28%, 11.41% and 10.28% for fiscal years ending June 30, 2014, 2013 and 2012, respectively. The employer contribution rate will increase to 13.15% effective July 1, 2014.

The School System's actual and required contributions to TRS for the years ending June 30, 2014, 2013, and 2012 were approximately $12,707,938, $12,523,180, and $11,903,726, respectively.

NOTE O – RETIREMENT PLANS – continued

Public School Employees' Retirement System (PSERS)

Plan Description. Substantially all bus drivers, maintenance, custodial, and lunchroom personnel employed by local school systems are covered by the Public School Employees' Retirement System of Georgia (PSERS), which is a cost-sharing multiple employer defined benefit plan. PSERS is administered by a Board of Trustees under the authority of the Employees' Retirement System of Georgia. PSERS issues an annual financial report that includes financial statements and required supplementary information and a copy can be obtained from the Employees' Retirement System of Georgia at Two Northside 75, Suite 299, Atlanta, Georgia 30318.

PSERS provides service retirement, disability retirement and survivor's benefits for its members. A member is eligible for normal service retirement after 10 years of service and attainment of age 65. A member applying for service retirement with 10 years of service and retiring between the ages of 60 and 65 receives a reduced benefit. Monthly retirement benefits paid to members are equal to $8.00 multiplied by the number of years of creditable service. Options are available for distribution of the member's monthly pension at a reduced rate to a designated beneficiary on the member's death.

Retirement provisions include death and disability benefits. Disability benefits are the same as if the employee had retired at age 65 as long as the employee has 15 or more years of creditable service. Death benefits are dependent upon the number of years of service. If there are less than ten years of service, a lump sum refund of the employee's contributions and interest are made to the beneficiary. If there are more than ten years of service, the beneficiary shall receive for life half of what the employee would have received upon retirement.

Members become fully vested after ten years of service. If a member terminates with less than ten years of service, nonvesting of employer contributions occurs, but the member's contributions are refunded with interest.

Funding Policy. Covered employees are required by state statute to contribute $4.00 a month for the nine-month school year. Beginning in June 2013, the required contribution for employees entering the plan increased to $10.00 a month for the nine-month school year. Unlike TRS, the School System makes no contribution to PSERS. The State of Georgia is required by statute to make employer contributions as actuarially determined and approved by the PSERS's Board of Trustees. A total required and actual contribution from the State of Georgia to PSERS for the School System was approximately $300,300. $266,500, and $168,700, for the years ended June 30, 2014, 2013, and 2012, respectively.

NOTE O – RETIREMENT PLANS – continued

Fayette County School System Supplemental Retirement Plan

Plan Description. The Fayette County School System Supplemental Retirement Plan (the "Plan") is a single employer defined contribution plan established and administered by the Fayette County Board of Education for those employees covered by PSERS who did not elect coverage under Social Security in 2002. The Plan provides retirement benefits to plan participants and beneficiaries. Plan provisions and contribution requirements are established and may be amended by the Board. At June 30, 2014, there were 956 plan participants.

Funding Policy. Under the Plan, the School System contributes 7.5% of each participant's base compensation. Participants may not make contributions to the Plan. For the fiscal year ending June 30, 2014, the School System's contribution to the Plan was approximately $104,000.

NOTE P – POSTEMPLOYMENT BENEFITS

Plan Description. The Georgia School Personnel Post-employment Health Benefit Fund ("School OPEB Fund") is a cost-sharing multiple-employer defined benefit postemployment healthcare plan that covers eligible former employees of public school systems, libraries and regional educational service agencies. The School OPEB Fund provides health insurance benefits to eligible former employees and their qualified beneficiaries through the State Employees Health Insurance Plan administered by the Department of Community Health. The Official Code of Georgia Annotated ("O.C.G.A.") assigns the authority to establish and amend the benefit provisions of the group health plans, including benefits for retirees, to the Board of Community Health. The Department of Community Health, which includes the School OPEB Fund, issues a separate stand alone financial audit report. A copy can be obtained from the Georgia Department of Audits and Accounts.

Funding Policy. The contribution requirements of plan members and participating employers are established and may be amended by the Board of Community Health. Contributions of plan members or beneficiaries receiving benefits vary based on plan election, dependent coverage, and Medicare eligibility and election. For members with fewer than five years of service as of January 1, 2012, contributions also vary based on years of service. On average, members with five years or more of service as of January 1, 2012 pay approximately twenty-five percent (25%) of the cost of health insurance coverage. In accordance with the Board of Community Health resolution dated December 8, 2011, for members with fewer than five years of service as of January 1, 2012, the State provides a premium subsidy in retirement that ranges from 0% for fewer than 10 years of service to 75% (but no greater than the subsidy percentage offered to active employees) for 30 or more years of service. The subsidy for eligible dependents ranges from 0% to 55% (but no greater than the subsidy percentage offered to dependents of active employees minus 20%). No subsidy is available to Medicare eligible members not enrolled in a Medicare Advantage Option. The Board of Community Health sets all member premiums by resolution and in accordance with the law and applicable revenue and expense projections. Any subsidy policy adopted by the Board of Community Health may be changed at any time by resolution and does not constitute a contract or promise of any amount of subsidy.

NOTE P – POSTEMPLOYMENT BENEFITS – continued

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

The combined active and retiree contribution rates established by the Board of Community Health for employers participating in the School OPEB Fund are as follows for the fiscal year ended June 30, 2014:

Employee Group	Months Paid	Rate per Month	Coverage Period
Certificated (teachers)	July 2013 – June 2014	$945.00	August 2013 – July 2014
Non-certificated	July 2013 – June 2014	$596.20	August 2013 – July 2014

No additional contribution was required by the Board of Community Health for fiscal year 2014 nor was contributed to the School OPEB Fund to prefund retiree benefits. Such additional contribution amounts are determined annually by the Board of Community Health in accordance with the state plan for other postemployment benefits and are subject to appropriation.

The School System's combined active and retiree contributions to the health insurance plans, which equaled the required contribution, for the fiscal years ended June 30, 2014, 2013 and 2012 was approximately $17,269,168, $18,423,034, and $19,939,016, respectively. Additionally, the School System paid supplemental amount towards the employee portion of coverage of approximately $2,031,459 for the year ended June 30, 2012. No supplemental amounts were paid during fiscal years 2014 or 2013. See Note M for discussion of on-behalf payments.

NOTE Q – NON-MONETARY TRANSACTIONS

The School System received from the United States Department of Agriculture through the Georgia Department of Education approximately $308,000 in donated food commodities for its lunchroom programs. The federally assigned value of these commodities is reflected as revenues when received and as expenditures when used.

NOTE R – COMMITMENTS AND CONTINGENCIES

Contracts

The School System has entered into various construction and renovation contracts that are in progress at year end. At year end, approximately $4,841,000 remains to be paid on these contracts.

Grant Programs

The School System participates in numerous state and federal grant programs which are governed by various rules and regulations of the grantor agencies. Amounts received or receivable related to these grants are subject to the audit and review by grantor agencies. This could result in request for reimbursement to the grantor agency for any costs which are disallowed under the terms of the grant. The School System has recorded all such known contingent liabilities related to grant programs in the financial statements. The School System believes that any additional such disallowances, if any, will be immaterial to its overall financial position.

Litigation

The School System is engaged in other various lawsuits arising in the ordinary course of business. These lawsuits are in various stages of the litigation process, and their ultimate outcome cannot be determined currently. Management does not believe the ultimate outcome of these lawsuits will have a material impact on the School System's financial statements.

NOTE S – NEW ACCOUNTING PRONOUNCEMENT

In fiscal year 2015, the School System will adopt Governmental Accounting Standards Board (GASB) Statement No. 68, Accounting and Financial Reporting for Pensions. The provisions of this Statement establish accounting and financial reporting standards for pensions that are provided to the employees of state and local governmental employers through pension plans that are administered through trusts. Implementation of this statement will require the School System to record a liability for its proportionate share of the net pension liability of pension plans in which it is a member. Actuarial estimates are currently being made to determine the School System's liability, the effects of which are believed to be material.

Combining Statements and Schedules

Fayette County Board of Education

NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for funds received from other governmental agencies and users that are legally restricted to be expended for specified purposes. These funds also account for receipt and expenditures of resources transferred from the General Fund when these funds are inadequate to finance the specified activities. The following funds are included in the Special Revenue Funds category:

School Nutrition Service Fund is used to account for the school breakfast and lunch programs which are funded primarily by the Federal government.

Title I Fund was established to account for federal grant funds flowing through the State of Georgia Department of Education to the School System for the purpose of providing remedial education in the areas of reading and math and of providing a special education program for children who are physically handicapped.

Individuals With Disabilities Education Act (IDEA) Fund was established to account for federal grant funds flowing through the State of Georgia Department of Education to the School System, for the purpose of providing special education programs for children in pre-kindergarten through the twelfth grade.

Vocational Grants Fund was established to account for federal grant funds flowing through the Georgia Department of Education for providing a vocational curriculum program for students.

Eisenhower Professional Development (Title II) Fund was established to account for federal grant funds flowing through the State of Georgia Department of Education to the School System, for the purpose of training teachers in the math, science, foreign language and computer science programs.

Title III Fund was established to account for federal funds flowing through the State of Georgia Department of Education for the purpose of providing programs for training teachers in new teaching methods of ESOL and providing learning materials for students.

Jr. ROTC Fund was established to account for federal funds from the Department of Defense for the purpose of training students in military protocol and serving as an incentive for students to further seek a career in the United States Air Force.

Building Connections Fund was established to account for federal funds flowing directly from the U.S. Department of Education for the purpose of improving instruction related to American history.

Race to the Top Fund was established to account for federal funds flowing through the State of Georgia Department of Education for the purpose of providing training to teachers in writing and implementing standards and assessments for instructional achievement.

Lottery Fund was established to account for state lottery funds.

Fayette County Board of Education

NON-MAJOR GOVERNMENTAL FUNDS - CONTINUED

SPECIAL REVENUE FUNDS - continued

Friends Mentoring Program Fund was established to account for funds flowing through the Department of Human Resources to the School System for the purpose of providing services to at risk youths to prevent juvenile delinquency and substance abuse.

Other Grants Fund was established to account for various grant awards not reported in other special revenue funds.

Community Education Fund was established to account for local fees paid by students for the Community School classes.

After School Program Fund was established to account for local fees paid for the after school program in place at various Fayette County Schools.

Donations Fund was established to account for donations by various businesses and individuals for various specified purposes.

Auditorium Rentals Fund was established to account for the proceeds and costs of renting auditorium facilities to various outside groups.

Principals' Fund was established for funds raised at each school for local school programs.

CAPITAL PROJECTS FUNDS

The Capital Projects Funds are used to account for resources provided for the acquisition or construction of major capital facilities. Capital projects may be financed by the sale of bonds, state or federal grants, special tax levies, or transfers of resources from other funds. The following capital projects funds are used by the School System:

Regular – This fund accounts for locally funded construction and renovation projects.

Bond 2007 – This fund accounts for construction and renovation projects funded by general obligation bonds issued in fiscal year 2007.

