

ATLANTA INDEPENDENT SCHOOL SYSTEM



Annual Comprehensive Financial Report
for the Fiscal Year Ended June 30, 2021
Atlanta, Georgia



ATLANTA
PUBLIC
SCHOOLS

ATLANTA INDEPENDENT SCHOOL SYSTEM

ANNUAL COMPREHENSIVE FINANCIAL REPORT

**FISCAL YEAR ENDED
JUNE 30, 2021**

**Office of the Chief Financial Officer
Lisa Bracken**

130 Trinity Avenue, SW

Atlanta, Georgia 30303

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INTRODUCTORY SECTION



130 Trinity Ave., SW
Atlanta, GA 30303
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atlantapublicschools.us

March 14, 2022

Dear Citizens of Atlanta:

Atlanta Public Schools (APS) is pleased to present the Annual Comprehensive Financial Report (ACFR) for the fiscal year that ended on June 30, 2021. Atlanta Public Schools' financial management officials prepared this report, and it contains information about the scope and character of the district's fiscal activities and accomplishments in fiscal year 2021. It also illustrates the administration's efforts to achieve the goals established by the Atlanta Board of Education for the school year.

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

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

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

SNAPSHOT OF ATLANTA PUBLIC SCHOOLS

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

The district continues to renew its commitment to APS stakeholders through academic excellence, educational equity, ethics and engagement. The district remains focused on becoming a high-performing school district where students love to learn, educators inspire, families engage, and the community trusts the system.

APS began implementing the Common Core Georgia Performance Standards (CCGPS) at the start of the 2013 school year and moved to full implementation of the Standards at the start of the 2014 school year. The CCGPS are more rigorous than Georgia's previous standards and are designed to ensure that students obtain the knowledge and skills required to meet 21st century challenges—

such as strong verbal and written communications, perseverance in problem solving, technical reading and writing, literacy across disciplines, and mathematical proficiency.

Since becoming a Charter System in 2016, APS has used its autonomy and flexibility to develop innovative ways to overcome challenges so that it can ensure every student in every neighborhood has the tools, resources, and supports needed to be successful.

The Charter System Philosophy supports the belief that a district must want to truly change how it does business and that, in order to increase student achievement, schools must be operated in a different way, with greater parent and community buy-in at every single school. Schools are empowered to develop solutions free from the established educational bureaucracy of legislature-driven education mandates, State Board rules, and even the district's own policies and practices. With this flexibility, the district and its schools in turn agree to be held accountable for significant increases in student achievement.

The charter system model has become a vehicle for changing APS culture throughout the organization; building an academic program that meets the needs of all students; providing support needed to sustain signature programs throughout the district; developing a funding model that maximizes transparency while providing autonomy and flexibility to schools; and allowing true, authentic decision-making at the school level by local school governance teams (GO Teams).

In April 2020, the school board appointed Dr. Lisa Herring as the APS Superintendent, and the district began operating under her leadership on July 1, 2020.

Since beginning her tenure, Dr. Herring and her administration have:

- Held dozens of town halls, community conversations, and stakeholder engagement sessions to connect with thousands of APS stakeholders on various key topics
- Developed and implemented the APS5, five areas of focus for monitoring and measuring the progress of the district's goals set forth in the 2020-2025 strategic plan
- Secured renewal of the APS charter system contract at the July 2021 meeting of the State Board of Education
- Created the department of Innovation, Improvement and Redesign to identify and scale best-practice initiatives across clusters and schools
- Founded the Center for Equity and Social Justice, taking courageous steps to put policy into action and reimagine public education through the lens of equity
- Restructured multiple departments, employing a systems-thinking approach to ensure APS provides first-rate district-level supports for schools and teachers
- Moved to a model of Student Outcomes Focused Governance to tie performance at all levels to student success

APS has continued to expand its focus on equity and efforts to remedy past injustices and eliminate barriers in education. The creation and accelerated work of the APS Center for Equity and Social Justice this year is an historic action step and marks the advancement of board policy into action.

In addition to accelerating the work of achieving equity, some of the Superintendent’s key priorities include:

- Deepening the community’s understanding of the district’s work (our goals, methods of implementation, and measures of progress)
- Engaging stakeholders in genuine, two-way conversations and collaborations
- Reimagining and transforming all schools to develop Classrooms of Tomorrow through best-practice pedagogy and leading-edge technology
- Continuing to evolve the district’s operational culture as a people-serving organization focusing on wellness, equity, and continuous improvement processes
- Achieving accelerated progress on student success measures such as graduation rate, Milestones results, individual student growth measures, and achievement gaps

STUDENTS

In the 2020-2021 school year, student enrollment stood at approximately 51,000 students, and the district expects to serve about 50,000 students at 87 schools throughout Atlanta this school year. A total of 2,557 students graduated on-time from APS in 2021, earning more than \$131 million in college scholarships.

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

- English as a Second Language – 3.4% (1,752/51,012) Source FTE 2021-1 FT026 Report
- Gifted and Talented – 9.3 % (4,742/51,012) Source FTE 2021-1 FT024 Report
- Homeless – 0.7% (371/51,012) Source FTE 2021-1 FT068 Report
- English Learners – 3.6% (1,839/51,012) Source FTE 2021-1 FT061 (Just EL not including monitored)
- Low Income Students – 67.78% (34,576/51,012) Source FRL001*
- Students with Disabilities – 11.8% (6,026/51,012) Source FTE 2021-1 FT087 Report
- Student Ethnic Distribution: Source FTE 2021-1 FT002 Report
 - African American – 72.2% (36,856/51,012)
 - Caucasian – 16.3% (8,291/51,012)
 - Hispanic – 7.6% (3,866/51,012)
 - Multi-racial/ Other – 2.6% (1,328/51,012)

**SY21 was a hybrid year, based on the partial collection of free and reduced applications from July 1 thru August 31, 2020. USDA extended the SSO waiver for SY21 beginning September 1, 2020, resulting in the District’s SY21 FRL rate of 67.78%.*

EMPLOYEES

Of the 6,388 full time APS employees, 4,239 are teachers, bus drivers, media specialists, paraprofessionals and school administrators who are on the frontlines every school day to ensure every student receives a quality education. There are an additional 1,094 part-time and substitute employees who provide support.

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

- Teacher – 47.67%
- Paraprofessional – 9.38%
- School Bus Driver – 5.29%
- Custodian – 2.65%
- Assistant Principal – 2.04%
- School Counselor – 1.69%
- Instructional Coach – 1.61%
- School Clerk – 1.60%
- School Resource Officer – 1.06%
- Bus Monitor – 1.05%

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

The district has continued the development and deployment of a strategic compensation strategy, making historic investments in personnel through efforts such as staff appreciation and retention bonuses, pay increases, and extended day stipends. Additionally, the district continues to bolster its employee well-being resources by investing in expanded staff counseling services, dedicated wellness spaces, and weekly wellness programming.

FACILITIES

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

STRATEGIC PLANNING

The 2020-2025 Strategic Plan for Atlanta Public Schools – created by the Atlanta Board of Education, district administrators, faculty, staff, partners and community members – continues the APS vision of a “high-performing school district where students love to learn, educators inspire, families engage, and the community trusts the system.” We remain committed to this work. Although change takes time, our students have demonstrated outstanding, measurable progress.

The strategic plan includes a revised mission, goals, and priorities focused on improving educational outcomes and opportunities for all students. The APS mission states that through a caring culture of equity, trust, and collaboration, every student will graduate ready for college, career, and life.

The plan creates a bold direction for APS students and families centered on great public schools regardless of neighborhood, zip code, or area of the city. This plan is ambitious because it places educational equity for all students at the forefront of the district’s work.

Outlined in the plan is a set of equity commitments that provides a framework for staff to address educational equity in specific and impactful ways. This work is guiding how APS, as a school system, defines and measures student success, supports and elevates teachers, provides schools the resources they need to support every child, and creates conditions that help students thrive regardless of which school they attend.

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

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

Overcoming these challenges is a larger task than the work of one school system, but our work to achieve the vision and mission of the district through targeted goals and strategic initiatives will in turn make a positive impact on the socio-economic profile of our families and of our city.

2021 STUDENT PERFORMANCE HIGHLIGHTS

- Cohort 2021 achieved a graduation rate of 83.1%. By achieving its all-time high graduation rate, APS has narrowed its gap with the State to just 0.6 percentage points. The State 2021 graduation rate is 83.7%. A total of 2,557 students graduated on-time from APS in 2021. The percentage of students who graduated in 2021 is higher than any other year since 2012, when the State adopted the cohort graduation rate as required by federal law.
- As part of a REACH Statewide Signing Day, APS welcomed 19 eighth and ninth grade students into the Realizing Educational Achievement Can Happen (REACH) Georgia scholarship program for the 2020-2021 school year. As of Fall 2021, a total of 85 students have been selected as REACH scholars for Atlanta Public Schools since 2014.
- Given the magnitude and uneven distribution of the effects of the COVID-19 pandemic on student achievement growth, the 2021 Georgia Milestone Assessment results must be interpreted in the context of the pandemic and associated learning disruptions, along with varying access to instruction. Overall, 34% of APS students in grades 3-8 participated in the EOG Math and ELA assessments. 28% of test takers scored proficient or above on the Math EOG assessment and 36% of test takers scored proficient or above on the ELA EOG Assessment. Less than 20% of students enrolled in High School courses requiring an End-of-Course assessment took the test. For the second year in a row, the Georgia Department of Education (GaDOE) suspended calculations of the College and Career Ready Performance Index (CCRPI).

LOCAL ECONOMY

The development of the fiscal year 2021 budget adhered to a consistent and visible communications process that solicited input from multiple stakeholders. For FY2021, the district began to shift from traditional incremental budgeting to a modified zero-based budgeting (modified ZBB) approach. This method created more transparency and encouraged more in-depth and meaningful conversations about leveraging the budgeting process to create and understand programmatic needs and request for allocations. As always, APS budget is designed to drive the district toward higher student outcomes by better aligning resources with the district's mission.

Our major General Fund revenue stream for operations is property taxes, which generates 78.2% of the General Fund revenue. Property tax revenues for fiscal year 2021 increased by approximately \$36 million over fiscal year 2020, due primarily to a 4.6 % increase in taxable assessed property values (a result of the improved economic conditions in the Atlanta metropolitan area).

Our second major General Fund revenue stream is State revenue through the "Quality Basic Education" Act funding which represents 20.7% of General Fund revenue. In fiscal year 2021, QBE state aid of approximately \$178.9 million was down from fiscal year 2020 by \$ 25.6 million. This decrease was due to a State reduction in QBE funding implemented due to the effects of the COVID-19 pandemic on state revenues.

The Georgia Governor's budget for fiscal year 2021 gave Georgia's public schools \$10.9 billion, a \$272 million increase above the previous year's funding. The largest single addition provided funding for pay raises for teachers and some non-certified school personnel that make less than \$40,000 per year. Governor Kemp's FY 2021 budget also outlaid a boost of \$14 million to cover student enrollment growth and routine adjustments in teachers' salaries through the Quality Basic Education (QBE) formula, the State's method for calculating K-12 funding. With strong financial planning, the district has managed to maintain instructional integrity, address personnel pay parity, and devote additional resources to the school turnaround effort.

The District has entered into tax abatement agreements with both the City of Atlanta and the Development Authority of Fulton County to promote economic development in certain underdeveloped areas. Under these agreements, taxes on both real and personal property are reduced based on incentives and economic development programs offered by the City and County. Tax abatements have proven to be an effective economic tool to improve neighborhoods and increase the value of properties that might otherwise sit vacant or underutilized. Greater appraisal values will result in higher tax revenue generation once the abatements expire.

FINANCIAL PLANNING

With the onset of the global pandemic, the budget development season for FY 2021 was different from any other year and one that had to be quickly adapted to build four different budgets over the course of three months. The adopted budget for FY 2021 was austere, contemplating deep cuts to State revenue and unknown factors for local revenue collections. Since the initial adoption, the district was able to restore many cuts as State collections proved higher than initially assumed and fund balance was restored from under spend and over collections in fiscal year 2020. APS still maintains core programs while adding new programs that focus more on the classroom

and less on administrative functions. The upward trend in students' academic achievement is at the forefront of every new program we develop and every increase we make to the budget. With the growth of charter schools within the district, more resources are being allocated within the budget for these expanded offerings.

Voters in the City of Atlanta overwhelmingly approved the renewal of the E-SPLOST for APS, which will yield about \$546 million for the district from June 2017 through June 2022. APS continues to leverage E-SPLOST dollars to transform our schools into safe and healthy learning environments that promote student attendance and academic success.

The district remains consistent in ensuring that federal funding is optimized to the fullest potential for our schools and departments. We are committed to using these funds in a manner that enhances classroom instruction, equips our educators with appropriate and sufficient tools to deliver quality instruction, and provides additional instructional support and school services to ensure that we are reaching those students who need it most.

FINANCIAL INFORMATION

The ACFR is prepared pursuant to OCGA 36-81-7. Mauldin & Jenkins, LLC, has issued an unmodified ("clean") opinion on the financial statements for fiscal year ended June 30, 2021. The independent auditor's report is located at the front of the financial section of this report.

Using the full accrual basis of accounting, APS has a total net position of approximately \$476 million. Further discussion is included in Management's Discussion and Analysis (MD&A), which immediately follows the independent auditor's report and provides an overview and analysis of the basic financial statements. The MD&A section complements this letter of transmittal and should be read in conjunction with it.

FUND ACCOUNTING

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

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

Please see Note B of the Notes to the Basic Financial Statements for a summary of the budgetary accounting process. The district 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 and Special Revenue Funds are included in the annual appropriated budget. Capital Projects Funds are budgeted on a multi-year, project-length basis. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level.

INTERNAL CONTROL STRUCTURE

APS financial management officials are responsible for implementing and enforcing a framework of internal controls to protect the assets of APS from loss, theft or misuse and to ensure that reliable

accounting data is available for the timely preparation of financial statements in accordance with Generally Accepted Accounting Principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of control should not exceed the benefits likely to be derived and that the evaluation of costs and benefits relies upon estimates and judgments by management.

FINANCIAL AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to APS for its ACFR for the fiscal year ended June 2020. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must also satisfy GAAP and applicable legal requirements.

Further, APS received the Association of School Business Officials International's (ASBO) Certificate of Excellence in Financial Reporting for the ACFR for fiscal year 2020. This is the tenth year the district submitted the ACFR to ASBO. This award certifies that the report substantially conforms to the principles and standards of financial reporting as recommended and adopted by the Association of School Business Officials International. The award is valid for one year and is granted only after an expert panel of certified public accountants and practicing school business officials complete an intensive review of all financial reports.

CLOSING

Again, we are pleased to present to the Atlanta community the ACFR for fiscal year 2021. This community deserves a student-centered, high-performing school district where all students become successful, life-long learners and leaders. Atlanta Public Schools continues to move in the right direction: teachers and leaders are receiving high-quality supports; students are benefitting from academic and whole-child intervention and enrichment; and the Class of 2021 achieved an all-time high graduation rate. And, we are working on transforming classrooms and teaching techniques through best-practice pedagogy and leading-edge technology.

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

Respectfully submitted,



Lisa Herring, Ed.D
Superintendent



Lisa Bracken
Chief Financial Officer



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Atlanta Independent School System
Georgia**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

The Certificate of Excellence in Financial Reporting
is presented to

Atlanta Independent School System

for its Annual Comprehensive Financial Report
for the Fiscal Year Ended June 30, 2020.

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



Handwritten signature of W. Edward Chabal in black ink.

W. Edward Chabal
President

Handwritten signature of David J. Lewis in black ink.

David J. Lewis
Executive Director

ATLANTA INDEPENDENT SCHOOL SYSTEM

List of Principal Officials

June 30, 2021

BOARD OF EDUCATION MEMBERS

DISTRICT 1: LESLIE GRANT lgrant@atlantapublicschools.us



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

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

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

Leslie founded, created and Mother-Hen'd a small business focused on raising healthy kids from scratch that operated from 2007-2012, called Chickin Feed. She has volunteered in schools throughout Georgia, served as an advocate of eating REAL FOOD, Farm to School programs through work with Georgia Organics, Atlanta Farm to School, the Grant Park Farmers Market and other organizations.

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

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

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

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



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

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

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

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

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

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

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



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

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

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

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

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

DISTRICT 4: NANCY M. MEISTER nmeister@atlanta.k12.ga.us



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

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

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

ACHIEVEMENTS

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

A native of Massachusetts, Nancy earned a B.S. in marketing management from Bentley College in Waltham, Massachusetts. She moved from Boston to San Francisco and then to Atlanta in 1987. Nancy and her husband, Steve, have lived in Buckhead for more than 27 years and have two sons, Matthew and Andrew.

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



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

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

RESPECTED PUBLIC SERVANT

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

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

PRIOR TO CURRENT ROLE

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

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

EARLY DAYS

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

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

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

DISTRICT 6: ESHÉ P. COLLINS – BOARD VICE-CHAIR epcollins@atlantapublicschools.us



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

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

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

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

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

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

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



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

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

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

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

AT-LARGE SEAT 8: CYNTHIA BRISCOE BROWN cbriscoe_brown@atlanta.k12.ga.us



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

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

Cynthia serves or has served on the boards of the Calvin Center, the Atlanta Partnership for Arts in Learning, the Committee for Teaching About the United Nations/Atlanta, and the Alliance Francaise d'Atlanta, creating partnerships with each organization and

opportunities for students and teachers across the city to improve their skills and enrich their lives. As a volunteer with Young Audiences of Atlanta, Cynthia helped develop and implement the smART stART program, using visual and performing arts experiences to improve and encourage the reading skills of economically disadvantaged kindergarten students.

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

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

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

AT-LARGE SEAT 9: JASON ESTEVES – BOARD CHAIR jesteves@atlantapublicschools.us



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

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

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

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

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

ATLANTA INDEPENDENT SCHOOL SYSTEM

APPOINTED OFFICIALS

JUNE 30, 2021

SUPERINTENDENT

Lisa N. Herring, Ed.D

SENIOR CABINET

Jerod A. Bishop.....Chief of Staff

Nina Gupta.....General Counsel

Anita Williams.....Chief of Schools

Skye Duckett..... Chief Human Resources Officer

Lisa Bracken.....Chief Financial Officer

Matt Smith.....Chief Performance Officer

Larry Hoskins.....Chief Operating Officer

Yolonda Brown.....Chief Academic Officer

Tauheedah Baker-Jones.....Chief Equity & Social Justice Officer

ATLANTA INDEPENDENT SCHOOL SYSTEM Superintendent of Schools

June 30, 2021

Dr. Lisa Herring brings a servant heart and more than 25 years of experience in education with her to Atlanta Public Schools as superintendent.

Embracing a passionate belief that education is the greatest equalizer, Dr. Herring believes in the inner strength, power, and talent of all children. Success, she says, does not rest on where we begin in life but how each of us maximizes our talents and pursues our purpose. The concept is critical in serving, supporting and educating children and future leaders.



Dr. Lisa Herring

A Macon, Georgia, native and graduate of both Spelman College and Georgia Southern University, Dr. Herring established her professional career by teaching in both public and private schools in urban and rural settings. These experiences allow her to impact the lives of students from diverse social, economic, and ethnic backgrounds. Dr. Herring came to APS from Birmingham (Alabama) City Schools, where she led the district through a significant transformation by stabilizing leadership, improving system performance, and increasing student achievement. Under her leadership, BCS received its first award of full district accreditation after being under state takeover and conditional accreditation for several years. Her focus on instruction significantly reduced the number of failing schools as identified by the Alabama State Department of Education school report card.

Among other accomplishments for Birmingham City Schools, Dr. Herring, in collaboration with its board, launched the system's strategic plan, *Force for Greatness 2018-2023*; executed an organizational realignment to drive student achievement; increased organizational effectiveness; and established advisory groups to enhance stakeholder communication.

She built strong civic and corporate partnerships to provide innovative and equitable opportunities for all students across the diverse Birmingham community. In collaboration with the city's mayor and the United Way of Central Alabama CEO, she helped develop and launch *The Birmingham Promise* to offer new career and college opportunities for any graduate of Birmingham City Schools. In partnership with Apple, Alabama Power, Tech Birmingham, and city leadership, she collaborated to help design and implement *ED FARM*, a first-of-its-kind program to build technology skills in students, teachers, and community members.

Prior to her tenure in Birmingham, Dr. Herring served as Chief Academic Officer for Jefferson County Public Schools in Louisville, Kentucky, a system with more than 100,000 students where she successfully restructured the academic division and led the district's strategic plan.

Before Louisville, she served as Deputy Superintendent of Academics for the Charleston County (South Carolina) School District, as well as Chief Academic Officer, Associate Superintendent for Instructional Support, and Executive Director of Student Support Services in the district.

Dr. Herring spent several years as a middle school counselor and in that role also served as a reading interventionist to support student progress. She then became Assistant Director of Student Support Services in DeKalb County where she led the district's 300 elementary, middle, and high school guidance counselors, guidance directors, and graduation coaches.

Dr. Herring then served as the Director of Student Support Services in Bibb County, where she had once taught as an eighth-grade Language Arts teacher. She began her career in education as a creative writing teacher in Pittsburgh and completed her observational field work at Therrell High School in APS. During her time at Spelman, Herring also volunteered and worked at Warren Memorial Boys and Girls Club of Atlanta.

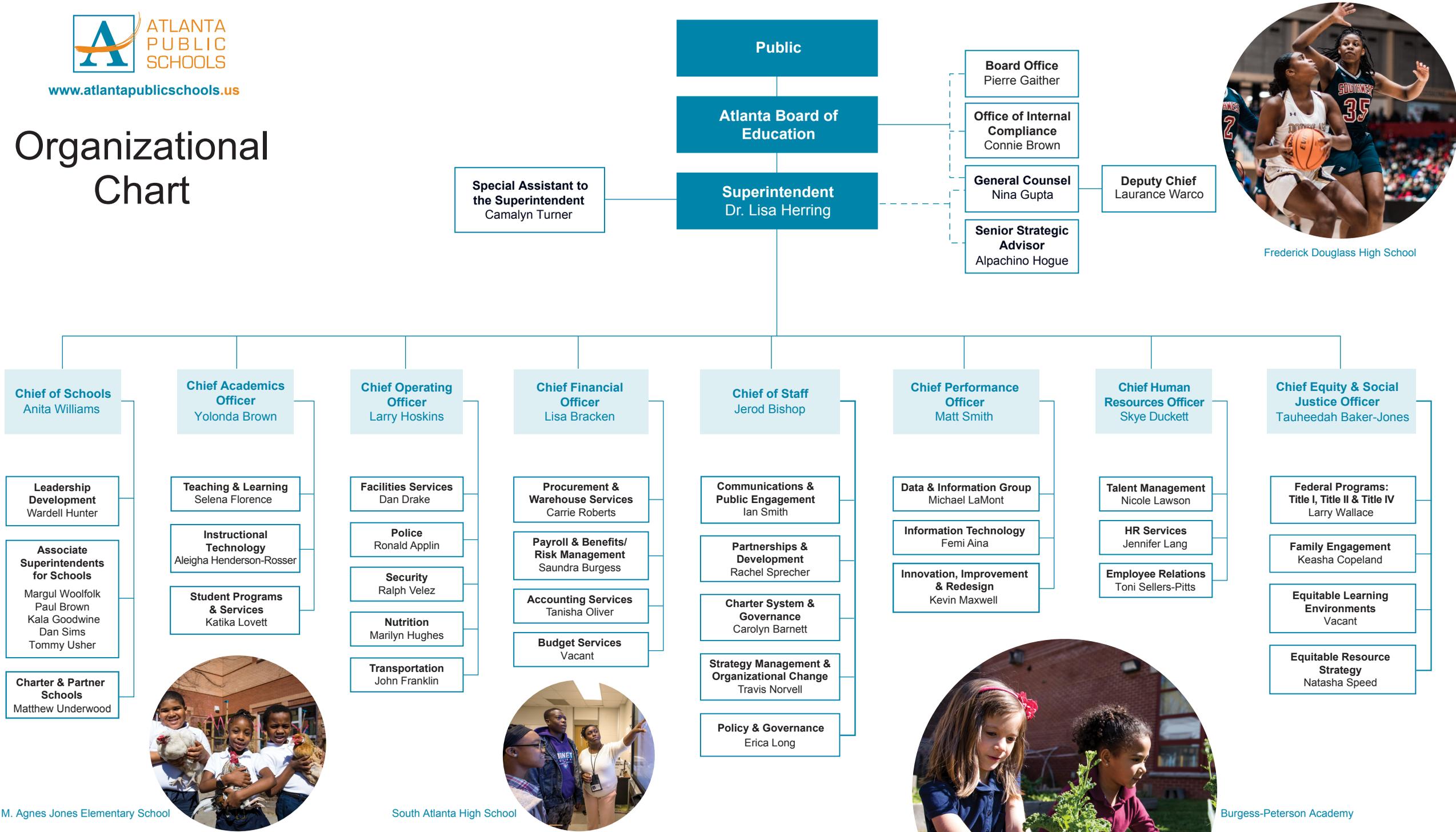
She received her bachelor of arts degree from Spelman College, master and specialist degrees from the University of South Carolina, leadership certification from the University of Georgia, and her doctorate from Georgia Southern University. Dr. Herring completed Harvard University's Public Education and Leadership Program and Georgia's Leadership Institute for School Improvement. She is a 2008 graduate of Leadership Georgia and a member of Delta Sigma Theta Sorority Inc.

Most important, she is the proud mother of one child, her daughter, Imani, also a graduate of Spelman College.



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Organizational Chart



Frederick Douglass High School



M. Agnes Jones Elementary School



South Atlanta High School



Burgess-Peterson Academy



FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the **Atlanta Independent School System** (the "School System") as of and for the fiscal year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the School System's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain 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 reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Atlanta Independent School System as of June 30, 2021, and the respective changes in financial position for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Notes A-2 and S, the School System implemented Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*, as of July 1, 2020. This standard significantly changed the accounting for the School System's fiduciary activities. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Other Information

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

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 14, 2022 on our consideration of the School System's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School System's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School System's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Atlanta, Georgia
March 14, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

ATLANTA INDEPENDENT SCHOOL SYSTEM
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021

The discussion and analysis of the Atlanta Independent School System's financial performance provides an overview of the fiscal year ended June 30, 2021. The intent of this discussion and analysis is to examine the School System's financial performance as a whole, identify changes in financial position as well as to provide basic financial statements. The Basic Financial Statements should be reviewed by the readers to enhance their understanding of the School System's financial performance as a whole or as an entire operating entity. The Basic Financial Statements contain the following components:

- Government-wide financial statements including the Statement of Net Position and the Statement of Activities, which provide a broad, long-term overview of the School System's finances.
- Fund-level financial statements provide a greater level of detail about the School System's major funds and focus on how well the School System has performed in the short-term in the most significant funds.
- Notes to the Basic Financial Statements.

This report also presents the highlights for the fiscal year ended June 30, 2021 and contains other supplementary information.

FINANCIAL HIGHLIGHTS

Overall, net position in fiscal year 2021 increased by 20.12% over fiscal year 2020. This was primarily due to an increase in tax revenues. The key financial highlights for fiscal year 2021 as represented are the following:

- Total net position for the School System increased from approximately \$395.99 million in fiscal year 2020 (restated from \$395.05 million due to the implementation of GASB 84 – see Note S) to approximately \$475.68 million in fiscal year 2021, an increase of \$79.69 million or 20.12%.
- Total revenues increased from approximately \$1,065.00 million in fiscal year 2020 to approximately \$1,107.07 million in fiscal year 2021, an increase of approximately \$42.07 million or approximately 4%. The increase was due primarily to an increase in revenues resulting from a 4.6% increase in taxable assessed property values.
- Total expenses increased approximately \$69.84 million or 7.29% from approximately \$957.54 million in fiscal year 2020 to approximately \$1,027.38 million in fiscal year 2021. This is due primarily to both salary increases resulting from pay range adjustments and one-time payments.