SPLOST II – This fund accounts for the various projects funded by an educational special purpose local sale tax and approved by voter referendum in 2013.

Fayette County Board of Education

COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS

June 30, 2014

	Special Revenue Funds	Capital Project Funds	Total Non-Major Funds
ASSETS			
Cash	$ 5,931,319	$ 933,684	$ 6,865,003
Investments	65,861	5,498,424	5,564,285
Due from other governments	1,120,173	-	1,120,173
Taxes receivable	-	1,686,811	1,686,811
Inventory	180,376	-	180,376
Total assets	$ 7,297,729	$ 8,118,919	$ 15,416,648
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	$ 11,557	$ -	$ 11,557
Salaries payable	1,242,468	-	1,242,468
Due to other funds	637,462	-	637,462
Total liabilities	1,891,487	-	1,891,487
Fund balances			
Nonspendable	180,376	-	180,376
Restricted	1,567,759	7,094,718	8,662,477
Committed	3,620,207	-	3,620,207
Assigned	37,900	1,024,201	1,062,101
Total fund balances	5,406,242	8,118,919	13,525,161
Total liabilities and fund balances	$ 7,297,729	$ 8,118,919	$ 15,416,648

Fayette County Board of Education

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS

For the year ended June 30, 2014

	Special Revenue Funds	Capital Project Funds	Total Non-Major Funds
Revenues			
State funds	$ 976,215	$ -	$ 976,215
Federal funds	8,535,870	-	8,535,870
Local and other funds	7,571,203	5,051,583	12,622,786
Total revenues	17,083,288	5,051,583	22,134,871
Expenditures			
Current			
Instruction	5,483,130	-	5,483,130
Support services			
Pupil services	1,058,005	-	1,058,005
Improvement of instructional services	570,720	-	570,720
Educational media services	82,112	-	82,112
General administration	288,556	-	288,556
School administration	328,446	-	328,446
Maintenance and operation of facilities	82,111	-	82,111
Student transportation services	157,252	-	157,252
Other support services	189,469	-	189,469
Community service	2,137,395	-	2,137,395
Food services	6,613,203	-	6,613,203
Capital outlay	-	55,229	55,229
Total expenditures	16,990,399	55,229	17,045,628
Excess of revenues over expenditures	92,889	4,996,354	5,089,243
Other financing sources			
Transfers in	302,411	55,000	357,411
Total other financing sources	302,411	55,000	357,411
Net change in fund balances	395,300	5,051,354	5,446,654
Fund balances, beginning of year	5,010,942	3,067,565	8,078,507
Fund balances, end of year	$ 5,406,242	$ 8,118,919	$ 13,525,161

Fayette County Board of Education

COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
Special Revenue Funds

June 30, 2014

	School Nutrition Service	Title I	IDEA	Vocational Grants
ASSETS				
Cash	$ 1,997,533	$ -	$ -	$ -
Investments	-	-	-	-
Due from other governments	-	183,858	741,345	10,711
Inventory	180,376	-	-	-
Total assets	$ 2,177,909	$ 183,858	$ 741,345	$ 10,711
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	$ -	$ 4,185	$ 2,306	$ -
Salaries payable	440,166	-	445,996	-
Due to other funds	13,020	179,673	293,043	10,711
Total liabilities	453,186	183,858	741,345	10,711
Fund balances				
Nonspendable	180,376	-	-	-
Restricted	1,544,347	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Total fund balances	1,724,723	-	-	-
Total liabilities and fund balances	$ 2,177,909	$ 183,858	$ 741,345	$ 10,711

Title II	Title III	JR ROTC	Building Connections	Race to the Top
$ -	$ -	$ 29,740	$ -	$ -
-	-	-	-	-
120,091	43,473	6,895	-	13,800
-	-	-	-	-
$ 120,091	$ 43,473	$ 36,635	$ -	$ 13,800
$ 4,259	$ -	$ -	$ -	$ -
26,546	5,544	36,635	-	-
89,286	37,929	-	-	13,800
120,091	43,473	36,635	-	13,800
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
$ 120,091	$ 43,473	$ 36,635	$ -	$ 13,800

continued

Fayette County Board of Education

COMBINING BALANCE SHEET - CONTINUED
NON-MAJOR GOVERNMENTAL FUNDS
Special Revenue Funds

June 30, 2014

	Lottery	Friends Mentoring Program	Other Grants	Community Education
ASSETS				
Cash	$ 143,059	$ 19,768	$ 3,644	$ 1,177,068
Investments	-	-	-	-
Due from other governments	-	-	-	-
Inventory	-	-	-	-
Total assets	$ 143,059	$ 19,768	$ 3,644	$ 1,177,068
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	$ -	$ -	$ -	$ 532
Salaries payable	143,059	-	-	-
Due to other funds	-	-	-	-
Total liabilities	143,059	-	-	532
Fund balances				
Nonspendable	-	-	-	-
Restricted	-	19,768	3,644	-
Committed	-	-	-	1,143,636
Assigned	-	-	-	32,900
Total fund balances	-	19,768	3,644	1,176,536
Total liabilities and fund balances	$ 143,059	$ 19,768	$ 3,644	$ 1,177,068

After School Program	Donation Funds	Auditorium Rentals	Principals' Fund	Total
$ 1,343,432	$ 74,077	$ 57,530	$ 1,085,468	$ 5,931,319
-	5,236	-	60,625	65,861
-	-	-	-	1,120,173
-	-	-	-	180,376
$ 1,343,432	$ 79,313	$ 57,530	$ 1,146,093	$ 7,297,729
$ -	$ 275	$ -	$ -	$ 11,557
144,522	-	-	-	1,242,468
-	-	-	-	637,462
144,522	275	-	-	1,891,487
-	-	-	-	180,376
-	-	-	-	1,567,759
1,198,910	79,038	52,530	1,146,093	3,620,207
-	-	5,000	-	37,900
1,198,910	79,038	57,530	1,146,093	5,406,242
$ 1,343,432	$ 79,313	$ 57,530	$ 1,146,093	$ 7,297,729

Fayette County Board of Education

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
Special Revenue Funds
For the year ended June 30, 2014

	School Nutrition Service	Title I	IDEA	Vocational Grants
Revenues				
State funds	$ 176,348	$ -	$ -	$ -
Federal funds	2,912,868	1,274,618	3,660,145	96,746
Local and other funds	3,565,762	-	-	-
Total revenues	6,654,978	1,274,618	3,660,145	96,746
Expenditures				
Current				
Instruction	-	703,681	2,506,398	56,708
Support services				
Pupil services	-	1,063	1,040,127	-
Improvement of instructional services	-	156,035	2,700	40,038
Educational media services	-	-	-	-
General administration	-	176,929	107,857	-
School administration	-	-	-	-
Maintenance and operation of facilities	-	-	-	-
Student transportation services	-	66,769	3,063	-
Other support services	-	170,141	-	-
Community service	-	-	-	-
Food services	6,613,203	-	-	-
Total expenditures	6,613,203	1,274,618	3,660,145	96,746
Excess (deficiency) of revenues over (under) expenditures	41,775	-	-	-
Other financing sources				
Transfers in	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balances	41,775	-	-	-
Fund balances, beginning of year	1,682,948	-	-	-
Fund balances, end of year	$ 1,724,723	$ -	$ -	$ -

Title II	Title III	JR ROTC	Building Connections	Race to the Top
$ -	$ -	$ -	$ -	$ -
282,291	124,912	131,782	38,708	13,800
-	-	-	-	-
282,291	124,912	131,782	38,708	13,800
-	47,364	330,326	-	-
-	16,815	-	-	-
282,291	36,301	-	38,708	13,800
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	5,104	-	-	-
-	19,328	-	-	-
-	-	-	-	-
-	-	-	-	-
282,291	124,912	330,326	38,708	13,800
-	-	(198,544)	-	-
-	-	198,544	-	-
-	-	198,544	-	-
-	-	-	-	-
-	-	-	-	-
$ -	$ -	$ -	$ -	$ -

continued

Fayette County Board of Education

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS - CONTINUED
Special Revenue Funds
For the year ended June 30, 2014

	Lottery	Friends Mentoring Program	Other Grants	Community Education
Revenues				
State funds	$ 799,867	$ -	$ -	$ -
Federal funds	-	-	-	-
Local and other funds	-	1,500	423	407,697
Total revenues	799,867	1,500	423	407,697
Expenditures				
Current				
Instruction	899,559	-	-	-
Support services				
Pupil services	-	-	-	-
Improvement of instructional services	-	-	-	-
Educational media services	-	-	-	-
General administration	3,770	-	-	-
School administration	-	-	-	-
Maintenance and operation of facilities	-	-	-	-
Student transportation services	205	-	-	-
Other support services	-	-	-	-
Community service	-	1,536	-	328,989
Food services	-	-	-	-
Total expenditures	903,534	1,536	-	328,989
Excess (deficiency) of revenues over (under) expenditures	(103,667)	(36)	423	78,708
Other financing sources				
Transfers in	103,667	-	-	200
Total other financing sources	103,667	-	-	200
Net change in fund balances	-	(36)	423	78,908
Fund balances, beginning of year	-	19,804	3,221	1,097,628
Fund balances, end of year	$ -	$ 19,768	$ 3,644	$ 1,176,536

After School Program	Donation Funds	Auditorium Rentals	Principals' Fund	Total
$ -	$ -	$ -	$ -	$ 976,215
-	-	-	-	8,535,870
1,806,468	32,620	24,775	1,731,958	7,571,203
1,806,468	32,620	24,775	1,731,958	17,083,288
-	-	-	939,094	5,483,130
-	-	-	-	1,058,005
-	847	-	-	570,720
-	-	-	82,112	82,112
-	-	-	-	288,556
-	-	-	328,446	328,446
-	-	-	82,111	82,111
-	-	-	82,111	157,252
-	-	-	-	189,469
1,531,889	20,165	8,481	246,335	2,137,395
-	-	-	-	6,613,203
1,531,889	21,012	8,481	1,760,209	16,990,399
274,579	11,608	16,294	(28,251)	92,889
500	(500)	-	-	302,411
500	(500)	-	-	302,411
275,079	11,108	16,294	(28,251)	395,300
923,831	67,930	41,236	1,174,344	5,010,942
$ 1,198,910	$ 79,038	$ 57,530	$ 1,146,093	$ 5,406,242

Fayette County Board of Education

COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
Capital Project Funds

June 30, 2014

	Regular	Bond 2007	SPLOST II	Total
ASSETS				
Cash	$ 914,794	$ 18,890	$ -	$ 933,684
Investments	109,407	2,027,088	3,361,929	5,498,424
Taxes receivable	-	-	1,686,811	1,686,811
Total assets	$ 1,024,201	$ 2,045,978	$ 5,048,740	$ 8,118,919
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	$ -	$ -	$ -	$ -
Total liabilities	-	-	-	-
Fund balances				
Restricted	-	2,045,978	5,048,740	7,094,718
Assigned	1,024,201	-	-	1,024,201
Total fund balances	1,024,201	2,045,978	5,048,740	8,118,919
Total liabilities and fund balances	$ 1,024,201	$ 2,045,978	$ 5,048,740	$ 8,118,919

Fayette County Board of Education

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
Capital Project Funds

For the year ended June 30, 2014

	Regular	Bond 2007	SPLOST II	Total
Revenues				
Local and other funds	$ 130	$ 2,713	5,048,740	$ 5,051,583
Total revenues	130	2,713	5,048,740	5,051,583
Expenditures				
Capital outlay	-	55,229	-	55,229
Total expenditures	-	55,229	-	55,229
Excess (deficiency) of revenues over (under) expenditures	130	(52,516)	5,048,740	4,996,354
Other financing sources				
Transfers in	-	55,000	-	55,000
Total other financing sources	-	55,000	-	55,000
Net change in fund balances	130	2,484	5,048,740	5,051,354
Fund balances, beginning of year	1,024,071	2,043,494	-	3,067,565
Fund balances, end of year	$ 1,024,201	$ 2,045,978	$ 5,048,740	$ 8,118,919

Fayette County Board of Education

School Nutrition Service
Special Revenue Fund
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

For the year ended June 30, 2014

	Original Budget	Final Budget	Actual	Variance
Revenues				
State funds	$ 100,000	$ 100,000	$ 176,348	$ 76,348
Federal funds	2,762,000	2,762,000	2,912,868	150,868
Local and other funds	3,200,000	3,200,000	3,565,762	365,762
Total revenues	6,062,000	6,062,000	6,654,978	592,978
Expenditures				
Current				
Food services	6,775,200	6,775,200	6,613,203	161,997
Total expenditures	6,775,200	6,775,200	6,613,203	161,997
Net change in fund balances	$ (713,200)	$ (713,200)	$ 41,775	$ 754,975

Fayette County Board of Education

Title I
Special Revenue Fund
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

For the year ended June 30, 2014

	Original Budget	Final Budget	Actual	Variance
Revenues				
Federal funds	$ 1,623,094	$ 1,617,248	$ 1,274,618	$ (342,630)
Total revenues	1,623,094	1,617,248	1,274,618	(342,630)
Expenditures				
Current				
Instruction	828,390	941,591	703,681	237,910
Support services				
Pupil services	5,520	4,000	1,063	2,937
Improvement of instructional services	292,310	214,482	156,035	58,447
General administration	251,442	180,135	176,929	3,206
School administration	52	-	-	-
Maintenance and operation of facilities	600	-	-	-
Student transportation services	86,618	86,197	66,769	19,428
Other support services	158,162	190,843	170,141	20,702
Total expenditures	1,623,094	1,617,248	1,274,618	342,630
Net change in fund balances	$ -	$ -	$ -	$ -

Fayette County Board of Education

IDEA
Special Revenue Fund
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

For the year ended June 30, 2014

	Original Budget	Final Budget	Actual	Variance
Revenues				
Federal funds	$ 4,087,363	$ 4,706,290	$ 3,660,145	$ (1,046,145)
Total revenues	4,087,363	4,706,290	3,660,145	(1,046,145)
Expenditures				
Current				
Instruction	2,367,491	3,039,632	2,506,398	533,234
Support services				
Pupil services	1,555,464	1,534,036	1,040,127	493,909
Improvement of instructional services	1,920	2,750	2,700	50
General administration	122,488	127,422	107,857	19,565
Student transportation services	40,000	2,450	3,063	(613)
Total expenditures	4,087,363	4,706,290	3,660,145	1,046,145
Net change in fund balances	$ -	$ -	$ -	$ -

Fayette County Board of Education

Vocational Grants
Special Revenue Fund
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

For the year ended June 30, 2014

	Original Budget	Final Budget	Actual	Variance
Revenues				
Federal funds	$ 85,000	$ 99,172	$ 96,746	$ (2,426)
Total revenues	85,000	99,172	96,746	(2,426)
Expenditures				
Current				
Instruction	38,500	64,032	56,708	7,324
Support services				
Improvement of instructional services	46,500	35,140	40,038	(4,898)
Total expenditures	85,000	99,172	96,746	2,426
Net change in fund balances	$ -	$ -	$ -	$ -

Fayette County Board of Education

Title II
Special Revenue Fund
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

For the year ended June 30, 2014

	Original Budget	Final Budget	Actual	Variance
Revenues				
Federal funds	$ 387,522	$ 335,282	$ 282,291	$ (52,991)
Total revenues	387,522	335,282	282,291	(52,991)
Expenditures				
Current				
Support services				
Improvement of instructional services	387,522	334,782	282,291	52,491
Federal grant administration	-	500	-	500
Total expenditures	387,522	335,282	282,291	52,991
Net change in fund balances	$ -	$ -	$ -	$ -

Fayette County Board of Education

Title III
Special Revenue Fund
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

For the year ended June 30, 2014

	Original Budget	Final Budget	Actual	Variance
Revenues				
Federal funds	$ 96,059	$ 195,066	$ 124,912	$ (70,154)
Total revenues	96,059	195,066	124,912	(70,154)
Expenditures				
Current				
Instruction	18,910	65,731	47,364	18,367
Support services				
Pupil services	21,730	40,265	16,815	23,450
Improvement of instructional services	52,727	45,990	36,301	9,689
Student transportation services	2,692	7,630	5,104	2,526
Other support services	-	35,450	19,328	16,122
Total expenditures	96,059	195,066	124,912	70,154
Net change in fund balances	$ -	$ -	$ -	$ -

Fayette County Board of Education

JR ROTC
Special Revenue Fund
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

For the year ended June 30, 2014

	Original Budget	Final Budget	Actual	Variance
Revenues				
Federal funds	$ 140,000	$ 140,000	$ 131,782	$ (8,218)
Total revenues	140,000	140,000	131,782	(8,218)
Expenditures				
Current				
Instruction	405,000	405,000	330,326	74,674
Total expenditures	405,000	405,000	330,326	74,674
Deficiency of revenues under expenditures	(265,000)	(265,000)	(198,544)	66,456
Other financing sources				
Transfers in	265,000	265,000	198,544	(66,456)
Total other financing sources	265,000	265,000	198,544	(66,456)
Net change in fund balances	$ -	$ -	$ -	$ -

Fayette County Board of Education

Building Connections
Special Revenue Fund
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

For the year ended June 30, 2014

	Original Budget	Final Budget	Actual	Variance
Revenues				
Federal funds	$ 80,000	$ 33,034	$ 38,708	$ 5,674
Total revenues	80,000	33,034	38,708	5,674
Expenditures				
Current				
Support services				
Improvement of instructional services	80,000	33,034	38,708	(5,674)
Total expenditures	80,000	33,034	38,708	(5,674)
Net change in fund balances	$ -	$ -	$ -	$ -

Fayette County Board of Education

Race to the Top
Special Revenue Fund
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

For the year ended June 30, 2014

	Original Budget	Final Budget	Actual	Variance
Revenues				
Federal funds	$ -	$ 42,750	$ 13,800	$ (28,950)
Total revenues	-	42,750	13,800	(28,950)
Expenditures				
Current				
Support services				
Improvement of instructional services	-	42,750	13,800	28,950
Total expenditures	-	42,750	13,800	28,950
Net change in fund balances	$ -	$ -	$ -	$ -

Fayette County Board of Education

Lottery
Special Revenue Fund
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

For the year ended June 30, 2014

	Original Budget	Final Budget	Actual	Variance
Revenues				
State funds	$ 710,000	$ 710,000	$ 799,867	$ 89,867
Total revenues	710,000	710,000	799,867	89,867
Expenditures				
Current				
Instruction	820,000	820,000	899,559	(79,559)
Support services				
General administration	-	-	3,770	(3,770)
Student transportation services	-	-	205	(205)
Total expenditures	820,000	820,000	903,534	(83,534)
Deficiency of revenues under expenditures	(110,000)	(110,000)	(103,667)	6,333
Other financing sources				
Transfers in	110,000	110,000	103,667	(6,333)
Total other financing sources	110,000	110,000	103,667	(6,333)
Net change in fund balances	$ -	$ -	$ -	$ -

Fayette County Board of Education

Friends Mentoring Program
Special Revenue Fund
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

For the year ended June 30, 2014

	Original Budget	Final Budget	Actual	Variance
Revenues				
Local and other funds	$ 5,000	$ 1,500	$ 1,500	$ -
Total revenues	5,000	1,500	1,500	-
Expenditures				
Current				
Support services				
Other support services	5,000	1,500	1,536	(36)
Total expenditures	5,000	1,500	1,536	(36)
Net change in fund balances	$ -	$ -	$ (36)	$ (36)

Fayette County Board of Education

Other Grants
Special Revenue Fund
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

For the year ended June 30, 2014

	Original Budget	Final Budget	Actual	Variance
Revenues				
Local and other funds	$ 5,000	$ 5,000	$ 423	$ (4,577)
Total revenues	5,000	5,000	423	(4,577)
Expenditures				
Current				
Community service	5,000	5,000	-	5,000
Total expenditures	5,000	5,000	-	5,000
Net change in fund balances	$ -	$ -	$ 423	$ 423

Fayette County Board of Education

Community Education
Special Revenue Fund
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

For the year ended June 30, 2014

	Original Budget	Final Budget	Actual	Variance
Revenues				
Local and other funds	$ 320,000	$ 320,000	$ 407,697	$ 87,697
Total revenues	320,000	320,000	407,697	87,697
Expenditures				
Current				
Community service	401,950	401,950	328,989	72,961
Total expenditures	401,950	401,950	328,989	72,961
Excess (defieciency) of revenues over (under) expenditures	(81,950)	(81,950)	78,708	160,658
Other financing sources				
Transfers in	-	-	200	200
Total other financing sources	-	-	200	200
Net change in fund balances	$ (81,950)	$ (81,950)	$ 78,908	$ 160,858

Fayette County Board of Education

After School Program
Special Revenue Fund
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

For the year ended June 30, 2014

	Original Budget	Final Budget	Actual	Variance
Revenues				
Local and other funds	$ 1,724,726	$ 1,724,726	$ 1,806,468	$ 81,742
Total revenues	1,724,726	1,724,726	1,806,468	81,742
Expenditures				
Current				
Community service	1,724,726	1,724,726	1,531,889	192,837
Total expenditures	1,724,726	1,724,726	1,531,889	192,837
Excess of revenues over expenditures	-	-	274,579	274,579
Other financing sources				
Transfers in	-	-	500	500
Total other financing sources	-	-	500	500
Net change in fund balances	$ -	$ -	$ 275,079	$ 275,079

Fayette County Board of Education

Donations
Special Revenue Fund
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

For the year ended June 30, 2014

	Original Budget	Final Budget	Actual	Variance
Revenues				
Local and other funds	$ 30,000	$ 30,000	$ 32,620	$ 2,620
Total revenues	30,000	30,000	32,620	2,620
Expenditures				
Current				
Support services				
Improvement of instructional services	-	-	847	(847)
Community service	30,000	30,000	20,165	9,835
Total expenditures	30,000	30,000	21,012	8,988
Excess of revenues over expenditures	-	-	11,608	11,608
Other financing uses				
Transfers out	-	-	(500)	(500)
Total other financing uses	-	-	(500)	(500)
Net change in fund balances	$ -	$ -	$ 11,108	$ 11,108