OVERVIEW OF FINANCIAL STATEMENTS

The School System has prepared its annual financial reports according to the Governmental Accounting Standards Board No. 34 financial operating model. The discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic

financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains required supplementary information and other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

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

- The *Statement of Net Position* presents information on all of the Schools System's assets, deferred outflows and inflows of resources, and liabilities, with the difference between these items reported as net position. Increases or decreases in net position may serve as a useful indicator of whether the financial position is improving or deteriorating.
- The *Statement of Activities* presents information showing how net position changed during the fiscal year. All changes in the net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of the related cash flows*. Thus, revenues and expenses are reported in the statement for some items that will result in cash flows in future fiscal periods (for example, uncollected taxes and earned but unused vacation leave).

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

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

| | Primary Government | | |
|---|-------------------------|------------|-------------------|
| | Governmental Activities | | |
| | 2021 | 2020 | Percentage change |
| Current and other assets | \$ 390.14 | \$ 308.00 | 26.7% |
| Net capital assets | 1,477.81 | 1,454.57 | 1.6% |
| Total assets | 1,867.95 | 1,762.57 | 6.0% |
| Deferred outflows of resources | 317.65 | 239.20 | 32.8% |
| Long-term debt outstanding | 1,471.78 | 1,363.33 | 8.0% |
| Other liabilities | 106.17 | 94.54 | 12.3% |
| Total liabilities | 1,577.95 | 1,457.87 | 8.2% |
| Deferred inflows of resources | 131.97 | 148.85 | -11.3% |
| Net position | | | |
| Net investment in capital assets | 1,378.17 | 1,363.41 | 1.1% |
| Restricted for athletics | - | 0.09 | -100.0% |
| Restricted for debt service | 0.81 | 1.81 | -55.2% |
| Restricted for capital projects | 88.87 | 77.90 | 14.1% |
| Restricted for school nutrition program | 8.86 | 8.54 | 3.7% |
| Unrestricted (Deficit) | (1,001.03) | (1,056.70) | -5.3% |
| Total net position | \$ 475.68 | \$ 395.05 | 20.4% |
| GASB 84 Restatement | - | 0.94 | |
| Total net position | \$ 475.68 | \$ 395.99 | 20.1% |

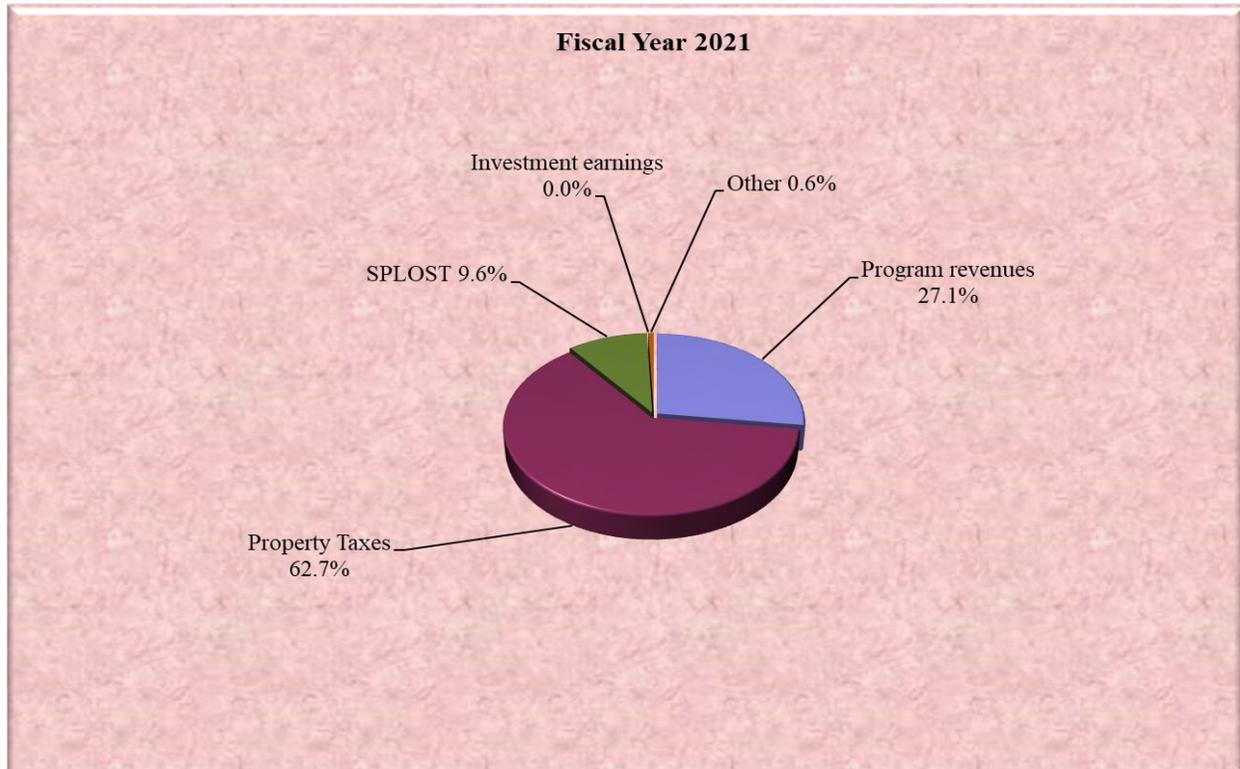
- **Total assets** increased by roughly \$105.38 million or 6.0%.
- **Current and other assets** increased by roughly \$82.14 million or 26.7%.
- **Capital assets, net of accumulated depreciation** for all governmental activities increased by roughly \$23.24 million. The increase is primarily due to an increase in building improvements.
- **Long-term debt outstanding** increased by roughly \$108.45 million or 8.0%. The increase was primarily due to an increase in the net pension and OPEB liabilities.

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

| | Primary Government | | |
|--|-------------------------|------------------|----------------------|
| | Governmental Activities | | |
| | 2021 | 2020 | Percentage Change |
| Revenues | | | |
| Program revenues | | | |
| Charges for services | \$ 1.70 | \$ 2.91 | -41.6% |
| Operating grants and contributions | 293.95 | 298.43 | -1.5% |
| Capital grants and contributions | 4.58 | 8.07 | -43.2% |
| General revenues | | | |
| Property taxes, levied for general purposes | 693.18 | 647.29 | 7.1% |
| Special Purpose Local Option Sales Tax | 106.43 | 100.11 | 6.3% |
| Investment earnings | 0.15 | 3.03 | -95.0% |
| Grants and Contributions not restricted to specific programs | 7.02 | 5.14 | 36.6% |
| Property taxes levied for debt service | - | - | 0.0% |
| Gain on sale of capital assets | 0.05 | 0.02 | 150.0% |
| Total Revenues | 1,107.06 | 1,065.00 | 3.9% |
| Expenses: | | | |
| Instruction | 664.57 | 588.12 | 13.0% |
| Support Services: | | | |
| Pupil services | 59.57 | 52.07 | 14.4% |
| Improvement of instructional services | 41.04 | 44.89 | -8.6% |
| Educational media | 5.68 | 6.17 | -7.9% |
| Federal grant administration | 2.43 | 2.33 | 4.3% |
| General administration | 14.86 | 16.27 | -8.7% |
| School administration | 42.73 | 40.44 | 5.7% |
| Business administration | 8.39 | 8.03 | 4.5% |
| Maintenance and operation of facilities | 110.60 | 108.53 | 1.9% |
| Student transportation | 32.55 | 40.15 | -18.9% |
| Central support | 24.43 | 19.40 | 25.9% |
| Nutrition | 14.63 | 24.35 | -39.9% |
| Other support services | 1.23 | 2.42 | -49.2% |
| Interest and fiscal charges | 4.66 | 4.37 | 6.6% |
| Total Expenses | 1,027.37 | 957.54 | 7.3% |
| Change in Net Position | \$ 79.69 | \$ 107.46 | -25.8% |
| Beginning Net Position, as Restated | 395.99 | 287.59 | |
| GASB 84 Restatement | - | 0.94 | |
| Ending Net Position | \$ 475.68 | \$ 395.99 | |

Primary Government

Sources of Revenues

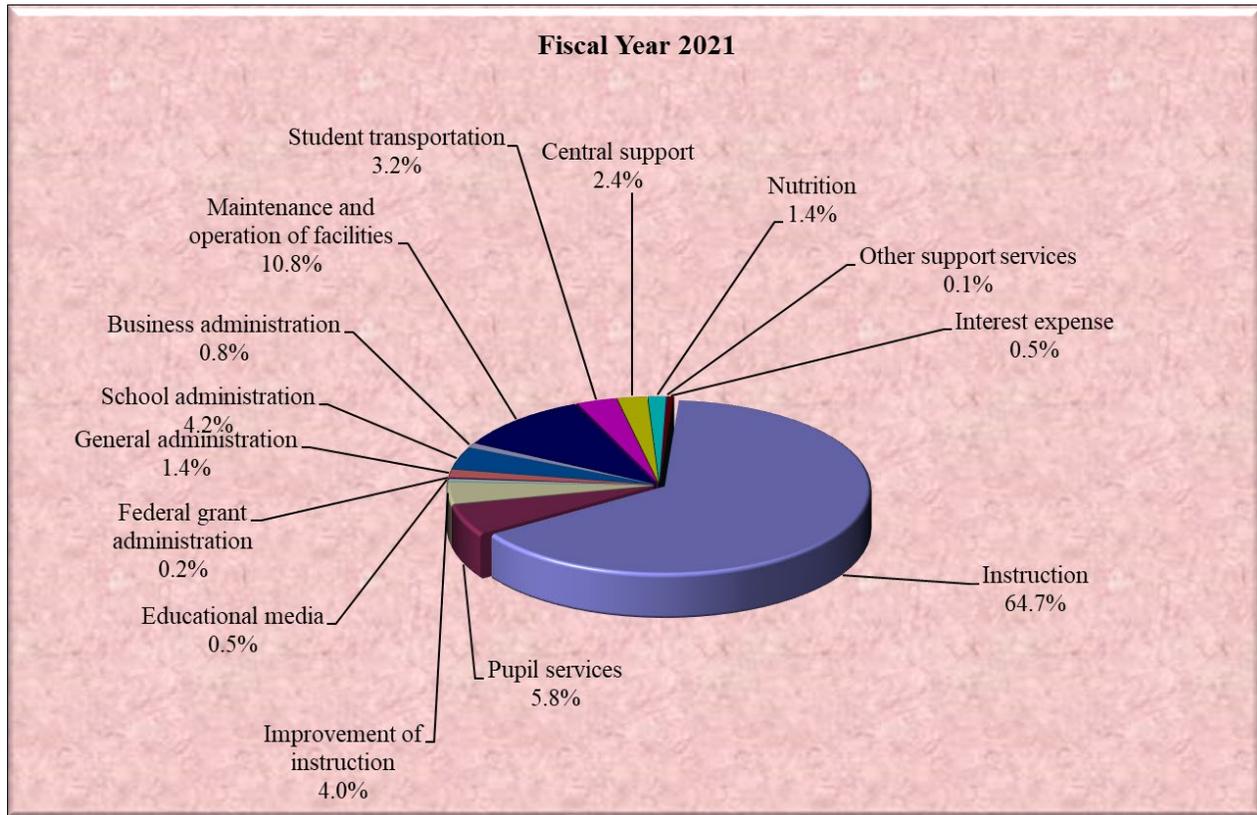


Total revenues, increased \$42.06 million or 3.9% from fiscal year 2020 to fiscal year 2021. This change is mainly due to an increase in property taxes.

- Program revenues are primarily grant related and account for approximately \$300.23 million or 27.1% of total revenues received and include State Quality Basic Education (QBE) revenue.
- General revenues are composed of property taxes, SPLOST and other revenues and they account for 72.9% or \$806.83 million of total revenues received in fiscal year 2021.

Primary Government

Expenses



Total expenses increased from 2020 to 2021 by 7.3% or \$69.84 million. This increase is primarily due to an increase in instruction.

- Four groups of activities account for 91.9% or \$944.19 million of governmental spending: instruction (\$664.57 million or 64.69%); pupil services and improvement of instructional services (\$100.61 million or 10.0%); administration and business services (\$68.41 million or 6.6%); and maintenance and operations (\$110.60 million or 10.8%).

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

| | Total Cost of Services | | | Net Cost of Services | | |
|---|------------------------|-----------|-------------------|----------------------|-----------|-------------------|
| | 2021 | 2020 | Percentage Change | 2021 | 2020 | Percentage Change |
| Instruction | \$ 664.57 | \$ 588.12 | 13.0% | \$ 481.92 | \$ 412.28 | 16.9% |
| Support Services : | | | | | | |
| Pupil services | 59.57 | 52.07 | 14.4% | 37.06 | 33.70 | 10.0% |
| Improvement of instructional services | 41.04 | 44.89 | -8.6% | 26.81 | 28.01 | -4.3% |
| Educational media | 5.68 | 6.17 | -7.9% | 4.41 | 4.59 | -3.9% |
| Federal grant administration | 2.43 | 2.33 | 4.3% | (0.02) | 0.08 | -125.0% |
| General administration | 14.86 | 16.27 | -8.7% | 7.11 | 8.57 | -17.0% |
| School administration | 42.73 | 40.44 | 5.7% | 33.43 | 29.87 | 11.9% |
| Business administration | 8.39 | 8.03 | 4.5% | 6.57 | 6.03 | 9.0% |
| Maintenance and operation of facilities | 110.60 | 108.53 | 1.9% | 86.56 | 77.08 | 12.3% |
| Student transportation | 32.55 | 40.15 | -18.9% | 23.40 | 30.14 | -22.4% |
| Central support | 24.43 | 19.40 | 25.9% | 17.29 | 12.94 | 33.6% |
| Other support services | 1.23 | 2.42 | -49.2% | 0.58 | 1.75 | -66.9% |
| Nutrition | 14.63 | 24.35 | -39.9% | 0.82 | 2.16 | -62.0% |
| Interest and fiscal charges | 4.67 | 4.37 | 6.9% | 1.21 | 0.93 | 30.1% |
| Total Expenses | \$ 1,027.38 | \$ 957.54 | 7.3% | \$ 727.15 | \$ 648.13 | 12.2% |

The net cost of governmental activities represents the cost of operating the School System to be covered by general revenues, including property taxes. The net cost of services increased by approximately \$79.02 million in fiscal year 2021 compared to fiscal year 2020.

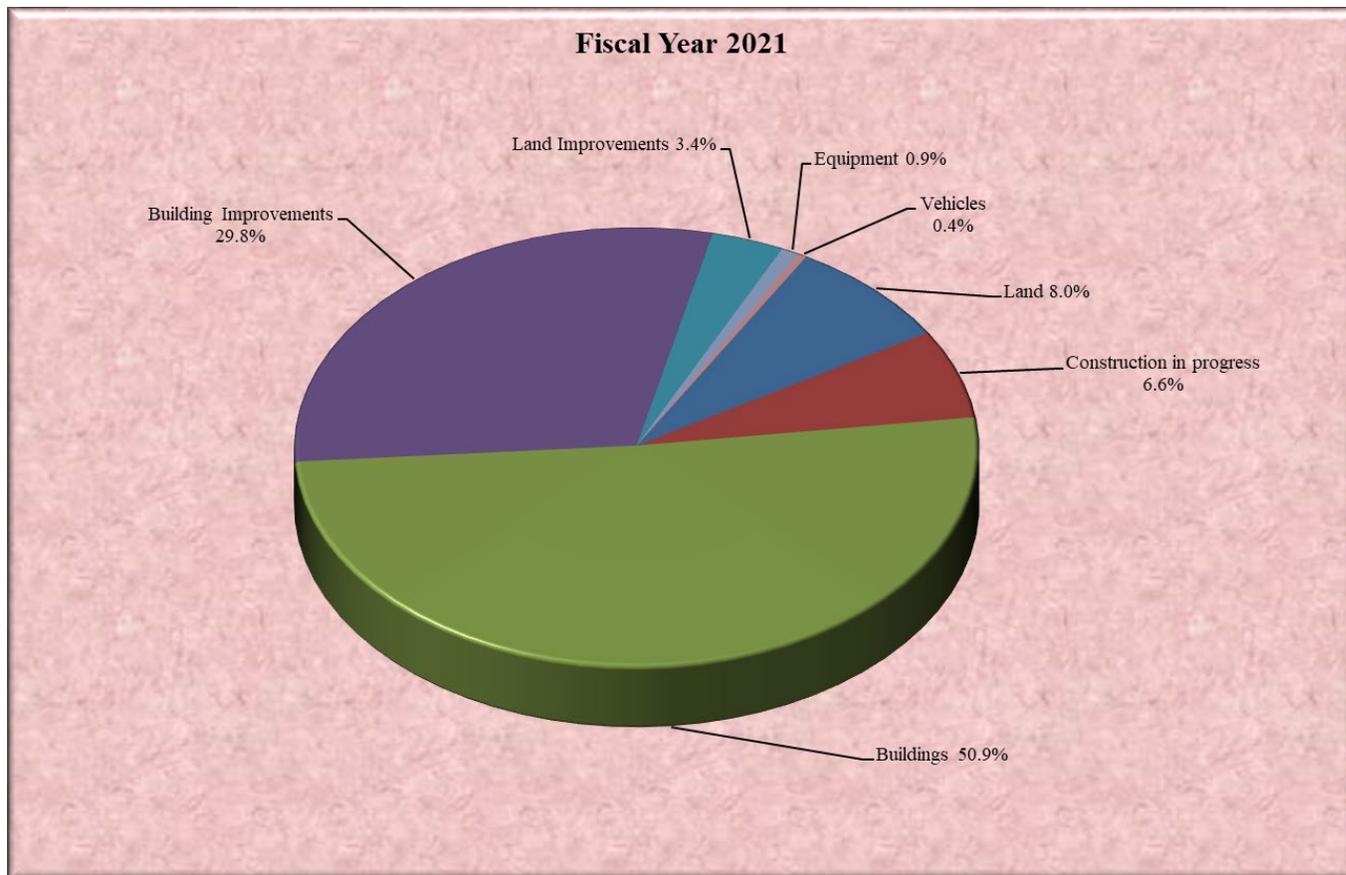
Capital Assets

Capital assets, net of accumulated depreciation for governmental activities for the District was \$1.48 billion. The following table provides a summary of capital asset activity:

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

| | Primary Government | | |
|--------------------------|-------------------------|-------------|-------------------|
| | Governmental Activities | | |
| | 2021 | 2020 | Percentage change |
| Land | \$ 118.47 | \$ 118.47 | 0.0% |
| Construction in progress | 97.25 | 141.77 | -31.4% |
| Buildings | 752.28 | 758.59 | -0.8% |
| Building improvements | 439.98 | 373.60 | 17.8% |
| Land Improvements | 51.15 | 55.68 | -8.1% |
| Equipment | 12.57 | 0.99 | 1169.7% |
| Vehicles | 6.11 | 5.47 | 11.7% |
| Total | \$ 1,477.81 | \$ 1,454.57 | 1.6% |

Capital Assets Chart



SPLOST V construction programs to renovate or construct academic facilities are in the 48th month of a 60-month program. For more detailed information on the School System's capital assets, see Note G in the Notes to the Basic Financial Statements.

Long-term Debt and Obligations

Long-term Debt and Obligations related to governmental activities for the District was \$1.47 billion. The following table provides a summary of long-term debt activity:

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

| | Total School System | | |
|-----------------------------------|---------------------|--------------------|-------------------|
| | 2021 | 2020 | Percentage change |
| Intergovernmental agreement- | | | |
| City of Atlanta | \$ 1.41 | \$ 2.33 | -39.5% |
| ERS, Inc (COPS, Series 2006/2007) | 0.92 | 1.82 | -49.5% |
| ERS, Inc (COPS, Series 2011A) | 72.46 | 72.46 | 0.0% |
| Financed purchases | 16.93 | - | 0.0% |
| Net pension liability | 954.79 | 926.76 | 3.0% |
| Net OPEB liability | 411.09 | 348.02 | 18.1% |
| Compensated absences | 6.95 | 5.76 | 20.7% |
| Contingent Liabilities - Legal | 1.06 | 0.09 | 1077.8% |
| Workers' compensation | 6.17 | 6.09 | 1.3% |
| | <u>\$ 1,471.78</u> | <u>\$ 1,363.33</u> | <u>8.0%</u> |

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

Fund Financial Statements

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

The School System has one type of fund:

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

The following table presents a summary of the General Fund, Capital Projects Fund, and other non-major governmental funds by type of revenue for the fiscal year ended June 30, 2021 as compared to June 30, 2020.

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

| | Governmental Funds | | | Percentage Change |
|--|--------------------|-------------|---------------------|-------------------|
| | 2021 | 2020 | Increase (Decrease) | |
| Local taxes | \$ 690.48 | \$ 654.77 | \$ 35.71 | 5.5% |
| Sales taxes income | 106.43 | 100.11 | 6.32 | 6.3% |
| State revenues | 193.68 | 222.80 | (29.12) | -13.1% |
| Federal revenues | 96.88 | 74.15 | 22.73 | 30.7% |
| Investment income | 0.15 | 5.04 | (4.89) | -97.0% |
| Facility rental fees | 0.77 | 0.79 | (0.02) | -2.5% |
| Tuition charges | 0.01 | 0.01 | - | 0.0% |
| Charges for services | 0.78 | 2.10 | (1.32) | -62.9% |
| Other | 15.37 | 13.07 | 2.30 | 17.6% |
| Financed purchases | 23.48 | - | 23.48 | 100.0% |
| Proceeds from sale of capital assets | 0.05 | 0.46 | (0.41) | -89.1% |
| Total Revenues and other financing sources | \$ 1,128.08 | \$ 1,073.30 | \$ 54.78 | 5.1% |

The following table presents a summary of the General Fund, Capital Projects Fund, and other governmental funds by type of expenditures for the fiscal year ended June 30, 2021 as compared to June 30, 2020.

Table 7 - Expenditures (in millions of dollars)

| | 2021 | 2020 | Increase (Decrease) | Percentage Change |
|--|------------------|------------------|------------------------|----------------------|
| Instruction | \$ 617.67 | \$ 576.03 | \$ 41.64 | 7.2% |
| Support services | | | | |
| Pupil services | 58.08 | 51.19 | 6.89 | 13.5% |
| Improvement of instructional services | 39.45 | 43.86 | (4.41) | -10.1% |
| Educational media | 5.40 | 5.90 | (0.50) | -8.5% |
| Federal grant administration | 2.34 | 2.25 | 0.09 | 4.0% |
| General administration | 14.67 | 14.69 | (0.02) | -0.1% |
| School administration | 40.35 | 40.37 | (0.02) | 0.0% |
| Business administration | 8.00 | 7.67 | 0.33 | 4.3% |
| Maintenance and operation of facilities | 82.81 | 92.60 | (9.79) | -10.6% |
| Student transportation | 32.56 | 41.75 | (9.19) | -22.0% |
| Central support | 23.83 | 19.51 | 4.32 | 22.1% |
| Other support services and nutrition | 1.21 | 1.23 | (0.02) | -1.6% |
| Nutrition | 13.38 | 24.35 | (10.97) | -45.1% |
| Capital outlays | 108.40 | 108.32 | 0.08 | 0.1% |
| Debt service | 12.62 | 6.11 | 6.51 | 106.5% |
| Total Expenditures | <u>1,060.77</u> | <u>1,035.83</u> | <u>24.94</u> | <u>2.4%</u> |
| Excess (deficiency) of revenues over (under) expenditures - See Table 6 | 67.31 | 37.47 | 29.84 | |
| Transfers in | 4.45 | 4.43 | 0.02 | |
| Transfers out | <u>(4.45)</u> | <u>(4.43)</u> | <u>(0.02)</u> | |
| Fund Balances, Beginning of Fiscal Year, Restated | <u>213.54</u> | <u>175.14</u> | <u>38.40</u> | |
| GASB 84 Restatement | - | 0.93 | (0.93) | |
| Fund Balances, End of Fiscal Year | <u>\$ 280.85</u> | <u>\$ 213.54</u> | <u>\$ 67.31</u> | |

Analysis of Major Funds

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

General Fund

As of June 30, 2021, total fund balance in the General Fund was approximately \$185.77 million. This balance includes \$0.8 million restricted, approximately \$1.44 million committed, approximately \$24.47 million assigned and approximately \$159.06 million unassigned fund balance. As a result of operations in fiscal year 2021, the fund balance increased by approximately \$47.74 million. The increase in fund balance is attributable to an increase in property taxes resulting from higher assessed values than in the prior fiscal year.

Capital Projects Fund

As of June 30, 2021, total fund balance in the Capital Projects Fund was approximately \$79.54 million. This balance includes approximately \$79.54 million restricted. The fund balance increased by approximately \$18.53 million due primarily to a decrease in SPLOST expenditures and an increase in SPLOST revenues.

Other Governmental Funds

As of June 30, 2021, total fund balance in Nonmajor Governmental Funds was \$15.54 million. This balance included approximately \$0.61 million in nonspendable, approximately \$11.51 million restricted, and approximately \$3.50 million assigned. The fund balance increased by approximately \$1.04 million.

Current Issues

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

For FY2022, QBE allotments will likely restore previous austerity cuts and we anticipate increases to the state teacher salary schedule.

We anticipate increases in expenditure budgets in alignment with CPI and other inflationary increases and continue to make significant investments in compensation and benefit packages in what is a very competitive labor market.

The district continues to restore fund balance which put us in a better financial situation in the current fiscal year and looking forward to the eventually phase out of federal ESSER funds.

General Fund Budgetary Highlights

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

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

| Function | Amount | Explanation |
|------------------------------------|---------------|--|
| Other Support Services | \$ 9,133 | Hired PT Parent Liason not originally budgeted. |
| Principal | \$ 956,225 | Debt payment exceeded bugeted amount as \$921K was not budgeted. |
| Interest and fiscal charges | \$ 158,064 | Actual expenditures exceeded budget due to unexpected TAN. |

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

| Function | Amount | Explanation |
|--|---------------|---|
| Instruction | \$ 32,250,063 | Increase to recovery and intervention programs for students (summer school, enrichment programs, purchase of CTAE equipment), increase to school based per pupil and additional funding from Title I consolidated funding |
| Pupil services | \$ 6,380,951 | Purchase of care room equipment, student internet and data plans. Additional funding from Title I consolidated fund |
| Improvement of instructional services | \$ 93,382 | Realignment of funds to other function groups and Charter Schools |
| Federal Grant Administration | \$ 16,000 | Larger than expected actual expenditures required a budget adjustment |
| General administration | \$ 937,582 | Realignment of funds from other function groups |
| School administration | \$ 71,181 | Realignment of funds to other function groups |
| Business administration | \$ 426,494 | Increase for the TAN |
| Maintenance and operation | \$ 4,184,805 | Facilities readiness (HVAC and ventilation repairs, additional cleaning supplies) |
| Central support | \$ 3,922,517 | Laws on ERP upgrade, field techs, internal audit and realignment of funds from other function groups |

Requests for Information

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



BASIC FINANCIAL STATEMENTS

ATLANTA INDEPENDENT SCHOOL SYSTEM

Statement of Net Position

June 30, 2021

| | Primary Government Governmental Activities |
|---|---|
| ASSETS | |
| Current Assets: | |
| Cash and cash equivalents | \$ 276,132,381 |
| Investments | 28,224,295 |
| Receivables (net of allowance for uncollectibles): | |
| Taxes | 21,689,051 |
| Other | 675,144 |
| Due from other governments | 62,808,039 |
| Inventory | 614,292 |
| Total Current Assets | 390,143,202 |
| Noncurrent Assets: | |
| Capital Assets: | |
| Nondepreciable capital assets | 215,718,921 |
| Depreciable capital assets, net | 1,262,091,112 |
| Total Noncurrent Assets | 1,477,810,033 |
| TOTAL ASSETS | 1,867,953,235 |
| DEFERRED OUTFLOWS OF RESOURCES | |
| Pension related items | 237,905,554 |
| OPEB related items | 79,746,414 |
| TOTAL DEFERRED OUTFLOWS OF RESOURCES | 317,651,968 |
| LIABILITIES | |
| Current Liabilities: | |
| Accounts payable | 46,061,444 |
| Contracts payable | 6,102,699 |
| Accrued liabilities | 50,767,586 |
| Retainage payable | 3,223,354 |
| Due to other governments | 15,348 |
| Compensated absences payable, current portion | 5,128,499 |
| Financed purchases, current portion | 4,062,866 |
| Certificates of participation, current portion | 925,000 |
| Claims payable, current portion | 2,374,308 |
| Intergovernmental agreement, current portion | 817,175 |
| Contingent liabilities, current portion | 1,065,000 |
| Total Current Liabilities | 120,543,279 |
| Noncurrent Liabilities: | |
| Compensated absences payable | 1,821,942 |
| Financed purchases | 12,863,406 |
| Certificates of participation | 72,460,000 |
| Claims payable | 3,798,003 |
| Intergovernmental agreement | 593,975 |
| Net pension liability | 954,785,144 |
| Net OPEB liability | 411,088,967 |
| Total Noncurrent Liabilities | 1,457,411,437 |
| TOTAL LIABILITIES | 1,577,954,716 |
| DEFERRED INFLOWS OF RESOURCES | |
| Pension related items | 31,226,469 |
| OPEB related items | 100,745,148 |
| TOTAL DEFERRED INFLOWS OF RESOURCES | 131,971,617 |
| NET POSITION | |
| Net investment in capital assets | 1,378,172,708 |
| Restricted for: | |
| Debt service | 812,415 |
| Capital projects | 88,865,226 |
| School nutrition program | 8,862,858 |
| Unrestricted (deficit) | (1,001,034,337) |
| TOTAL NET POSITION | \$ 475,678,870 |

See accompanying notes to the basic financial statements.