Fayette County Board of Education

Auditorium Rentals
Special Revenue Fund
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

For the year ended June 30, 2014

	Original Budget	Final Budget	Actual	Variance
Revenues				
Local and other funds	$ 15,000	$ 15,000	$ 24,775	$ 9,775
Total revenues	15,000	15,000	24,775	9,775
Expenditures				
Current				
Community service	15,000	15,000	8,481	6,519
Total expenditures	15,000	15,000	8,481	6,519
Net change in fund balances	$ -	$ -	$ 16,294	$ 16,294

Fayette County Board of Education

Principal Accounts
Special Revenue Fund
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

For the year ended June 30, 2014

	Original Budget	Final Budget	Actual	Variance
Revenues				
Local and other funds	$ 2,000,000	$ 2,000,000	$ 1,731,958	$ (268,042)
Total revenues	2,000,000	2,000,000	1,731,958	(268,042)
Expenditures				
Current				
Instruction	1,000,000	1,000,000	939,094	60,906
Support services				
Educational media services	100,000	100,000	82,112	17,888
School administration	400,000	400,000	328,446	71,554
Maintenance and operation of facilities	100,000	100,000	82,111	17,889
Student transportation services	100,000	100,000	82,111	17,889
Community service	300,000	300,000	246,335	53,665
Total expenditures	2,000,000	2,000,000	1,760,209	239,791
Net change in fund balances	$ -	$ -	$ (28,251)	$ (28,251)

Fayette County Board of Education

Debt Service Fund
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

For the year ended June 30, 2014

	Original Budget	Final Budget	Actual	Variance
Revenues				
Local and other funds	$ 5,705,000	$ 5,705,000	$ 5,632,439	$ (72,561)
Total revenues	5,705,000	5,705,000	5,632,439	(72,561)
Expenditures				
Debt services				
Principal retirement	7,583,118	7,583,118	7,988,145	(405,027)
Interest and fees	3,888,524	3,888,524	3,221,486	667,038
Bond issuance cost	-	-	323,414	(323,414)
Total expenditures	11,471,642	11,471,642	11,533,045	(61,403)
Deficiency of revenues under expenditures	(5,766,642)	(5,766,642)	(5,900,606)	(133,964)
Other financing sources				
Proceeds from sale of assets	-	-	5,170,000	5,170,000
Issuance of refunding bonds	-	-	53,240,000	53,240,000
Payments to refunded bond escrow agent	-	-	(58,040,847)	(58,040,847)
Transfers in	5,223,517	5,223,517	5,223,517	-
Total other financing sources	5,223,517	5,223,517	5,592,670	369,153
Net change in fund balances	$ (543,125)	$ (543,125)	$ (307,936)	$ 235,189

Fayette County Board of Education

AGENCY FUNDS

Agency funds are used to accumulate assets held by the School System in a trustee capacity.

Club and Class Funds – To account for monies collected at the schools in connection with student athletic, class and club activities.

Fayette County Board of Education

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND
For the year ended June 30, 2014

	Balance Beginning of Year	Additions	Deductions	Balance End of Year
ASSETS				
Cash	$ 1,491,665	$ 4,470,806	$ 4,472,881	$ 1,489,590
LIABILITIES				
Due to student groups	$ 1,491,665	$ 4,470,806	$ 4,472,881	$ 1,489,590



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ADDITIONAL FINANCIAL INFORMATION

FAYETTE COUNTY BOARD OF EDUCATION

SCHEDULE OF EXPENDITURES OF
SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS - 2008 ISSUE
FOR THE YEAR ENDED JUNE 30, 2014

Project	Original Estimated Cost	Current Estimated Cost	Prior Years' Expenditures	Current Year's Expenditures
Debt service payments on bonded debt (Series 1999, 2001 and 2005)	$ 38,000,000	$ 28,438,644	$ 17,435,394	$ 5,223,517
Additions, renovations, repairs, improvements and equipment for existing school buildings and school system facilities	17,000,000	15,624,279	3,207,038	2,923,242
Acquisition of miscellaneous new equipment, fixtures and furnishings the school system, including technology infrastructure, equipment and software, safety and security equipment	47,500,000	38,170,499	24,025,152	3,345,766
Acquisition of textbooks	2,500,000	5,801,300	2,549,222	1,714,445
Acquisition of school buses and transportation and maintenance equipment	10,000,000	9,816,000	7,023,738	775,370
	$ 115,000,000	$ 97,850,722	$ 54,240,544	$ 13,982,340

FAYETTE COUNTY BOARD OF EDUCATION

SCHEDULE OF EXPENDITURES BY OBJECT
LOTTERY PROGRAM
FOR THE YEAR ENDED JUNE 30, 2014

Expenditures		
Operating costs		
Salaries	$	660,040
Employee benefits		226,673
Supplies and materials		7,803
Supplies and materials related to technology		594
Expendable equipment		7,317
Expendable computer equipment		661
Books and periodicals		410
Purchase of fuel		36
Total expenditures	$	903,534

FAYETTE COUNTY BOARD OF EDUCATION

QUALITY BASIC EDUCATION PROGRAM
EARNINGS AND EXPENDITURES - BY PROGRAM
YEAR ENDED JUNE 30, 2014

Description	Allotments from Georgia Department of Education (1) (2)	Actual State Funded Expenditures		
		Salaries	Operations	Total
Kindergarten Program	$ 5,748,623	$ 6,110,725	$ 35,852	$ 6,146,577
Kindergarten Program-Early Intervention Program	944,250	17,898	315	18,213
Primary Grades (1-3) Program	16,368,268	15,598,282	97,602	15,695,884
Primary Grades-Early Intervention (1-3) Program	1,247,137	1,736,403	3,877	1,740,280
Upper Elementary Grades (4-5) Program	8,596,137	9,669,361	56,627	9,725,988
Upper Elem Grades-Early Intervention (4-5) Program	959,988	1,029,404	2,965	1,032,369
Middle School (6-8) Program	17,058,709	17,975,182	88,021	18,063,203
High School General Education (9-12) Program	18,562,297	23,085,934	244,802	23,330,736
Vocational Laboratory (9-12) Program	2,855,321	2,062,509	295,182	2,357,691
Students with Disabilities	18,012,941			
Category I		669,476	12,799	682,275
Category II		779,363	1,156	780,519
Category III		6,777,447	21,200	6,798,647
Category IV		4,973,784	28,121	5,001,905
Category V		566,944	8,689	575,633
Gifted Student - Category VI	7,171,528	3,156,774	62,912	3,219,686
Remedial Education Program	1,107,371	708,923	4,134	713,057
Alternative Education Program	1,300,305	915,456	7,552	923,008
English Speakers of Other Languages (ESOL)	1,176,015	1,543,501	2,122	1,545,623
TOTAL DIRECT INSTRUCTIONAL FUNDS	101,108,890	97,377,366	973,928	98,351,294
Media Center Program	2,697,140	2,392,347	391,314	2,783,661
Staff and Professional Development	483,515	-		167,519
TOTAL QBE FORMULA FUNDS	$ 104,289,545	$ 99,769,713	$ 1,365,242	$ 101,302,474

(1) Comprised of gross state funds, before reduction of local five mill share.

(2) Allotments do not include the impact of the State Amended Formula Adjustment.

STATISTICAL SECTION

This part of the Fayette County Board of Education's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the School System's overall financial health.

Contents **Page**

Financial Trends 118

These schedules contain trend information to help the reader understand how the School System's financial performance and well-being have changed over time.

Revenue Capacity 127

These schedules contain information to help the reader assess the School System's most significant local revenue source, the property tax.

Debt Capacity 135

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

Operating Information 140

These schedules contain service and infrastructure data to help the reader understand how the information in the School System's financial report relates to the services the School System provides and the activities it performs.

Demographic and Economic Information 152

Theses schedules offer demographic and economic indications to help the reader understand the environment within which the School System's financial activities take place.

Fayette County Board of Education
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)
(unaudited)

	Fiscal Year			
	2014	**2013**	**2012**	**2011**
Governmental Activities				
Net investment in capital assets	$ 168,187,655	$ 178,523,433	$ 175,064,622	$ 172,653,135
Restricted	40,020,329	37,659,348	31,257,451	26,335,635
Unrestricted	34,633,059	13,941,511	13,339,704	20,608,820
Total governmental activities net position	$ 242,841,043	$ 230,124,292	$ 219,661,777	$ 219,597,590

2010	2009	2008	2007	2006	2005
$ 169,508,268	$ 158,499,410	$ 150,461,882	$ 141,200,087	$ 131,639,978	$ 123,283,904
8,971,932	11,911,480	19,677,495	34,954,814	23,254,509	40,201,991
28,213,735	1,620,066	(13,255,093)	(20,464,970)	(10,668,482)	(26,387,084)
$ 206,693,935	$ 172,030,956	$ 156,884,284	$ 155,689,931	$ 144,226,005	$ 137,098,811

Fayette County Board of Education
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
(unaudited)

	Fiscal Year			
Expenses	**2014**	**2013**	**2012**	**2011**
Governmental Activities				
Instruction	$ 123,283,652	$ 126,989,501	$ 138,166,002	$ 140,677,264
Support Services				
Pupil services	8,940,118	9,446,688	9,361,037	9,331,883
Improvement of instructional services	3,919,268	4,059,005	4,396,525	4,229,846
Educational media services	3,078,138	3,435,491	3,714,750	3,757,201
General administration	1,778,299	1,676,637	1,328,258	1,192,086
School administration	11,570,184	12,982,540	13,925,349	13,192,469
Business administration	872,724	1,067,217	937,222	1,139,105
Maintenance and operation of facilities	12,683,045	13,854,947	16,157,767	16,161,495
Student transportation services	8,820,745	8,687,580	9,031,403	8,073,549
Central support services	2,830,478	2,700,778	3,402,613	4,140,542
Other support services	491,443	276,311	303,373	290,337
Community services	2,137,412	2,311,865	2,385,232	2,194,891
Food services	7,495,355	7,534,165	8,078,108	7,925,808
Other non-instructional services	-		-	-
Interest expense	3,154,736	3,466,114	3,898,053	4,557,031
Total governmental activities expenses	$ 191,055,597	$ 198,488,839	$ 215,085,692	$ 216,863,507
Program Revenues				
Charges for services				
Instruction	$ 391,846	$ 365,145	$ 455,409	$ 335,649
Support services	2,238,940	2,141,197	2,220,197	2,181,465
Education	-	-	-	-
Food services	3,565,762	3,624,379	3,911,898	3,943,587
Other non-instructional services	-	-	-	-
Operating grants and contributions	96,557,210	94,197,669	91,800,116	102,475,842
Capital grants and contributions	132,000	1,270,878	228,659	1,213,372
Total governmental activities program revenues	$ 102,885,758	$ 101,599,268	$ 98,616,279	$ 110,149,915
NET EXPENSE	$ (88,169,839)	$ (96,889,571)	$ (116,469,413)	$ (106,713,592)
General Revenues				
Governmental Activities				
Taxes:				
Property taxes	$ 84,458,044	$ 84,722,620	$ 94,275,592	$ 99,163,635
Intangible taxes	1,288,192	1,813,025	1,392,564	1,331,459
Transfer taxes	427,724	346,278	288,711	266,814
Other taxes	15,611	-	-	-
State reimbursement of homestead exemption, general purpose	-	-	-	-
Sales tax, capital outlay and debt service	20,241,186	19,968,392	20,009,700	18,259,865
Interest and investment earnings	85,588	93,786	78,268	108,504
Other	420,342	671,912	488,765	486,970
Extraordinary items	(6,050,097)	-	-	-
Total governmental activities general revenues	$ 100,886,590	$ 107,616,013	$ 116,533,600	$ 119,617,247
Change in Net Positon	$ 12,716,751	$ 10,726,442	$ 64,187	$ 12,903,655