ATLANTA INDEPENDENT SCHOOL SYSTEM

Statement of Activities

For the Fiscal Year Ended June 30, 2021

| | <u>Expenses</u> | <u>Program Revenues</u> | | | <u>Net (Expense)</u> |
|---|-------------------------|-----------------------------|---|---|--|
| | | <u>Charges for Services</u> | <u>Operating Grants and Contributions</u> | <u>Capital Grants and Contributions</u> | <u>Revenue and Changes in Net Position</u> |
| | | | | | <u>Governmental Activities</u> |
| PRIMARY GOVERNMENT: | | | | | |
| Governmental Activities: | | | | | |
| Instruction | \$ 664,567,332 | \$ 11,223 | \$ 181,697,531 | \$ 938,939 | \$ (481,919,639) |
| Support services: | | | | | |
| Pupil services | 59,571,262 | 778,924 | 21,734,261 | - | (37,058,077) |
| Improvement of instructional services | 41,042,578 | - | 14,226,998 | - | (26,815,580) |
| Educational media | 5,678,041 | - | 1,268,634 | - | (4,409,407) |
| Federal grant administration | 2,426,817 | - | 2,448,195 | - | 21,378 |
| General administration | 14,863,868 | - | 7,756,728 | - | (7,107,140) |
| School administration | 42,726,346 | - | 9,294,154 | - | (33,432,192) |
| Business administration | 8,389,339 | - | 1,812,892 | - | (6,576,447) |
| Maintenance and operation of facilities | 110,602,220 | 769,196 | 19,633,950 | 3,642,293 | (86,556,781) |
| Student transportation | 32,553,490 | - | 9,157,031 | - | (23,396,459) |
| Central support | 24,425,276 | - | 7,138,063 | - | (17,287,213) |
| Other support services | 1,226,204 | - | 646,427 | - | (579,777) |
| Nutrition | 14,634,597 | 142,095 | 13,674,861 | - | (817,641) |
| Interest and fiscal charges | 4,667,247 | - | 3,455,766 | - | (1,211,481) |
| Total Governmental Activities | <u>1,027,374,617</u> | <u>1,701,438</u> | <u>293,945,491</u> | <u>4,581,232</u> | <u>(727,146,456)</u> |
| Total - Primary Government | <u>\$ 1,027,374,617</u> | <u>\$ 1,701,438</u> | <u>\$ 293,945,491</u> | <u>\$ 4,581,232</u> | <u>(727,146,456)</u> |
| GENERAL REVENUES: | | | | | |
| Taxes: | | | | | |
| | | | | | 693,174,169 |
| | | | | | 7,956 |
| | | | | | 106,432,193 |
| | | | | | 7,021,705 |
| | | | | | 147,594 |
| | | | | | 53,949 |
| | | | | | <u>806,837,566</u> |
| | | | | | <u>79,691,110</u> |
| | | | | | <u>395,987,760</u> |
| | | | | | <u>\$ 475,678,870</u> |

See accompanying notes to the basic financial statements.

ATLANTA INDEPENDENT SCHOOL SYSTEM

*Balance Sheet
Governmental Funds
June 30, 2021*

| | General Fund | Capital Projects Fund | Nonmajor Governmental Funds | Total Governmental Funds |
|--|-------------------------|--------------------------------------|--|---|
| ASSETS | | | | |
| Cash and cash equivalents | \$ 206,562,517 | \$ 58,261,230 | \$ 11,308,634 | \$ 276,132,381 |
| Investments | - | 28,224,295 | - | 28,224,295 |
| Receivables (net of allowance for uncollectibles): | | | | |
| Taxes | 11,303,334 | 10,385,717 | - | 21,689,051 |
| Other | 648,939 | - | 26,205 | 675,144 |
| Due from other governments | 28,302,466 | - | 34,505,573 | 62,808,039 |
| Inventory | - | - | 614,292 | 614,292 |
| Due from other funds | 35,910,762 | 20,801,057 | 8,187,525 | 64,899,344 |
| TOTAL ASSETS | 282,728,018 | 117,672,299 | 54,642,229 | 455,042,546 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | | | | |
| LIABILITIES | | | | |
| Accounts payable | \$ 43,100,083 | \$ 2,956,979 | \$ 4,382 | \$ 46,061,444 |
| Contracts payable | - | 6,102,699 | - | 6,102,699 |
| Accrued liabilities | 48,844,450 | - | 135,909 | 48,980,359 |
| Retainage payable | - | 3,223,354 | - | 3,223,354 |
| Due to other governments | 15,348 | - | - | 15,348 |
| Due to other funds | 92,068 | 25,850,094 | 38,957,182 | 64,899,344 |
| TOTAL LIABILITIES | 92,051,949 | 38,133,126 | 39,097,473 | 169,282,548 |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Unavailable revenues - property taxes | 4,839,117 | - | - | 4,839,117 |
| Unavailable revenues - intergovernmental | 70,049 | - | - | 70,049 |
| TOTAL DEFERRED INFLOWS OF RESOURCES | 4,909,166 | - | - | 4,909,166 |
| FUND BALANCES | | | | |
| Nonspendable: | | | | |
| Inventory | - | - | 614,292 | 614,292 |
| Restricted: | | | | |
| School nutrition program | - | - | 8,248,566 | 8,248,566 |
| Debt service | 812,415 | - | - | 812,415 |
| Capital projects | - | 79,539,173 | - | 79,539,173 |
| Other state and local programs | - | - | 3,263,808 | 3,263,808 |
| Committed: | | | | |
| School based activities | 1,436,586 | - | - | 1,436,586 |
| Assigned: | | | | |
| Fiscal year 2022 operations | 11,069,090 | - | - | 11,069,090 |
| Instructional and student services | 7,494,987 | - | - | 7,494,987 |
| Administration | 2,707,821 | - | - | 2,707,821 |
| Facilities and transportation | 3,195,121 | - | - | 3,195,121 |
| Local school programs | - | - | 3,499,529 | 3,499,529 |
| Unassigned | 159,050,883 | - | (81,439) | 158,969,444 |
| TOTAL FUND BALANCES | 185,766,903 | 79,539,173 | 15,544,756 | 280,850,832 |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | \$ 282,728,018 | \$ 117,672,299 | \$ 54,642,229 | \$ 455,042,546 |

See accompanying notes to the basic financial statements.

ATLANTA INDEPENDENT SCHOOL SYSTEM

Reconciliation of Total Governmental Fund Balances to

Net Position of Governmental Activities

June 30, 2021

| | | |
|---|----------------------|------------------------|
| TOTAL GOVERNMENTAL FUND BALANCES | | \$ 280,850,832 |
| Amounts reported for governmental activities in the Statement of Net Position are different because: | | |
| Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds. | | |
| Nondepreciable | \$ 215,718,921 | |
| Depreciable, net of accumulated depreciation | <u>1,262,091,112</u> | 1,477,810,033 |
| Other assets are not available to pay for current-period expenditures and, therefore, are deferred inflows of resources in the governmental funds. | | |
| | | 4,909,166 |
| Deferred outflows of resources and deferred inflows of resources related to the School System's pension and OPEB plans are applicable to future periods and, therefore, are not reported in the governmental funds. | | |
| Contributions subsequent to the measurement date | 134,890,176 | |
| Differences resulting from changes in actuarial assumptions - Pension | 64,883,045 | |
| Gains or losses resulting from differences between expected and actual experience | 28,640,295 | |
| Net difference between projected and actual earnings on OPEB plan's investments | 1,071,454 | |
| Net difference between projected and actual earnings on Pension plans' investments | 20,182,013 | |
| Differences resulting from changes in actuarial assumptions - OPEB | 67,984,985 | |
| Gains or losses resulting from differences between expected and actual experience | (44,878,152) | |
| Differences resulting from changes in actuarial assumptions - OPEB | (36,578,076) | |
| Changes in proportion and differences between School System contributions and proportionate share of contributions | <u>(50,515,389)</u> | 185,680,351 |
| Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds. | | |
| Accrued interest payable | (1,787,227) | |
| Certificates of participation | (73,385,000) | |
| Intergovernmental agreement - City of Atlanta | (1,411,150) | |
| Financed purchases | (16,926,272) | |
| Compensated absences | (6,950,441) | |
| Workers' compensation claims payable | (6,172,311) | |
| Contingent liabilities | (1,065,000) | |
| Net pension liability | (954,785,144) | |
| Net OPEB liability | <u>(411,088,967)</u> | <u>(1,473,571,512)</u> |
| NET POSITION OF GOVERNMENTAL ACTIVITIES | | <u>\$ 475,678,870</u> |

See accompanying notes to the basic financial statements.

ATLANTA INDEPENDENT SCHOOL SYSTEM
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2021

| | General Fund | Capital Projects Fund | Nonmajor Governmental Funds | Total Governmental Funds |
|--|-----------------------|-----------------------------|-----------------------------------|--------------------------------|
| REVENUES | | | | |
| Local taxes | \$ 690,480,169 | \$ - | \$ - | \$ 690,480,169 |
| Sales tax income | - | 106,432,193 | - | 106,432,193 |
| State revenues | 182,929,032 | 3,642,293 | 7,107,267 | 193,678,592 |
| Federal revenues | 1,321,139 | 3,455,766 | 92,105,847 | 96,882,752 |
| Investment income | 147,594 | - | - | 147,594 |
| Facility rental fees | 769,196 | - | - | 769,196 |
| Tuition charges | 11,223 | - | - | 11,223 |
| Charges for services | 778,924 | - | 2,190 | 781,114 |
| Miscellaneous | 7,021,705 | - | 8,342,964 | 15,364,669 |
| TOTAL REVENUES | 883,458,982 | 113,530,252 | 107,558,268 | 1,104,547,502 |
| EXPENDITURES | | | | |
| Current: | | | | |
| Instruction | 560,722,499 | - | 56,949,553 | 617,672,052 |
| Support services: | | | | |
| Pupil services | 48,116,348 | - | 9,959,042 | 58,075,390 |
| Improvement of instructional services | 32,391,678 | - | 7,061,624 | 39,453,302 |
| Educational media | 5,191,872 | - | 203,855 | 5,395,727 |
| Federal grant administration | 17,673 | - | 2,318,361 | 2,336,034 |
| General administration | 8,100,172 | - | 6,568,323 | 14,668,495 |
| School administration | 39,354,508 | - | 997,039 | 40,351,547 |
| Business administration | 7,851,508 | - | 151,679 | 8,003,187 |
| Maintenance and operation of facilities | 76,481,140 | 3,535,221 | 2,793,151 | 82,809,512 |
| Student transportation | 29,607,511 | 462,916 | 2,490,449 | 32,560,876 |
| Central support | 20,653,974 | - | 3,170,428 | 23,824,402 |
| Other support services | 661,404 | - | 552,543 | 1,213,947 |
| Nutrition | 129,980 | - | 13,251,585 | 13,381,565 |
| Capital outlays | - | 108,399,289 | - | 108,399,289 |
| Debt service: | | | | |
| Principal | 1,811,225 | 2,048,928 | 4,500,000 | 8,360,153 |
| Interest and fiscal charges | 233,064 | 4,029,142 | - | 4,262,206 |
| TOTAL EXPENDITURES | 831,324,556 | 118,475,496 | 110,967,632 | 1,060,767,684 |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | 52,134,426 | (4,945,244) | (3,409,364) | 43,779,818 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | - | - | 4,449,120 | 4,449,120 |
| Transfers out | (4,449,120) | - | - | (4,449,120) |
| Financed purchases | - | 23,475,200 | - | 23,475,200 |
| Proceeds from sale of capital assets | 53,949 | - | - | 53,949 |
| TOTAL OTHER FINANCING SOURCES (USES) | (4,395,171) | 23,475,200 | 4,449,120 | 23,529,149 |
| NET CHANGE IN FUND BALANCES | 47,739,255 | 18,529,956 | 1,039,756 | 67,308,967 |
| FUND BALANCES - BEGINNING OF FISCAL YEAR, AS RESTATED | 138,027,648 | 61,009,217 | 14,505,000 | 213,541,865 |
| FUND BALANCES - END OF FISCAL YEAR | \$ 185,766,903 | \$ 79,539,173 | \$ 15,544,756 | \$ 280,850,832 |

See accompanying notes to the basic financial statements.

ATLANTA INDEPENDENT SCHOOL SYSTEM
*Reconciliation of Governmental Funds Statement of Revenues, Expenditures, and Changes in
Fund Balances to the Government-wide Statement of Activities
For the Fiscal Year Ended June 30, 2021*

| | | |
|---|-------------------|--------------------------|
| NET CHANGES IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS | \$ | 67,308,967 |
| <p>Amounts reported for governmental activities in the Statement of Activities are different because:</p> | | |
| <p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation expense in the current period.</p> | | |
| Depreciation expense | \$ (61,820,632) | |
| Capital outlay | <u>85,058,572</u> | 23,237,940 |
| <p>Revenues in the statement of activities that do not provide current financial resources are reported as unavailable revenues in the governmental funds.</p> | | |
| Property taxes | \$ 2,701,956 | |
| State revenues | <u>(26,605)</u> | 2,675,351 |
| <p>The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of the differences in the treatment of long-term debt and related items.</p> | | |
| Financed purchases | \$ (23,475,200) | |
| Principal retirement - financed purchases | 6,548,928 | |
| Principal retirement - certificates of participation | 890,000 | |
| Principal retirement - intergovernmental agreement | <u>921,225</u> | (15,115,047) |
| <p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p> | | |
| Compensated absences | \$ (1,194,049) | |
| Workers' compensation claims payable | (79,100) | |
| Contingent legal liabilities | (975,000) | |
| Pension expense | 4,554,104 | |
| OPEB expense | (317,015) | |
| Accrued interest payable | <u>(405,041)</u> | <u>1,583,899</u> |
| CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES | \$ | <u>79,691,110</u> |

See accompanying notes to the basic financial statements.



NOTES TO THE BASIC FINANCIAL STATEMENTS

Atlanta Independent School System

Notes to the Basic Financial Statements

June 30, 2021

A. Summary of Significant Accounting Policies

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

1. Reporting Entity

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

2. Implementation of New GASB Standards

In the fiscal year 2021, the District adopted Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*. This statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. An activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements. Governments with activities meeting the criteria should present a statement of fiduciary net position and a statement of changes in fiduciary net position. As noted in the Restatement of Net Position and Fund Balance note disclosure, the District restated beginning net position and beginning fund balance for the nonmajor governmental funds for the cumulative effect of this accounting change.

3. Government-Wide and Fund Financial Statements

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

are supported by taxes and intergovernmental revenues, are reported separately from *Business-type activities*, which rely to a significant extent on fees and charges for support.

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

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

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

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

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

The State of Georgia reimburses the School System for teachers' salaries and operating costs through the Quality Basic Education (QBE) Formula Earnings program. State of Georgia law defines the formula driven grant that determines the cost of an academic school year and the State of Georgia's share in this cost. Generally, teachers are contracted for the fiscal year (July 1 – June 30) and paid over a twelve month contract period, generally August 31 through August 15. In accordance with the requirements of the enabling legislation of the QBE program, the State of Georgia reimburses the School System over the same twelve month period in which teachers are paid, funding the academic school year expenditures. At June 30, the amount of teachers' salaries incurred but not paid until July and August of the subsequent year are accrued as the State of Georgia has only postponed the final payment of their share of the cost until the subsequent appropriations for cash management purposes. By June 30 of

each fiscal year, the State of Georgia has a signed appropriation that includes this final amount, which represents the State of Georgia's intent to fund this final payment. Based on guidance in Governmental Accounting Standards Board (GASB) Statement No. 33, paragraph 74, the State of Georgia recognizes its QBE liability for the July and August salaries at June 30, and the School System recognizes the same QBE as a receivable and revenue, consistent with symmetrical recognition.

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

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

Fund Financial Statements

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

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

The School System reports the following major governmental funds:

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

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

5. Assets, Liabilities, and Net Position or Equity

a. Cash Equivalents

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

b. Investments

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

- 1) Obligations issued by the State of Georgia or by other states;
- 2) Obligations issued by the United States Government;
- 3) Obligations fully insured or guaranteed by the United States Government or a United States government agency;
- 4) Obligations of any corporation of the United States Government;
- 5) Prime banker's acceptances;
- 6) The Local Government Investment Pool (i.e., Georgia Fund 1) administered by the State of Georgia, Office of Treasury;
- 7) Repurchase agreements; and
- 8) Obligations of other political subdivisions of the State of Georgia.

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

c. Receivables

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

d. Inventories and Prepaid Items

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

Payments made to vendors for services that will benefit periods beyond June 30, 2021 are recorded as prepaid items in both the government-wide and fund financial statements. In the fund financial statements, these items are recorded as expenditures when consumed (consumption method).

e. Capital Assets

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

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

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

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

f. Compensated Absences

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

g. Long-term Debt and Obligations

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

h. Pensions

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

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

i. Other Postemployment Benefits

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

j. Fund Equity

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

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

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

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

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

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

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

k. Net Position

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

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

l. Deferred Outflows of Resources and Deferred Inflows of Resources

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

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

m. Use of Estimates

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

Workers' Compensation:

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

B. Budgets and Budgetary Accounting

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

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

1. Budget requests are normally completed in January.
2. Proposed budgets are consolidated and reviewed by the Budget Department, then submitted to the Senior Cabinet of the District and Budget Commission for additional review prior to the approval by the Atlanta Independent School System's Board.
3. Public hearings on the proposed budget are normally held in March and April.
4. The annual budget is legally adopted by the Board in April for the General Fund, School Food Service Fund, and the remaining Special Revenue Funds (in aggregate).
5. The administrative level of budgetary control upon adoption is at the program level. Transfer of budgeted amounts between object categories within programs requires the approval of the budget center manager.

6. Revenues and expenditures of the Capital Projects Fund are budgeted on an annual basis.
7. The Atlanta Independent School System’s Board legally adopts the budget for the Special Revenue Funds as a whole, which is the legal level of budgetary control (the level at which expenditures may not legally exceed appropriations). The combined Special Revenue Funds budget to actual schedule does not include the School Food Service Fund, which is included when provided to the board for approval.

C. Excess Expenditures over Appropriations of Individual Funds

These expenditures in excess of appropriations were funded by greater than anticipated revenues and available fund balance, as applicable. For financial statement purposes, the General Fund includes revenues of \$880,053 and expenditures of \$1,113,305 resulting from local school activity accounts. The District does not budget for these Pupil Service specific expenditures.

| GENERAL FUND | |
|-----------------------------|----------|
| Other support services | \$ 9,133 |
| Principal | 956,225 |
| Interest and fiscal charges | 158,064 |

D. Deposits and Investments Risks

Deposits (Governmental Funds)

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

At June 30, 2021, all investments of the School System were invested in Georgia Fund 1, the local government investment pool administered by the State of Georgia and U.S. Treasury Bond. The pool’s primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principle (\$1 per share). The Georgia Fund 1 investment pool is not subject to credit risk classification and the carrying amount of \$214,431,654 is reported at fair value. The Georgia Fund 1 was rated AA+ by Standard & Poor’s.

Categorization of Deposits

State statutes require all deposits and investments (other than federal or state government instruments) to be covered by depository insurance or pledged securities. Amounts that exceed standard depository insurance limits are required to be collateralized either (1) individually by the financial institutions through pledged obligations of the U.S. Government, obligations backed by the full faith and credit of the U.S. Government, obligations of the State of Georgia or other states, or obligations of counties, municipalities, or public authorities of the State of Georgia, or (2) participation in the State of Georgia Secure Deposit Program. As of June 30, 2021, the financial institution holding all of the School System's deposits is a participant of the State of Georgia Secure Deposit Program, which is administered by the Office of the State Treasurer, requires participating banks holding deposits of public funds to pledge collateral at varying rates depending on tier assigned by the State. As of June 30, 2021, all of the School System's bank balances were insured and/or collateralized as defined by GASB and required by State Statutes.

Categorization of Investments

The School System's investments as of June 30, 2021 are presented in this table. All investments are presented by investment type and debt securities are presented by maturity.

| Investment | Fair Value | Investment Maturity Less than One Year | Investment Maturity Between 4 and 10 Years |
|--------------------|----------------|---|---|
| Georgia Fund 1 | \$ 214,431,654 | \$ 214,431,654 | \$ - |
| U.S. Treasury Bond | 28,224,295 | - | 28,224,295 |
| | \$ 242,655,949 | \$ 214,431,654 | \$ 28,224,295 |

Interest Rate Risk

Interest rate risk is the risk that a fixed income investment's value will decrease due to a change in the absolute level of interest rates. Since the price of a bond fluctuates with market interest rates, the risk than an investor faces is that the price of the bonds in a portfolio will decline if market interest rates rise. The School System's investment management policy limits investment maturities to 3 years as a means of managing its exposure to fair value losses arising from increasing interest rates. However, the U.S. Treasury Bond has a maturity of February 15, 2025 which is greater than the School System's investment maturities limit of 3 years. At June 30, 2021, the interest rate risk is reported in the above table under Deposits (Governmental Funds) section as "Weighted Average Maturity (WAM)" for each of the applicable investment classifications.

Credit risk, value, and interest rate risk at June 30, 2021 are as follows:

| Investment | Credit Risk | Fair Value | Interest Risk |
|--------------------|-------------|----------------|---------------|
| Georgia Fund 1 | AAAfrated | \$ 214,431,654 | 36 day WAM |
| U.S. Treasury Bond | - | 28,224,295 | 3.8 year WAM |
| | | \$ 242,655,949 | |

Custodial Credit Risk

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

Credit Quality Risk

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

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

Concentration of Credit Risk

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

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

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

As of June 30, 2021, the District had 88% of its investments invested in the Georgia Fund One (1) and 12% in U.S. Treasury Bonds.

Foreign Currency Risk

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

Fair Value Measurements

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

The Georgia Fund 1 is an investment pool which does not meet the criteria of GASB Statement No. 79 and is thus valued at fair value in accordance with GASB Statement No. 31. As a result, the School System does not disclose the investment in the Georgia Fund 1 within the fair value hierarchy. The School System also invests in U.S. Treasury Bonds, which are Level 2 investments, and have been valued at fair value using the Present Value of Expected Future Cash Flow Model.

E. Due from Other Governments

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

F. Property Taxes and Other Receivables

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

| | | | |
|--------------------------------|-----------------------------|--------------------------------|---------------------------------|
| | Property Tax Receivables | Allowance for Uncollectible | Net Property Tax Receivables |
| General Fund | \$ 15,705,860 | (4,402,526) | \$ 11,303,334 |
| | Other Receivables | Allowance for Uncollectible | Net Other Receivables |
| General Fund | \$ 10,759,759 | \$ (10,110,820) | \$ 648,939 |
| | SPLOST Tax Receivables | Allowance for Uncollectible | Net SPLOST Receivables |
| Capital Projects Fund | \$ 10,385,717 | \$ - | \$ 10,385,717 |
| | Other Receivables | Allowance for Uncollectible | Net Other Receivables |
| Nonmajor governmental funds | \$ 26,205 | \$ - | \$ 26,205 |

G. Capital Assets

The following is a summary of changes in capital assets during the fiscal year ended June 30, 2021:

| | Beginning Balance | Increases | Decreases & Transfers to In-Service | Ending Balance |
|---|-------------------------|----------------------|---|-------------------------|
| Governmental Activities: | | | | |
| Land | \$ 118,469,594 | \$ - | \$ - | \$ 118,469,594 |
| Construction in Progress | 141,769,592 | 53,106,304 | (97,626,569) | 97,249,327 |
| Total Non-Depreciable Assets | <u>260,239,186</u> | <u>53,106,304</u> | <u>(97,626,569)</u> | <u>215,718,921</u> |
| | | | | |
| Buildings | 1,217,267,997 | 17,461,397 | - | 1,234,729,394 |
| Building Improvements | 594,928,758 | 251,438 | 96,375,968 | 691,556,164 |
| Land Improvements | 94,511,246 | - | 1,250,601 | 95,761,847 |
| Equipment | 16,004,534 | 12,182,320 | - | 28,186,854 |
| Furniture & Fixtures | 56,030 | - | - | 56,030 |
| Vehicles | 34,051,704 | 2,057,113 | (534,466) | 35,574,351 |
| Total Depreciable assets | <u>1,956,820,269</u> | <u>31,952,268</u> | <u>97,092,103</u> | <u>2,085,864,640</u> |
| Total at historical cost | <u>2,217,059,455</u> | <u>85,058,572</u> | <u>(534,466)</u> | <u>2,301,583,561</u> |
| | | | | |
| Less Accumulated Depreciation | | | | |
| Buildings | 458,671,246 | 23,780,188 | - | 482,451,434 |
| Building improvements | 221,331,650 | 30,251,724 | - | 251,583,374 |
| Land improvements | 38,832,135 | 5,773,761 | - | 44,605,896 |
| Equipment | 15,012,872 | 606,443 | - | 15,619,315 |
| Furniture & Fixtures | 56,030 | - | - | 56,030 |
| Vehicles | 28,583,429 | 1,408,516 | (534,466) | 29,457,479 |
| Total Accumulated Depreciation | <u>762,487,362</u> | <u>61,820,632</u> | <u>(534,466)</u> | <u>823,773,528</u> |
| | | | | |
| Total Depreciable assets, Net | <u>1,194,332,907</u> | <u>(29,868,364)</u> | <u>97,626,569</u> | <u>1,262,091,112</u> |
| | | | | |
| Governmental Activities Capital Assets, Net | <u>\$ 1,454,572,093</u> | <u>\$ 23,237,940</u> | <u>\$ -</u> | <u>\$ 1,477,810,033</u> |

Depreciation expense was charged to governmental functions as follows:

| | |
|-----------------------------|----------------------|
| Instruction | \$ 53,072,813 |
| Support Services: | |
| Maintenance & Operations | 6,187,960 |
| Student Transportation | 1,397,730 |
| Support Services - Business | <u>1,162,129</u> |
| Total | <u>\$ 61,820,632</u> |

H. Short-term Debt and Obligations

Tax Anticipation Note

On September 20, 2020, the School System issued a short-term Tax Anticipation Note (TAN), Series 2020 in the par amount of \$50,000,000 with a local financial institution. The TAN was secured by tax revenues to be received by the School System from the Fulton County Tax Commissioner. Interest accrued on the TAN at a rate of 0.45% and was due and payable December 31, 2020. The School System retired the TAN in full on December 31, 2020, paying interest on the short-term debt in the amount of \$64,375.