2010	2009	2008	2007	2006	2005
$ 138,121,383	$ 146,934,039	$ 150,943,576	$ 139,532,687	$ 129,110,116	$ 120,102,348
5,132,093	5,139,847	5,273,876	5,052,964	4,381,135	4,500,471
4,331,092	4,495,310	4,893,730	4,959,046	4,841,891	4,194,351
3,620,838	4,122,924	4,413,871	4,134,587	3,901,888	3,825,244
1,162,135	1,180,835	1,463,251	1,865,056	2,089,660	1,891,969
12,788,338	13,521,964	13,856,589	12,363,255	10,965,459	10,692,347
1,078,060	969,569	1,199,535	1,256,946	1,235,347	1,021,899
14,884,267	15,880,952	16,159,214	14,994,627	14,128,544	12,719,694
7,710,847	8,273,658	8,616,819	7,864,526	7,226,965	6,877,733
4,434,557	4,517,985	4,446,113	3,696,847	2,546,504	2,699,301
282,244	326,650	227,472	241,819	195,724	341,205
2,401,650	2,978,945	3,143,072	3,323,812	2,959,370	2,973,067
7,709,527	8,568,176	8,053,566	7,129,145	6,981,926	7,171,596
-	-	2,311,561	2,572,397	2,656,276	3,216,384
5,022,769	5,694,228	6,433,790	6,210,948	6,271,738	5,763,735
$ 208,679,800	$ 222,605,082	$ 231,436,035	$ 215,198,662	$ 199,492,543	$ 187,991,344
$ 392,228	$ 314,311	$ 200,639	$ 380,875	$ 432,037	$ 241,439
2,330,335	2,572,638	3,016,894	2,953,235	2,692,836	2,823,292
-	-	-	-	-	-
4,120,152	4,476,338	4,465,461	4,178,251	4,164,794	4,105,404
-	-	2,226,598	2,443,673	2,831,385	3,249,690
99,837,085	100,129,904	107,519,664	102,112,584	93,582,335	85,404,204
398,221	3,614,327	1,549,115	4,154,760	-	391,608
$ 107,078,021	$ 111,107,518	$ 118,978,371	$ 116,223,378	$ 103,703,387	$ 96,215,637
$ (101,601,779)	$ (111,497,564)	$ (112,457,664)	$ (98,975,284)	$ (95,789,156)	$ (91,775,707)
$ 115,268,389	$ 115,084,744	$ 104,382,015	$ 99,496,866	$ 92,166,178	$ 87,468,396
1,273,783	1,623,315	2,149,764	2,791,990	3,033,194	2,909,438
265,509	340,522	578,761	872,943	931,184	771,895
-	-	-	27,790	13,424	16,735
-	3,768,591	3,537,233	3,549,276	3,576,846	3,546,985
18,802,125	4,488,524	-	-	-	-
121,947	470,896	2,450,562	2,826,447	2,678,460	1,381,476
533,005	867,644	553,682	873,898	517,064	616,932
-	-	-	-	-	-
$ 136,264,758	$ 126,644,236	$ 113,652,017	$ 110,439,210	$ 102,916,350	$ 96,711,857
$ 34,662,979	$ 15,146,672	$ 1,194,353	$ 11,463,926	$ 7,127,194	$ 4,936,150

Fayette County Board of Education
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(unaudited)

	Fiscal Year			
	2014	**2013**	**2012**	**2011 (A)**
General Fund				
Nonspendable	$ 4,788	$ 4,788	$ 30,575	$ 38,475
Restricted	-	-	-	-
Committed	791,710	580,481	399,052	230,102
Assigned	-	-	14,197,281	16,435,948
Unassigned	22,751,211	14,505,398	2,190,268	9,632,929
Reserved	-	-	-	-
Unreserved	-	-	-	-
Total General Fund	$ 23,547,709	$ 15,090,667	$ 16,817,176	$ 26,337,454
All other governmental funds				
Nonspendable	$ 180,376	$ 192,252	$ 491,954	$ 259,836
Restricted	47,746,430	41,646,462	35,325,484	30,318,985
Committed	3,620,207	3,223,019	2,630,664	2,442,754
Assigned	1,062,101	1,106,021	1,523,608	1,625,873
Reserved	-	-	-	-
Unreserved, reported in:				
Special projects funds	-	-	-	-
Capital projects funds	-	-	-	-
Total all other governmental funds	$ 52,609,114	$ 46,167,754	$ 39,971,710	$ 34,647,448

Note: Includes all governmental fund types.

A Reflects implementation of GASB Statement No. 54

[1] Balances previously reported as reserved fund balance related to capital project funds funded with bond proceeds and as reserved fund balance related to special revenue funds have been reclassified to unreserved classification because the funds in which the balances are accounted limit its usage. That is, the restriction on the fund balance is not narrower than the purpose of the fund itself.

[2] Increase in fund balance in this period was due to the issuance of general obligation bonds during the period for capital projects.

Fiscal Year					
2010	2009	2008	2007	2006	2005
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
17,288,019	4,509,616	1,678,283	6,555,409	5,427,148	4,799,001
$ 17,288,019	$ 4,509,616	$ 1,678,283	$ 6,555,409	$ 5,427,148	$ 4,799,001
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
3,453,437	2,635,889	2,298,020	4,629,016	4,667,476 [1]	42,253,938
4,117,102	3,099,256	2,638,343	2,699,479	2,821,627	-
21,596,282	14,433,786	18,850,160	34,227,555	21,738,700	3,145,184
$ 29,166,821	$ 20,168,931	$ 23,786,523	$ 41,556,050 [2]	$ 29,227,803	$ 45,399,122 [2]

Fayette County Board of Education
Changes in Fund Balances of Governmental Funds
Last Ten Years
(modified accrual basis of accounting)
(unaudited)

	Fiscal Year			
	2014	**2013**	**2012**	**2011**
Revenues				
State funds	$ 85,914,380	$ 84,529,941	$ 80,886,999	$ 86,636,341
Federal funds	8,535,870	8,743,298	8,884,415	14,515,896
Local and other funds	115,419,650	116,232,262	125,728,896	130,272,481
Total revenues	209,869,900	209,505,501	215,500,310	231,424,718
Expenditures				
Current				
Instruction	115,453,676	119,740,956	129,513,425	126,536,594
Support services				
Pupil services	8,941,466	9,450,764	9,378,670	9,305,224
Improvement of instructional services	3,740,483	3,969,031	4,220,893	4,132,770
Educational media services	2,870,088	3,219,739	3,497,711	3,540,744
General administration	1,707,173	1,646,537	1,299,766	1,155,654
School administration	10,909,670	12,555,692	13,384,943	12,772,049
Business administration	861,971	1,070,562	944,784	1,112,059
Maintenance and operation of facilities	12,393,833	12,356,626	13,733,068	13,790,653
Student transportation services	7,441,448	7,495,887	7,886,610	7,153,794
Central support services	2,570,756	2,374,312	2,614,046	3,181,093
Other support services	491,443	276,311	303,373	297,832
Community service	2,137,436	2,299,935	2,376,826	2,177,702
Food services	6,707,814	6,658,939	7,207,059	7,030,245
Other non-instructional services	-	-	-	-
Capital outlay	6,318,135	7,758,864	9,151,831	12,914,799
Debt Service				
Principal retirement	9,206,900	9,815,716	9,496,943	11,062,504
Interest and fees	3,264,945	4,346,095	4,686,378	4,042,368
Bond issuance cost	323,414	-	-	-
Total expenditures	195,340,651	205,035,966	219,696,326	220,206,084
Excess (deficiency) of revenues over (under) expenditures	14,529,249	4,469,535	(4,196,016)	11,218,634
Other financing sources (uses)				
Sale of assets	5,170,000	-	-	-
Issuance of bonds	-	-	-	-
Premium (discount) on issuance of bonds	-	-	-	-
Capital lease	-	-	-	3,311,428
Refunding bonds	53,240,000	-	-	-
Payment to refunded bond escrow agent	(58,040,847)	-	-	-
Total other financing sources (uses)	369,153	-	-	3,311,428
Net change in fund balances	14,898,402	4,469,535	(4,196,016)	14,530,062
Debt service as a percentage of noncapital expenditures	6.7%	7.0%	6.6%	6.9%

[1] Negative change in total fund balance is the result of spending proceeds of previously issued debt on large capital projects.

[2] Positive change in total fund balance is the result of the issuance of general obligation debt.

[3] Capital assets not recorded. Ratio calculated on capital outlay, not capital asset additions.

Fiscal Year						
2010	**2009**	**2008**	**2007**	**2006**	**2005**
$ 77,735,483	$ 91,168,857	$ 101,587,596	$ 98,868,501	$ 85,750,375	$ 79,716,303
20,439,527	9,745,900	7,234,301	6,909,759	7,521,162	5,750,007
144,926,435	135,324,244	123,177,217	120,567,784	113,314,825	106,519,973
243,101,445	236,239,001	231,999,114	226,346,044	206,586,362	191,986,283
129,413,149	138,027,216	143,371,200	133,447,372	123,924,803	113,571,854
5,133,136	5,139,291	5,260,974	5,039,509	4,427,063	4,485,522
4,303,987	4,430,882	4,853,123	4,884,050	4,780,798	4,110,379
3,406,581	3,910,192	4,205,362	3,925,284	3,651,713	3,404,294
1,162,559	1,167,459	1,448,959	1,809,808	2,027,439	1,769,569
12,502,590	13,316,070	13,556,618	12,092,048	10,718,073	10,285,912
1,064,214	941,630	1,193,107	1,327,015	1,178,267	1,009,732
13,920,860	14,723,060	15,609,988	14,495,969	13,957,845	12,494,337
7,078,540	7,301,975	9,054,471	7,274,856	8,668,870	7,004,495
3,605,247	3,668,489	3,826,798	3,538,616	2,839,589	3,030,099
282,244	326,650	227,472	241,819	195,724	347,824
2,387,429	2,979,114	3,134,538	3,304,322	2,955,767	2,997,403
6,810,308	7,328,239	7,262,468	6,462,068	6,304,995	6,176,344
-	-	2,311,561	2,572,397	2,656,276	3,216,384
8,612,189	13,591,204	18,882,946	23,975,915	17,753,339	12,280,797
18,766,832	18,068,590	16,967,044	15,203,484	13,589,396	12,216,292
3,009,514	4,391,888	4,958,756	4,406,505	4,896,009	5,317,301
81,061	-	-	158,412	21,044	160,712
221,540,440	239,311,949	256,125,385	244,159,449	224,547,010	203,879,250
21,561,005	(3,072,948)	(24,126,271)	(17,813,405)	(17,960,648)	(11,892,967)
-	-	-	-	-	52,106
-	-	-	29,965,000	-	35,000,800
1,118,947	-	-	1,304,913	-	(101,915)
127,103	2,286,689	1,479,618	-	2,417,476	1,063,771
24,800,000	-	-	-	-	-
(25,830,762)	-	-	-	-	-
215,288	2,286,689	1,479,618	31,269,913	2,417,476	36,014,762
21,776,293	(786,259)	(22,646,653) [1]	13,456,508 [2]	(15,543,172) [1]	24,121,795 [2]
10.1%	9.8%	9.2%	9.0%	9.1%	9.2%