Financed Purchase

On October 19, 2019, the School System entered into a short-term financed purchase arrangement with an organization in order to operate a school in the premises. The lease commenced on December 1, 2020 and a one-time payment in the amount of \$17,461,397 was made by the School System on December 8, 2020 as dictated by the terms of the agreement. The lease was fully repaid at that time.

I. Long-term Debt and Obligations

Intergovernmental Agreement

Over the years, the City of Atlanta has issued various annual general obligation bonds and general obligation refunding bonds on behalf of the School System. The debt service for the bonds has been funded through the School System's bonded debt portion of the annual tax levy. The maturity date for the bond is June 30, 2027. The bonded debt portion of property taxes collected by the City on behalf of the School System is retained by the City and used to pay the annual debt service on the outstanding bonds. The debt service payments are calculated using assumptions and estimates based on the most current information available. As of June 30, 2021, \$812,415 is available and held by the City.

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

| <u>Purpose</u> | <u>Interest Rate</u> | <u>Amount</u> |
|-------------------------|----------------------|---------------|
| Governmental Activities | 3-5% | \$ 1,411,150 |

In prior fiscal years, the City of Atlanta and the School System defeased certain bonds by placing funds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the School System's basic financial statements. At June 30, 2021, \$255,000 of bonds is outstanding and is considered defeased.

Education Reform Success, Inc. (ERS)

In October 2006, ERS issued certificates of participation (COPS) on behalf of the School System in the amount of \$10,115,000. The proceeds from the certificates were used to finance the renovations and improvements to the Instructional Service Center. The ERS Series 2006 COPS has principal and interest payments due on March 1 of each year until maturity. The maturity date for this series is March 1, 2022 and has an interest rate of 4%.

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

Change in Long-term Debt and Obligations

Changes in long-term debt and obligations during the fiscal year ended June 30, 2021 were as follows:

| | <u>Beginning</u> | | | <u>Ending</u> | <u>Amounts</u> | <u>Amounts Due</u> |
|--------------------------------------|-------------------------|-----------------------|-------------------------|-------------------------|----------------------|-------------------------|
| | <u>Balance</u> | <u>Additions</u> | <u>Deductions</u> | <u>Balance</u> | <u>Due within</u> | <u>in More Than</u> |
| | | | | | <u>One Year</u> | <u>One Year</u> |
| Governmental activities: | | | | | | |
| Long-term debt | | | | | | |
| Intergovernmental agreement- | | | | | | |
| City of Atlanta | \$ 2,332,375 | \$ - | \$ (921,225) | \$ 1,411,150 | \$ 817,175 | \$ 593,975 |
| ERS, Inc (COPS, Series 2006/2007) | 1,815,000 | - | (890,000) | 925,000 | 925,000 | - |
| ERS, Inc (COPS, Series 2011A) | 72,460,000 | - | - | 72,460,000 | - | 72,460,000 |
| Financed purchases | - | 23,475,200 | (6,548,928) | 16,926,272 | 4,062,866 | 12,863,406 |
| Total long-term debt | <u>76,607,375</u> | <u>23,475,200</u> | <u>(8,360,153)</u> | <u>91,722,422</u> | <u>5,805,041</u> | <u>85,917,381</u> |
| Other long-term liabilities | | | | | | |
| Net pension liability | 926,762,156 | 170,550,792 | (142,527,804) | 954,785,144 | - | 954,785,144 |
| Net OPEB liability | 348,020,497 | 79,701,299 | (16,632,829) | 411,088,967 | - | 411,088,967 |
| Compensated absences | 5,756,392 | 4,418,337 | (3,224,288) | 6,950,441 | 5,128,499 | 1,821,942 |
| Contingent legal liabilities | 90,000 | 1,015,000 | (40,000) | 1,065,000 | 1,065,000 | - |
| Workers' compensation | 6,093,211 | 4,196,839 | (4,117,739) | 6,172,311 | 2,374,308 | 3,798,003 |
| Total other long-term liabilities | <u>1,286,722,256</u> | <u>259,882,267</u> | <u>(166,542,660)</u> | <u>1,380,061,863</u> | <u>8,567,807</u> | <u>1,371,494,056</u> |
| Total long-term debt and obligations | <u>\$ 1,363,329,631</u> | <u>\$ 283,357,467</u> | <u>\$ (174,902,813)</u> | <u>\$ 1,471,784,285</u> | <u>\$ 14,372,848</u> | <u>\$ 1,457,411,437</u> |

The General Fund typically retires the compensated absences and is used to liquidate pension and OPEB liabilities.

At June 30, 2021, payments due by fiscal year, which include principal and interest for the intergovernmental agreement payable and COPS debt are as follows:

| Fiscal Year Ending | Intergovernmental Agreements City of Atlanta | |
|-------------------------------|---|-------------------|
| | Principal | Interest |
| | | |
| 2022 | \$ 817,175 | 45,380 |
| 2023 | 101,300 | 24,280 |
| 2024 | 120,500 | 20,040 |
| 2025 | 128,300 | 14,792 |
| 2026 | 129,225 | 8,784 |
| 2027 | 114,650 | 2,869 |
| Total Principal and Interest | <u>\$ 1,411,150</u> | <u>\$ 116,145</u> |

| Fiscal Year Ending | Education Reform Success, Inc. Certificates of Participation 2006/2007 | | Education Reform Success, Inc. Certificates of Participation 2011A | |
|-------------------------------|---|------------------|---|----------------------|
| | Principal | Interest | Principal | Interest |
| | | | | |
| 2022 | \$ 925,000 | \$ 38,200 | \$ - | \$ 4,029,142 |
| 2023 | - | - | - | 4,029,142 |
| 2024 | - | - | - | 4,029,142 |
| 2025 | - | - | 22,460,000 | 4,029,142 |
| 2026 | - | - | 25,000,000 | 4,029,142 |
| 2027 | - | - | 25,000,000 | 4,217,751 |
| Total Principal and Interest | <u>\$ 925,000</u> | <u>\$ 38,200</u> | <u>\$ 72,460,000</u> | <u>\$ 24,363,461</u> |

Financed purchases from Direct Borrowings

During the fiscal year ended June 30, 2021, the School System entered in a financed purchase agreement for financing of laptops for students. The agreement matures on August 3, 2025 and bears an interest rate of 2.72%. Debt service payments of varying amounts are made annually on August 3 beginning on August 3, 2021. During the fiscal year ended June 30, 2021, the School System made a principal-only debt service payment before the due date of \$6,548,928. As of June 30, 2021, the outstanding balance on the purchase agreement is \$16,926,272 and the accumulated depreciation on the laptops acquired under the financed purchase is \$338,398. Annual depreciation of this asset is included in depreciation expense.

The debt service requirements to maturity on the School System’s financed purchases are as follows:

| <u>Fiscal year ending June 30,</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|---|-------------------------|------------------------|----------------------|
| 2022 | \$ 4,062,866 | \$ 460,154 | \$ 4,523,020 |
| 2023 | 4,173,319 | 349,702 | 4,523,021 |
| 2024 | 4,286,774 | 236,247 | 4,523,021 |
| 2025 | 4,403,313 | 119,708 | 4,523,021 |
| Totals | \$ 16,926,272 | \$ 1,165,811 | \$ 18,092,083 |

J. Inter-fund Receivables

Inter-fund Receivables and payables balances as of June 30, 2021 are as follows:

| <u>Receivable Fund</u> | <u>Payable Fund</u> | <u>Amount</u> |
|-------------------------------|----------------------------|----------------------|
| General Fund | Capital Projects Fund | \$ 25,850,094 |
| General Fund | Nonmajor Funds | 10,060,668 |
| Capital Projects Fund | Nonmajor Funds | 20,801,057 |
| Nonmajor Funds | General Fund | 92,068 |
| Nonmajor Funds | Nonmajor Funds | 8,095,457 |
| | | \$ 64,899,344 |

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

K. Inter-fund Transfers

Transfers within the governmental funds for the fiscal year ended June 30, 2021 are as follows:

| | <u>Transfers In</u> | <u>Transfers Out</u> |
|-----------------------------|---------------------|----------------------|
| Governmental funds: | | |
| General Fund | \$ - | \$ 4,449,120 |
| Nonmajor Governmental Funds | <u>4,449,120</u> | <u>-</u> |
| | <u>\$ 4,449,120</u> | <u>\$ 4,449,120</u> |

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

L. Risk Management

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

Unemployment Compensation

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

| | <u>Beginning of Fiscal Year Liability</u> | <u>Claims and Changes in Estimates</u> | <u>Claims Paid</u> | <u>End of Fiscal Year Liability</u> |
|------------------|---|--|------------------------|---|
| Fiscal year 2020 | \$ - | \$ 132,427 | \$ (132,427) | \$ - |
| Fiscal year 2021 | \$ - | \$ 3,534,999 | \$ (3,534,999) | \$ - |

Workers' Compensation

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

| | Beginning of Fiscal Year | Changes in Estimates | Claims Paid | End of Fiscal Year |
|------------------|---|---------------------------------|------------------------|-------------------------------|
| Fiscal year 2020 | \$ 6,769,254 | \$ 4,041,745 | \$ (4,717,788) | \$ 6,093,211 |
| Fiscal year 2021 | \$ 6,093,211 | \$ 4,196,839 | \$ (4,117,739) | \$ 6,172,311 |

M. On-Behalf Payments for Fringe Benefits

The School System has recognized revenues and expenditures in the amount of \$107,388 for pension costs paid by the Georgia Department of Education to the Teachers' Retirement System of Georgia on the School System's behalf.

N. Retirement Plans

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

| | TRS | Plan | Total |
|--|----------------|----------------|----------------|
| Net Pension Liability | \$ 629,925,442 | \$ 324,859,702 | \$ 954,785,144 |
| Total Pension Liability | - | 506,667,702 | 506,667,702 |
| Deferred outflows of resources related to pensions | 173,288,550 | 64,617,004 | 237,905,554 |
| Deferred inflows of resources related to pensions | 31,226,469 | - | 31,226,469 |
| Pension expense (reduction to pension expense) | 90,585,394 | 29,060,703 | 119,646,097 |

General Information about the Teachers Retirement System

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

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

Contributions: Per Title 47 of the O.C.G.A., contribution requirements of active employees and participating employers, as actuarially determined, are established and may be amended by the TRS Board. Pursuant to O.C.G.A. §47-3-63, the employer contributions for certain full-time public school support personnel are funded on behalf of the employer by the State of Georgia. Contributions are expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Employees were required to contribute 6.00 % of their annual pay during fiscal year 2021. The School System’s contractually required contribution rate for the fiscal year ended June 30, 2021 was 19.06% of annual payroll. School System contributions to TRS were \$65,800,197 for the fiscal year ended June 30, 2021.

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

At June 30, 2021, the School System reported a liability for its proportionate share of the net pension liability that reflected a reduction for support provided to the School System by the State of Georgia for certain public school support personnel. The amount recognized by the School System as its proportionate share of the net pension liability, the related State of Georgia support, and the total portion of the net pension liability that was associated with the School System were as follows:

| | |
|---|------------------------------|
| School System’s proportionate share of the net pension liability | \$ 629,925,442 |
| State of Georgia’s proportionate share of the net pension liability | 1,260,855 |
| Total | <u><u>\$ 631,186,297</u></u> |

The net pension liability was measured as of June 30, 2020. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of June 30, 2019. An expected total pension liability as of June 30, 2020 was determined using standard roll-forward techniques. The School System’s proportion of the net pension liability was based on contributions to TRS during the fiscal year ended June 30, 2020. At June 30 2020, the School System’s proportion was 2.600428%, which was a decrease of 0.099408% from its proportion measured as of June 30, 2019.

For the fiscal year ended June 30, 2021, the School System recognized pension expense of \$90,585,394 and revenue of \$211,075 for support provided by the State of Georgia for certain support personnel. At June 30, 2021, the School System reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|---|--|
| Net difference between projected and actual earnings on pension plan investments | \$ 15,171,859 | \$ - |
| Differences between expected and actual experience | 27,433,449 | - |
| Changes of assumptions | 64,883,045 | - |
| Changes in proportion and differences between School System contributions and proportionate share of contributions | - | 31,226,469 |
| School System contributions subsequent to the measurement date | 65,800,197 | - |
| Total | <u>\$ 173,288,550</u> | <u>\$ 31,226,469</u> |

School System contributions subsequent to the measurement date of \$65,800,197 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal year ending June 30:

| | |
|--------------|----------------------|
| 2022 | \$ 9,993,729 |
| 2023 | 24,389,750 |
| 2024 | 30,173,353 |
| 2025 | 11,705,052 |
| Total | <u>\$ 76,261,884</u> |

Actuarial assumptions: The total pension liability as of June 30, 2020 was determined by an actuarial valuation as of June 30, 2019 using the following actuarial assumptions on the following page, applied to all periods included in the measurement:

| | |
|-----------------------------------|--|
| Inflation | 2.50% |
| Salary increases | 3.00 - 8.75%, average, including inflation |
| Investment rate of return | 7.25%, net of pension plan investment expense, including inflation |
| Post-retirement benefit increases | 1.50% semi-annually |

Postretirement mortality rates for service retirements and beneficiaries were based on the Pub-2010 Teachers Headcount Weighted Below Median Healthy Retiree mortality table (ages set forward one year and adjusted 106%) with the MP-2019 Projection scale applied generationally. The rates of improvement were reduced by 20% for all years prior to the ultimate rate. Postretirement mortality rates for disability retirements were based on the Pub-2010 Teachers Mortality Table for Disabled Retirees (ages set forward one year and adjusted 106%) with the MP-2019 Projection scale applied generationally. The rates of improvement were reduced by 20% for all years prior to the ultimate rate. The Pub-2010 Teachers Headcount Weighted Below Median Employee mortality table with ages set forward one year and adjusted 106% as used for death prior to retirement. Future improvement in mortality rates was assumed using the MP-2019 projection scale generationally. These rates of improvement were reduced by 20% for all years prior to the ultimate rate.

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2013 – June 30, 2018, with the exception of the long-term assumed rate of return on assets (discount rate) which was changed from 7.50% to 7.25%, and the assumed annual rate of inflation which was changed from 2.75% to 2.50%, effective with the June 30, 2018 valuation.