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Fayette County Board of Education
Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(in thousands of dollars)
(unaudited)

MAINTENANCE AND OPERATIONS

Fiscal Year	Assessed Valued: Real Property	Assessed Valued: Personal Property	Assessed Valued: Privately-Owned Public Utilities	Less: Freeport Homestead Exemption	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Values as a Percentage of Actual Value
2014	4,210,089	354,671	74,510	736,562	3,902,708	20.000	11,598,175	40%
2013	4,190,197	333,992	72,396	684,150	3,912,435	20.000	11,491,463	40%
2012	4,685,363	320,053	72,841	720,582	4,357,675	20.000	12,695,643	40%
2011	4,889,256	320,137	73,325	704,898	4,577,820	20.000	13,206,795	40%
2010	5,278,389	397,857	71,407	727,311	5,020,342	20.000	14,369,133	40%
2009	5,245,804	390,440	67,292	670,759	5,032,777	19.750	14,258,840	40%
2008	5,085,472	350,968	70,522	627,651	4,879,311	18.596	13,767,405	40%
2007	4,794,801	329,427	64,713	582,484	4,606,457	18.600	12,972,353	40%
2006	4,372,044	339,547	64,757	512,898	4,263,450	18.750	11,940,870	40%
2005	4,036,879	345,487	64,305	469,733	3,976,938	18.990	11,116,678	40%

DEBT SERVICE

Fiscal Year	Assessed Valued: Real Property	Assessed Valued: Personal Property	Assessed Valued: Privately-Owned Public Utilities	Less: Freeport Homestead Exemption	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Values as a Percentage of Actual Value
2014	4,210,089	354,671	74,510	696,952	3,942,318	1.450	11,598,175	40%
2013	4,190,197	333,992	72,396	642,828	3,953,757	1.450	11,491,463	40%
2012	4,685,363	320,053	72,841	677,754	4,400,503	1.650	12,695,643	40%
2011	4,889,256	320,137	73,325	660,854	4,621,864	1.650	13,206,795	40%
2010	5,278,389	397,857	71,407	682,653	5,065,000	3.420	14,369,133	40%
2009	5,514,344	390,440	67,292	625,965	5,346,111	4.170	14,930,190	40%
2008	5,326,038	350,968	70,522	582,355	5,165,173	3.550	14,368,820	40%
2007	4,794,801	329,427	64,713	537,084	4,651,857	3.550	12,972,353	40%
2006	4,372,044	339,547	64,757	467,752	4,308,596	3.600	11,940,870	40%
2005	4,036,879	345,487	64,305	425,345	4,021,326	3.687	11,116,678	40%

Source: Georgia Department of Revenue

Fayette County Board of Education
Direct and Overlapping
Property Tax Rates
Last Ten Fiscal Years
(unaudited)

	School System			County			
	Operating Millage	Debt Service Millage	Total Millage	Unincorporated Operating Millage	Incorporated Operating Millage	Fire (1) District Millage	EMS (2) District Millage
2014	20.000	1.450	21.450	5.714	5.714	3.070	0.456
2013	20.000	1.450	21.450	5.645	5.645	3.030	0.450
2012	20.000	1.650	21.650	5.645	5.645	2.500	0.450
2011	20.000	1.650	21.650	7.391	5.400	1.991	0.548
2010	20.000	3.420	23.420	7.391	5.400	1.991	0.548
2009	19.750	4.170	23.920	7.391	5.400	1.991	0.548
2008	18.596	3.550	22.146	5.432	5.432	2.000	0.550
2007	18.600	3.550	22.150	4.888	5.692	2.906	N/A
2006	18.750	3.600	22.350	5.191	6.083	3.091	N/A
2005	18.990	3.687	22.677	5.420	6.380	3.230	N/A

Source: Georgia Department of Revenue

Notes (1) Levied in all municipalities except Fayetteville and Peachtree City.
(2) Levied in all municipalities except Peachtree City.
(3) Previously included as a part of the unincorporated millage rate.

Overlapping Governments						
E911 (3) District Millage	City of Fayetteville Millage	City of Tyrone Millage	City of Brooks Millage	City of Peachtree City Millage	City of Peachtree City Debt Service	State Millage
0.210	3.926	2.889	0.940	6.756	0.332	0.150
0.207	3.882	2.889	0.929	6.756	0.422	0.200
0.207	3.441	2.889	0.816	6.384	0.399	0.250
N/A	3.240	2.889	0.789	6.384	0.399	0.250
N/A	2.988	2.889	0.730	5.134	0.399	0.250
N/A	2.988	2.889	0.730	5.120	0.411	0.250
N/A	2.990	2.900	0.764	4.985	0.548	0.250
N/A	2.990	2.900	0.794	5.533	-	0.250
N/A	3.033	2.900	0.862	5.283	-	0.250
N/A	3.033	2.900	0.900	5.283	-	0.250

Fayette County Board of Education
Property Tax Levies and Collections
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	M&O Tax Levy	Debt Service Tax Levy	Total Tax Levy for the Fiscal Year	Collected within the Fiscal Year of the Levy	
				Amount	Percentage of Levy
2014	$ 78,054,155	$ 5,716,361	$ 83,770,516	$ 82,759,692	98.8%
2013	78,248,691	5,732,947	83,981,638	82,879,529	98.7%
2012	87,153,494	7,260,829	94,414,323	91,614,015	97.0%
2011	89,949,880	7,493,511	97,443,391	95,253,547	97.8%
2010	95,475,793	16,479,111	111,954,904	107,530,037	96.0%
2009	99,164,240	21,124,335	120,288,575	116,809,520	97.1%
2008	90,226,100	17,384,940	107,611,040	105,166,788	97.7%
2007	85,394,697	16,459,467	101,854,164	100,341,217	98.5%
2006	79,600,481	15,445,744	95,046,225	93,417,376	98.3%
2005	74,971,265	14,720,465	89,691,730	88,077,077	98.2%

Source: As reported by the Fayette County Tax Commissioner

Note Tax levy includes levy on motor vehicles.

Collections in Subsequent Years	Total Collections to Date	
	Amount	Percentage of Levy
$ -	$ 82,759,692	98.8%
754,487	83,634,016	99.6%
2,487,145	94,101,160	99.7%
2,016,944	97,270,491	99.8%
4,249,010	111,779,047	99.8%
3,294,179	120,103,699	99.8%
2,282,850	107,449,638	99.9%
1,445,900	101,787,117	99.9%
1,486,620	94,903,996	99.9%
1,524,118	89,601,195	99.9%

Fayette County Board of Education
Governmental Activities Tax Revenues by Source
Last Ten Fiscal Years

Fiscal Year	Property Tax	Auto Title/ Ad Valorem	Intangible Tax	Transfer Tax	State Reimbursement of Homestead Exemption
2014	75,056,047	$ 9,401,997	$ 1,288,192	$ 427,724	$ -
2013	76,450,608	8,272,012	1,813,025	346,278	-
2012	86,806,456	7,469,136	1,392,564	273,132	-
2011	91,741,352	7,422,283	1,331,459	266,814	-
2010	107,637,996	7,630,393	1,273,783	265,509	-
2009	107,123,149	7,961,595	1,623,315	340,522	3,768,591
2008	96,299,582	8,082,433	2,149,764	578,761	3,537,233
2007	91,485,816	8,011,050	2,791,990	872,943	3,549,276
2006	84,382,779	7,783,399	3,033,194	931,184	3,576,846
2005	79,681,683	7,686,713	2,909,438	771,895	3,546,985

Special Purpose Local Option Sales Tax	Other Taxes	Total
$ 20,241,186	$ 15,611	$ 106,430,757
19,968,392	-	106,850,315
20,009,700	15,579	115,966,567
18,259,865	-	119,021,773
18,802,125	-	135,609,806
4,488,524	-	125,305,696
-	-	110,647,773
-	27,790	106,738,865
-	13,424	99,720,826
-	16,735	94,613,449

Fayette County Board of Education
Principal Taxpayers (Top Ten)
June 30, 2014 and Nine Years Ago

Taxpayer	FY 2014 Assessed Valuation	Rank	Percentage of Total Assessed Valuation	FY 2005 Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Coweta-Fayette EMC	15,312,706	1	0.33%	19,357,065	4	0.44%
DDRTC Fayette Pavilion I & II	14,297,548	2	0.31%	-		0.00%
Hoshizaka America	13,523,473	3	0.29%	10,787,393	7	0.24%
Georgia Power Company	13,051,915	4	0.28%	-		0.00%
Cooper Lighting	12,821,471	5	0.28%	-		0.00%
DDRTC Fayette Pavilion III & IV	12,794,056	6	0.28%	-		0.00%
BellSouth	11,667,339	7	0.25%	11,384,061	6	0.26%
DDRTC Fayette Pavilion I & II	11,743,628	8	0.25%	-		0.00%
Atlanta Gas Light	11,369,533	9	0.25%	10,512,927	8	0.24%
Dixie Aerospace Inc	11,226,637	10	0.24%	-		0.00%
NCR Corporation	-		0.00%	33,331,600	1	0.75%
Inland Southeast Fayette I & II	-		0.00%	29,854,930	2	0.67%
Matsushita Communications Corp.	-		0.00%	24,914,346	3	0.56%
Inland Southeast Fayette III	-		0.00%	15,491,504	5	0.35%
Photocircuits Corporation	-		0.00%	9,952,370	9	0.22%
Summit Properties	-		0.00%	9,865,200	10	0.22%
Other Taxpayers	4,511,460,694		97.25%	4,271,219,558		96.05%
	$ 4,639,269,000		100.00%	$ 4,446,670,954		100.00%

Source: Fayette County Tax Commissioner (current year information) and the Fayette County Comprehensive Annual Financial Report (FY2005 information).

Note: Amounts for FY 2014 relate to tax year 2013.

Fayette County Board of Education
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

	Governmental Activities					
	General Obligation Bonds (1)	Certificates of Participation	Capital Leases	Total Primary Government	Percentage of Personal Income (2)	Per Capita (3)
2014	$ 65,805,944	$ -	$ -	$ 65,805,944	NA	NA
2013	66,463,730	455,000	763,755	67,682,485	1.29%	624.58
2012	74,031,558	890,000	2,860,622	77,782,180	1.51%	723.95
2011	81,352,277	1,300,000	4,910,785	87,563,062	1.77%	816.58
2010	90,578,648	1,690,000	3,329,429	95,598,077	2.08%	893.49
2009	106,793,640	2,065,000	4,649,158	113,507,798	2.46%	1,075.97
2008	123,478,790	2,420,000	3,451,059	129,349,849	2.69%	1,229.65
2007	139,238,940	2,765,000	2,893,485	144,897,425	2.94%	1,380.12
2006	122,090,680	3,095,000	3,661,969	128,847,649	2.89%	1,237.74
2005	134,680,584	3,410,000	1,923,889	140,014,473	3.31%	1,373.22

Note: Details regarding the School System's debt can be found in the notes to the basic financial statements.

(1) Presented net of original issuance discounts and premiums.
(2) Personal income data can be found in the Schedule of Demographic and Economic Statistics on page 152.
(3) Population data can be found in the Schedule of Demographic and Economic Statistics on page 152.

NA: Personal income data and population data not available for calculation of amounts.

Fayette County Board of Education
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds (1)	Less: Amounts Available in Debt Service Fund (2)	Total	Percentage of Estimated Actual Taxable Value of Property (3)	Per Capita (4)
2014	$ 65,805,944	$ -	$ 65,805,944	0.57%	NA
2013	66,463,730	-	66,463,730	0.58%	613.33
2012	74,031,558	-	74,031,558	0.58%	689.04
2011	81,352,277	-	81,352,277	0.62%	758.66
2010	88,670,800	-	88,670,800	0.62%	828.75
2009	105,720,800	-	105,720,800	0.74%	1,002.16
2008	122,345,800	-	122,345,800	0.89%	1,163.07
2007	138,045,800	-	138,045,800	1.06%	1,314.86
2006	122,185,800	1,007,531	121,178,269	1.01%	1,164.07
2005	134,780,800	3,095,972	131,684,828	1.18%	1,291.52
2004	110,980,000	3,926,594	107,053,406	1.04%	1,076.53

Note: Details regarding the School System's outstanding debt can be found in the notes to the basic financial statements.

(1) This is the general bonded debt of governmental activities, net of original issuance discounts and premiums.

(2) This is the net position restricted for debt service principal payments.

(3) See the Schedule of Assessed Value and the Estimated Actual Value of Taxable Property on page 127 for property tax data.

(4) Population data can be found in the Schedule of Demographic and Economic Statistics on page 152.

NA - population data not available for calculation of per capita amount.

Fayette County Board of Education
Direct and Overlapping Governmental Activities Debt
As of June 30, 2014

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable (1)	Estimated Share of Overlapping Debt
Debt repaid with property taxes:			
Peachtree City			
2003 Bonds	$ 745,000	100%	$ 745,000
2011 Bonds	1,940,000	100%	1,940,000
Total Overlapping Debt			2,685,000
Fayette County Board of Education			65,805,944
Total Direct and Overlapping Debt			$ 68,490,944

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundries of the School System. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses within the School System's boundries. This process recognizes that, when considering the School System's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

(1) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the municipality/authority's taxable assessed value that is within the School System's boundries and dividing it by the the municipality/authority's total taxable assessed value.

Fayette County Board of Education
Legal Debt Margin Information
Last Ten Fiscal Years

Legal Debt Margin Calculation for Fiscal Year 2013

Assessed value 2013 tax digest	$ 3,942,317,734
Limit of bonded indebtedness, 10% of net assessed taxable property value	394,231,773
Amount of debt applicable to the debt limit	
General obligation bonds, net of original issuance discounts and premiums	65,805,944
Legal Debt Margin	$ 328,425,829

	2014	2013	2012
Debt limit	$ 394,231,773	$ 395,375,655	$ 440,050,269
Total debt applicable to limit	65,805,944	66,918,730	74,921,558
Legal debt margin	$ 328,425,829	$ 328,456,925	$ 365,128,711
Total debt applicable as a percentage of debt limit	16.7%	16.9%	17.0%

Note: Under the Constitution of the State of Georgia, the School System may not incur long-term debt in excess of ten percent of the assessed value of all taxable property within the district.

2011	2010	2009	2008	2007	2006	2005
$ 462,186,375	$ 506,500,006	$ 534,611,072	$ 516,517,319	$ 465,185,735	$ 430,859,581	$ 282,698,104
82,652,277	92,268,648	108,858,640	125,898,790	142,003,940	124,178,149	134,994,612
$ 379,534,098	$ 414,231,358	$ 426,825,272	$ 363,165,289	$ 323,181,795	$ 305,578,781	$ 140,453,104
17.9%	18.2%	20.4%	24.4%	30.5%	28.8%	47.8%

Fayette County Board of Education
Operating Statistics
Last Ten Fiscal Years
(unaudited)

Fiscal Year	General Fund Expenditures	Student Enrollment	Cost Per Pupil	Percentage Change	Teaching Staff	Pupil/Teacher Ratio
2014	$ 158,003,155	20,243	$ 7,805.32	-5.4%	1,304	15.58
2013	167,709,003	20,318	8,254.21	-5.6%	1,423	14.41
2012	179,379,327	20,506	8,747.65	5.7%	1,483	14.24
2011	174,862,115	21,120	8,279.46	3.3%	1,483	14.62
2010	173,796,697	21,683	8,015.34	-5.3%	1,493	14.77
2009	186,618,421	22,047	8,464.57	-5.7%	1,570	14.08
2008	198,344,607	22,108	8,971.62	8.9%	1,675	13.35
2007	184,323,313	22,367	8,240.86	6.4%	1,620	13.76
2006	172,647,046	22,291	7,745.15	9.0%	1,565	14.27
2005	158,711,504	22,338	7,105.00	2.5%	1,529	14.14

Fayette County Board of Education
Teacher Salaries
Last Ten Fiscal Years
(unaudited)

Fiscal Year	Minimum Salary	Maximum Salary	Statewide Base
2014	$ 34,723	$ 80,383	$ 33,424
2013	34,723	80,383	33,424
2012	34,723	80,383	33,424
2011	34,723	80,383	33,424
2010	33,161	76,766	33,424
2009	34,723	80,383	33,424
2008	33,953	78,614	32,609
2007	33,055	76,553	31,659
2006	31,904	73,909	30,441
2005	31,340	72,615	29,259

Source: School System records

Fayette County Board of Education
School Building Information
Last Ten Years
(unaudited)

	2014	2013	2012	2011
Elementary				
Braelinn (1989)				
Square feet	70,860	70,860	70,860	70,860
Capacity	675	675	675	675
Enrollment	542	443	471	493
Brooks (1962) [1]				
Square feet	60,413	60,413	60,413	60,413
Capacity	-	525	525	525
Enrollment	-	243	298	307
Robt. J. Burch (1989)				
Square feet	73,146	73,146	73,146	73,146
Capacity	675	675	675	675
Enrollment	531	557	576	634
Crabapple Lane (2004)				
Square feet	94,816	94,816	94,816	94,816
Capacity	800	800	800	800
Enrollment	637	536	508	535
East Fayette (1955)				
Square feet	53,386	53,386	53,386	53,386
Capacity	-	-	-	-
Enrollment	-	-	-	-
Fayetteville Intermediate (1974) [1]				
Square feet	72,673	72,673	72,673	72,673
Capacity	-	550	550	550
Enrollment	-	395	389	421
Fayetteville/Hood Avenue (1970) [2]				
Square feet	73,176	73,176	73,176	73,176
Capacity	575	575	575	575
Enrollment	590	370	365	394
Huddleston (1979)				
Square feet	79,694	79,694	79,694	79,694
Capacity	625	625	625	625
Enrollment	645	590	562	565
Inman (2009)				
Square feet	86,172	86,172	86,172	86,172
Capacity	663	663	663	663
Enrollment	512	467	490	507

Note (1): School facility closed as of school year 2013-2014.

Note (2): As of school year 2013-2014, Hood Avenue transitioned from a K-2 school to a K-5 school and the Board of Education renamed the building to Fayetteville Elementary School

Note: Capacity information is based on State of Georgia capacity calculations using the total number of instructional units for the facility and allowable class sizes.

2010	2009	2008	2007	2006	2005
70,860	70,860	70,860	70,860	70,860	70,860
675	675	675	675	675	675
544	568	516	504	519	519
60,413	60,413	60,413	60,413	52,725	52,725
525	525	525	525	450	450
313	315	324	326	358	354
73,146	73,146	73,146	73,146	73,146	73,146
675	675	675	675	675	675
664	701	734	726	754	628
94,816	94,816	94,816	94,816	94,179	94,179
800	800	800	800	800	800
554	565	488	560	495	481
53,386	53,386	53,386	53,386	53,386	53,386
-	-	550	550	575	575
-	-	572	586	617	580
72,673	72,673	72,673	72,673	65,792	65,792
550	550	550	550	550	550
455	469	469	486	471	429
73,176	73,176	73,176	73,176	73,176	73,176
575	575	575	575	575	575
404	417	425	438	410	415
79,694	79,694	79,694	79,694	79,694	79,694
625	625	625	625	625	625
590	633	619	624	607	605
86,172	86,172	-	-	-	-
663	663	-	-	-	-
546	539	-	-	-	-

continued

Fayette County Board of Education
School Building Information- continued
Last Ten Years
(unaudited)

	2014	2013	2012	2011
Elementary - continued				
Kedron (1995)				
Square feet	87,734	87,734	87,734	87,734
Capacity	725	725	725	725
Enrollment	582	518	560	586
Cleveland (2003)				
Square feet	94,179	94,179	94,179	94,179
Capacity	800	800	800	800
Enrollment	538	547	523	542
S. H. Minter (2003)				
Square feet	94,179	94,179	94,179	94,179
Capacity	800	800	800	800
Enrollment	772	599	593	593
North Fayette (1980)				
Square feet	75,785	75,785	75,785	75,785
Capacity	750	750	750	750
Enrollment	574	478	478	458
Oak Grove (1986)				
Square feet	71,040	71,040	71,040	71,040
Capacity	725	725	725	725
Enrollment	497	556	521	514
Peachtree City (1968)				
Square feet	62,732	62,732	62,732	62,732
Capacity	525	525	525	525
Enrollment	523	509	509	490
Peeples (1998)				
Square feet	94,655	94,655	94,655	94,655
Capacity	800	800	800	800
Enrollment	657	589	618	669
Spring Hill (1996)				
Square feet	94,655	94,655	94,655	94,655
Capacity	800	800	800	800
Enrollment	598	497	512	518
Tyrone (1980) [1]				
Square feet	59,580	59,580	59,580	59,580
Capacity	-	450	450	450
Enrollment	-	337	344	346
Middle				
Fayette (1986) [1]				
Square feet	135,649	135,649	135,649	135,649
Capacity	-	1,125	1,125	1,125
Enrollment	-	696	720	751

2010	2009	2008	2007	2006	2005
87,734	87,734	87,734	87,734	87,734	87,734
725	725	725	725	725	725
597	592	510	527	422	434
94,179	94,179	94,179	94,179	94,179	94,179
800	800	800	800	800	800
556	556	539	508	469	437
94,179	94,179	94,179	94,179	94,179	94,179
800	800	800	800	800	800
613	648	689	711	732	738
75,785	75,785	75,785	75,785	75,785	75,785
750	750	750	750	750	750
478	492	476	471	521	481
71,040	71,040	71,040	71,040	71,040	71,040
725	725	725	725	725	725
516	485	506	496	465	474
62,732	62,732	62,732	62,732	62,732	62,732
525	525	525	525	550	550
467	446	550	507	562	481
94,655	94,655	94,655	94,655	94,655	87,734
800	800	800	800	800	725
699	751	839	876	846	842
94,655	94,655	94,655	94,655	94,655	87,734
800	800	800	800	800	725
542	556	582	582	599	648
59,580	59,580	59,580	59,580	59,580	59,580
450	450	450	450	450	450
338	329	336	367	418	388
135,649	135,649	135,649	135,649	135,649	135,649
1,125	1,125	1,125	1,125	1,162	1,162
791	820	823	1,030	1022	989

continued

Fayette County Board of Education
School Building Information- continued
Last Ten Years
(unaudited)

	2014	2013	2012	2011
Middle continued				
Bennett's Mill (2008)				
Square feet	158,653	158,653	158,653	158,653
Capacity	1,475	1,475	1,475	1,475
Enrollment	984	594	598	607
J. C. Booth (1979)				
Square feet	139,581	139,581	139,581	139,581
Capacity	1,175	1,175	1,175	1,175
Enrollment	1,201	1,052	1,025	1,021
Flat Rock (1989)				
Square feet	137,068	137,068	137,068	137,068
Capacity	1,012	1,012	1,012	1,012
Enrollment	820	854	824	839
Rising Starr (1996)				
Square feet	156,409	156,409	156,409	156,409
Capacity	1,175	1,175	1,175	1,175
Enrollment	965	1,035	1,039	1,039
Whitewater (1989)				
Square feet	137,879	137,879	137,879	137,879
Capacity	1,050	1,050	1,050	1,050
Enrollment	981	739	817	818
High				
Fayette County (1998*)				
Square feet	259,536	259,536	259,536	259,536
Capacity	1,725	1,725	1,725	1,725
Enrollment	1,236	1,255	1,280	1,360
McIntosh (1981)				
Square feet	270,793	270,793	270,793	270,793
Capacity	1,625	1,625	1,625	1,625
Enrollment	1,640	1,587	1,578	1,636
Sandy Creek (1990)				
Square feet	248,280	248,280	248,280	248,280
Capacity	1,625	1,625	1,625	1,625
Enrollment	1,160	1,167	1,157	1,178
Starr's Mill (1998)				
Square feet	226,980	226,980	226,980	226,980
Capacity	1,650	1,650	1,650	1,650
Enrollment	1,472	1,500	1,480	1,555
Whitewater (2004)				
Square feet	279,822	279,822	279,822	279,822
Capacity	1,475	1,475	1,475	1,475
Enrollment	1,369	1,380	1,453	1,533

2010	2009	2008	2007	2006	2005
158,653	158,653	158,653	-	-	-
1,175	1,175	1,175	-	-	-
625	569	548	-	-	-
139,581	139,581	139,581	139,581	139,581	139,581
1,175	1,175	1,175	1,175	1,175	1,175
1,018	988	994	1,200	1,192	1,166
137,068	137,068	137,068	137,068	137,068	137,068
1,012	1,012	1,012	1,012	1,075	1,075
826	840	845	926	945	928
156,409	156,409	156,409	156,409	141,013	141,013
1,175	1,175	1,175	1,175	1,087	1,087
1,103	1,077	1,058	1,091	1,120	1,213
137,879	137,879	137,879	137,879	137,879	137,879
1,050	1,050	1,050	1,050	1,070	1,070
855	907	935	1,177	1,185	1,158
259,536	259,536	259,536	259,536	259,536	259,536
1,725	1,725	1,725	1,725	1,700	1,700
1,431	1,451	1,359	1,291	1528	1736
270,793	270,793	270,793	270,793	270,793	205,598
1,625	1,625	1,625	1,625	1,600	1,600
1,621	1,600	1,598	1,552	1,568	1,569
248,280	248,280	248,280	248,280	248,280	248,280
1,625	1,625	1,625	1,625	1,562	1,562
1,240	1,278	1,329	1,342	1,327	1,285
226,980	226,980	226,980	226,980	226,980	226,980
1,650	1,650	1,650	1,650	1,625	1,625
1,508	1,621	1,653	1,611	1,722	1,717
279,822	279,822	279,822	279,822	279,822	279,822
1,475	1,475	1,475	1,475	1,475	1,475
1,623	1,679	1,679	1,696	1249	826

Fayette County Board of Education
System Employees
Last Ten Fiscal Years
(unaudited)

	2014	2013	2012	2011	2010
Position					
Administrators	91	103	101	100	100
Teachers	1,304	1,423	1,483	1,483	1,493
Media	24	28	28	28	28
Counselors	47	57	58	58	58
Clerical	128	152	156	157	160
Paraprofessionals	211	303	296	320	320
Custodians	132	152	171	171	177
Lunchroom	157	157	178	178	174
Other Areas*	395	419	432	420	428
Total employees	2,489	2,794	2,903	2,915	2,938

Source: School System records

Note: Employee data does not include substitute teachers and is based on fulltime equivalent employment.

* Prior to 2009, Other Areas may have included Community Coaches, After School Employees, and At-Will Employees.

2009	2008	2007	2006	2005
102	102	103	102	97
1,570	1,675	1,620	1,565	1,529
36	35	36	35	34
61	65	59	59	57
162	189	169	163	161
350	356	339	303	291
178	177	184	183	172
174	174	170	166	159
456	510	570	557	480
3,088	3,283	3,250	3,133	2,980

Fayette County Board of Education
School Lunch and Breakfast Program
Last Ten Fiscal Years
(unaudited)

	2014	2013	2012	2011
Lunch Meals Served				
Free	551,946	541,183	561,152	544,183
Reduced	111,599	112,478	116,127	102,357
Paid	755,131	802,143	920,006	975,988
Total	1,418,676	1,455,804	1,597,285	1,622,528
Daily Average	8,260	8,262	8,899	9,150
Student Price	$2.35 - $2.45	$2.25 - $2.35	$2.15 - $2.35	$2.10 - $2.25
Breakfast Meals Served				
Free	148,968	133,860	116,773	112,236
Reduced	17,617	18,599	15,550	14,370
Paid	40,650	36,800	29,779	33,602
Total	207,235	189,259	162,102	160,208
Daily Average	1,231	1,101	923	932
Student Price	$1.45 - $1.50	$1.45 - $1.50	$1.35 - $1.45	$1.35 - $1.45
Total Meals Served				
Free	700,914	675,043	677,925	656,419
Reduced	129,216	131,077	131,677	116,727
Paid	795,781	838,943	949,785	1,009,590
Total	1,625,911	1,645,063	1,759,387	1,782,736
Daily Average	9,491	9,363	9,822	10,082

2010	2009	2008	2007	2006	2005
487,840	417,595	360,542	337,321	320,901	256,984
126,018	125,967	119,440	116,103	101,313	84,992
1,063,608	1,214,298	1,309,593	1,324,475	1,342,753	1,336,162
1,677,466	1,757,860	1,789,575	1,777,899	1,764,967	1,678,138
9,449	9,861	9,966	9,913	9,961	9,457
$2.05 - $2.15	$2.00 - $2.10	$1.90 - $2.00	$1.90 - $2.00	$1.90	$1.90
101,422	80,954	71,146	59,899	57,145	40,096
17,014	14,437	15,442	11,407	10,015	8,544
27,857	29,936	27,955	24,148	29,319	24,744
146,293	125,327	114,543	95,454	96,479	73,384
853	688	688	561	582	443
$1.35 - $1.45	$1.35 - $1.45	$1.25	$1.25	$1.15	$1.15
589,262	498,549	431,688	397,220	378,046	297,080
143,032	140,404	134,882	127,510	111,328	93,536
1,091,465	1,244,234	1,337,548	1,348,623	1,372,072	1,360,906
1,823,759	1,883,187	1,904,118	1,873,353	1,861,446	1,751,522
10,302	10,549	10,654	10,474	10,543	9,900

Fayette County Board of Education
Demographic and Economical Statistics
Last Ten Fiscal Years

Fiscal Year	Estimated Population [1]	Personal Income (in $1,000) [1]	Per Capita Personal Income [1]	School Enrollment	Unemployment Rate [2]
2014	NA	NA	NA	20,243	7.1%
2013	108,365	5,246,261	48,413	20,318	8.0%
2012	107,442	5,145,743	47,893	20,506	8.6%
2011	107,232	4,952,858	46,188	21,120	8.8%
2010	106,994	4,601,926	43,011	21,683	8.3%
2009	105,493	4,605,573	43,658	22,047	8.9%
2008	105,192	4,805,477	45,683	22,108	5.2%
2007	104,989	4,931,620	46,973	22,367	4.1%
2006	104,099	4,463,064	42,873	22,291	4.5%
2005	101,961	4,224,282	41,430	22,338	5.0%

Source [1] Bureau of Economic Analysis, U.S. Department of Commerce, Table CA 1-3, updated November 20, 2014, with nw estimates for 2013 and revised estimates for 2001-2012. and revised personal income and per capita data based on comprehensive revision to the national income and product accounts released in July 2013.
(Population estimate revisions 2010-2012, personal income and per capita income revisions for all years presented)

[2] Bureau of Labor Statistics, U.S. Department of Labor, for June of each year, updated with data extracted from BLS website on September 9, 2014

NA Data not available.

Fayette County Board of Education
Major Employers
June 30, 2014 and Eight Years Ago

Employer	FY 2014 Employees [1]	Percentage of County Employment [2]	FY 2006 Employees [3]
Piedmont Fayette Hospital	1,400	4.20%	930
NCR	1,200	3.60%	550
Cooper Lighting	600	1.80%	650
Hoshizaki America, Inc.	330	0.99%	425
Panasonic	300	0.90%	1,687
World Airways	255	0.76%	275
FAA Tracon	190	0.57%	190
TDK Components	130	0.39%	210
Cooper Wiring Device	130	0.39%	
SANY America	126	0.38%	
APAC - Georgia			200
Alenco, Inc.			181
Total	4,661	13.98%	5,298

Sources: Fayette County Development Authority, www.fayettega.org
[1] - website data as of September 2014
[3] - website data as of November 2006

[2] Based on total private sector employment of Fayette County of 33,351. Georgia Department of Labor 1st quarter 2014 data, as updated August 2014.

Note 1: Data for FY 2005 not available. Data for FY 2006 is presented above for comparison purposes.

Note 2: Employment data from the Fayette County Development Authority includes private sector employment only.



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