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

| <u>Asset class</u> | <u>Target allocation</u> | <u>Long-term expected real rate of return*</u> |
|---|--------------------------|--|
| Fixed income | 30.00% | -0.10% |
| Domestic large equities | 51.00 | 8.90 |
| Domestic small equities | 1.50 | 13.20 |
| International developed market equities | 12.40 | 8.90 |
| International emerging market equities | 5.10 | 10.90 |
| Total | <u>100.00%</u> | |

**Net of inflation*

Discount rate: The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the School System’s proportionate share of the net pension liability to changes in the discount rate: The following presents the School System’s proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what the School System’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

| | 1% (6.25%) | Current (7.25%) | 1% (8.25%) |
|--|-----------------------|----------------------------|-----------------------|
| School System's proportionate share of the net pension liability | \$ 998,911,379 | \$ 629,925,442 | \$ 327,462,771 |

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

Payables to the pension plan: As of June 30, 2021, the School System reports a payable to TRS in the amount of \$2,037,388. This amount is included in the accounts payable balance reported by the General Fund and is comprised of employer and employee contributions owed to TRS but not yet remitted as of the end of the fiscal year.

General Information about the City of Atlanta General Employees’ Pension Plan

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

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

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

Plan Membership. As of June 30, 2019, the date of the most recent actuarial valuation, the pension plan membership consisted of the following:

| | |
|---|---------------------|
| Retired participants and beneficiaries currently receiving benefits | 1,817 |
| Terminated participants entitled to but not receiving benefits | 205 |
| Active Plan members | <u>683</u> |
| Total | <u><u>2,705</u></u> |

Contributions. Obligations to contribute to the Plan are subject to minimum funding standards of the Georgia Public Retirement Systems Standards law and are established by the Board of Trustees. Previously, the School System’s policy was to contribute to the Plan based on a level percent of payroll amortization method using a closed amortization period with 12.5 years remaining. By resolution adopted by the Atlanta Independent School System’s Board on June 2, 2014, the School System changed its funding policy whereby each year’s employer contribution will be equal to the prior year’s amount, increased by 3%, until the Plan is fully funded. In addition, active participants are required to contribute 7% of pay to the Plan (8% if a participant is married or elects to name a covered beneficiary). For the fiscal year ended June 30, 2021, the School System’s contributions to the Plan were \$58,400,004.

Net Pension Liability of the School System. The School System’s net pension liability was measured as of June 30, 2020. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as June 30, 2019 with update procedures performed by the actuary to roll forward to the total pension liability measured as of June 30, 2020.

Actuarial assumptions. The total pension liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|---------------------------|--|
| Inflation | 2.25% |
| Salary increases | 3.00% (includes inflation at 2.25% and 0.75% productivity growth, plus age related salary scale) |
| Investment rate of return | 7.25%, net of pension plan investment expense, including inflation |

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

The actuarial assumptions used in the July 1, 2019 valuation were based on the results of an experience study for the period July 1, 2011 to June 30, 2017.

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

| Asset class | Target allocation | Long-term expected real rate of return |
|-------------------------|--------------------------|---|
| Domestic equity | 42% | 6.65% |
| Fixed income | 25% | 0.50 |
| International equity | 28% | 7.94 |
| Alternative investments | 5% | 6.51 |
| Cash | —% | — |
| Total | 100% | |

Discount rate. The discount rate used to measure the Total Pension Liability (TPL) was 7.25% as of both June 30, 2020 and June 30, 2019. The projection of cash flows used to determine the discount rate assumed plan member contributions will be made at the current contribution rate and that employer contributions will be made in accordance with the Board of Education’s funding policy. For this purpose, only employer contributions that are intended to fund benefits for current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs for future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, the Plan Fiduciary Net Position (FNP) was projected to be available to make all projected future benefit payments for current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL as of both June 30, 2020 and June 30, 2019.

Changes in the Net Pension Liability of the School System. The changes in the components of the net pension liability of the School System for the fiscal year ended June 30, 2021, were as follows:

| | Total Pension (a) | Plan Fiduciary (b) | Net Pension (a) - (b) |
|---|------------------------------|-------------------------------|----------------------------------|
| Balances at 6/30/2020 | \$515,220,412 | \$ 168,996,000 | \$346,224,412 |
| Changes for the fiscal year: | | | |
| Service cost | 3,396,619 | - | 3,396,619 |
| Interest | 35,781,978 | - | 35,781,978 |
| Differences between expected and actual experience | 2,413,693 | - | 2,413,693 |
| Contributions—employer | - | 56,700,000 | (56,700,000) |
| Contributions—employee | - | 1,541,000 | (1,541,000) |
| Net investment income | - | 4,920,000 | (4,920,000) |
| Benefit payments, including refunds of employee contributions | (50,145,000) | (50,145,000) | - |
| Administrative expense | - | (204,000) | 204,000 |
| Net changes | <u>(8,552,710)</u> | <u>12,812,000</u> | <u>(21,364,710)</u> |
| Balances at 6/30/2021 | <u>\$506,667,702</u> | <u>\$ 181,808,000</u> | <u>\$324,859,702</u> |

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

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the City, calculated using the discount rate of 7.25%, as well as what the School System's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

| | <u>(6.25%)</u> | <u>Current (7.25%)</u> | <u>(8.25%)</u> |
|---------------------------------------|----------------|----------------------------|----------------|
| School System's net pension liability | \$ 369,076,645 | \$ 324,859,702 | \$ 286,814,019 |

O. Other Postemployment Benefits

Georgia School Employees Postemployment Benefit Fund

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

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

Contributions: As established by the Board of Community Health, the School OPEB Fund is substantially funded on a pay-as-you-go basis; that is, annual cost of providing benefits will be financed in the same year as claims occur. Contributions required and made to the School OPEB Fund from the School System were \$1,948 per covered employee, totaling \$10,689,975 for the fiscal year ended June 30, 2021. Active employees are not required to contribute to the School OPEB Fund.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. At June 30, 2021, the School System reported a liability of \$411,088,967 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2020. The total OPEB liability used to calculate the net OPEB liability was based on an actuarial valuation as of June 30, 2019. An expected total OPEB liability as of June 30, 2020 was determined using standard roll-forward techniques. The School System’s proportion of the net OPEB liability was actuarially determined based on employer contributions to the School OPEB Fund during the fiscal year ended June 30, 2020. At June 30 2020, the School System’s proportion was 2.798871% which was a decrease of 0.036986% from its proportion measured as of June 30, 2019.

For the fiscal year ended June 30, 2021, the School System recognized OPEB expense of \$11,006,990. At June 30, 2021, the School System reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

| | <u>Deferred Outflows of Resources</u> | <u>Deferred inflows of Resources</u> |
|---|---|--|
| Differences between expected and actual experience | \$ - | \$ 44,878,152 |
| Changes of assumptions | 67,984,985 | 36,578,076 |
| Net difference between projected and actual earnings on OPEB plan investments | 1,071,454 | - |
| Changes in proportion and differences between School System contributions and proportionate share of contributions | - | 19,288,920 |
| Employer contributions subsequent to the measurement date | 10,689,975 | - |
| Total | <u>\$ 79,746,414</u> | <u>\$ 100,745,148</u> |

School System contributions subsequent to the measurement date of \$10,689,975 are reported as deferred outflows of resources and will be recognized as a reduction of the net OPEB liability in the fiscal year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year ending June 30:

| | |
|-------|------------------------|
| 2022 | \$ (13,493,022) |
| 2023 | (13,521,776) |
| 2024 | (10,491,510) |
| 2025 | (1,845,306) |
| 2026 | 5,454,313 |
| 2027 | 2,208,592 |
| Total | <u>\$ (31,688,709)</u> |

Actuarial assumptions: The total OPEB liability as of June 30, 2020 was determined by an actuarial valuation as of June 30, 2019 using the following actuarial assumptions and other inputs, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2020:

| | |
|------------------|--|
| Inflation | 2.50% |
| Salary increases | TRS - 3.00 – 8.75%, including inflation PSERS – N/A |

| | |
|-----------------------------------|--|
| Long-term expected rate of return | 7.30%, compounded annually, net of investment expense, and including inflation |
| Healthcare cost trend rate: | |
| Pre-Medicare Eligible | 7.00% |
| Medicare Eligible | 5.25% |
| Ultimate trend rate | |
| Pre-Medicare Eligible | 4.50% |
| Medicare Eligible | 4.50% |
| Year of Ultimate trend rate | |
| Pre-Medicare Eligible | 2029 |
| Medicare Eligible | 2023 |

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

- For TRS members: The Pub-2010 Teachers Headcount Weighted Below Median Healthy Retiree Mortality Table (ages set forward one year and adjusted 106%) with the MP-2019 Projection scale applied generationally. The Pub-2010 Teachers Mortality Table for Disabled Retirees (ages set forward one year and adjusted 106%) with the MP-2019 Projection scale applied generationally is used for death after disability retirement.
- For PSERS members: The RP-2000 Blue-Collar Mortality Table projected to 2025 with projection scale BB (set forward 3 years for males and 2 years for females) is used for the period after service retirement and for beneficiaries of deceased members. The RP-2000 Disabled Mortality projected to 2025 with projection scale BB (set forward 5 years for both males and females) is used for the period after disability retirement.

The actuarial assumptions used for TRS members in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2013 – June 30, 2018, with the exception of the assumed annual rate of inflation which was changed from 2.75% to 2.50%, effective with the June 30, 2018 valuation.

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

| <u>Asset class</u> | <u>Target allocation</u> | <u>Long-term expected real rate of return *</u> |
|--------------------|--------------------------|---|
| Fixed Income | 30.00% | 0.53 % |
| Equities | 70.00% | 9.20 % |
| Total | <u>100.00%</u> | |

* Net of Inflation

Discount rate: In order to measure the total OPEB liability for the School OPEB, a single equivalent interest rate of 2.22% was used as the discount rate, as compared with last year's rate of 3.58%. This is comprised mainly of the yield or index rate for 20 year tax-exempt general obligation bonds with an average rating of AA or higher (2.21% per the Municipal Bond Index Rate). The projection of cashflows used to determine the discount rate assumed that contributions from members and from the employers will be made at the current level as averaged over the last five years, adjusted for annual projected changes in headcount. Projected future benefit payments for all current plan members were projected through 2118.

Sensitivity of the School System's proportionate share of the net OPEB liability to changes in the discount rate: The following presents the School System's proportionate share of the net OPEB liability calculated using the discount rate of 2.22%, as well as what the School System's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.22%) or 1-percentage-point higher (3.22%) than the current rate:

| | <u>1% Decrease (1.22%)</u> | <u>Current discount rate (2.22%)</u> | <u>1% Increase (3.22%)</u> |
|---|------------------------------------|--|------------------------------------|
| School System's proportionate share of the net OPEB liability | \$ 482,961,716 | \$ 411,088,967 | \$ 353,610,843 |

Sensitivity of the School System’s proportionate share of the net OPEB liability to changes in the healthcare cost trend rate: The following presents the School System’s proportionate share of the net OPEB liability calculated using the healthcare cost trend rates as well as what the School System’s proportionate share of the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher the current rates:

| | <u>1% Decrease</u> | <u>Current Healthcare Cost Trend Rate</u> | <u>1% Increase</u> |
|---|------------------------|---|------------------------|
| School System's proportionate share of the net OPEB liability | \$ 342,272,887 | \$ 411,088,967 | \$ 500,185,802 |

P. Commitments and Contingencies

Construction Commitments

The School System has active construction projects as of June 30, 2021. The projects relate to construction, renovation of school buildings, and other projects. At fiscal year-end, the School System’s commitments with contractors were \$22,311,221.

Litigation and Other Contingencies

The School System is a defendant in various lawsuits, which arose, in the ordinary course of its activities. The School System believes its liability in these matters is \$1,065,000. In addition, the School System has identified cases that either the outcome is reasonably probable but cannot be reasonably estimated or the amount is reasonably estimable; however, the outcome is still uncertain. The School System has estimated \$10,858,000 in such cases that is not accrued as a contingent liability as of the June 30, 2021.

In December 2016, the School System received a letter from the City of Atlanta claiming that the School System owes the City related to the City’s defeasement of certain City bonds, which included bonds issued by the City for school purposes. The bonds were defeased in 2014 and 2015 with accumulated balances in the City’s bond sinking fund. The letter claims that the City disproportionately contributed to the accumulated balances in the debt sinking funds used to defease the bonds and asks the School System to pay to the City \$11,146,937. The School System disputes this liability and contends that it is not legally obligated to pay the sums requested by the City. The City of Atlanta reduced the amount to \$9,000,000. As a result, the School System considers this to be a contingent liability where the amount is reasonably estimable however, the outcome is still uncertain and, therefore, the School System has disclosed this amount that is not accrued in its financial statements as of June 30, 2021.

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

Q. Pollution Remediation Obligations

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

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

The School System paid \$1,262,683 during fiscal year 2021 for remediation activities which included removal of asbestos, lead paint, and other contaminants from various sites owned by the School System. Each of these activities were undertaken on an as needed basis and completed and thus there is no further liability for remediation activities at these sites.

R. Tax Abatements

For the fiscal year ended June 30, 2021, School System tax revenues were reduced by \$13,213,393 and \$3,670,911 as a result of agreements entered into by the Development Authority of Fulton County and the City of Atlanta, respectively. Under these agreements, taxes on both real and personal property are reduced based on incentives and economic development programs offered by the Development Authority of Fulton County and the City of Atlanta, respectively.

S. Change in Accounting Principle

In conjunction with the implementation of Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*, the District is required to reevaluate the accounting treatment of fiduciary activities. The new standard requires the District to determine if funds are considered custodial funds under the new definitions of GASB Statement No. 84. Therefore, in conjunction with the implementation of GASB Statement No. 84, the following restatements were required to the beginning fund balance of the General Fund and net position of governmental activities to properly report the District's student activities.

| | General Fund |
|--|-----------------------|
| Fund balance, General Fund, as previously reported | \$ 137,093,730 |
| Restatement for implementation of GASBS No. 84 | 933,918 |
| Fund balance, beginning of year, as restated | <u>\$ 138,027,648</u> |

| | Governmental Activities |
|---|----------------------------|
| Net position, governmental activities, as previously reported | \$ 395,053,842 |
| Restatement for implementation of GASBS No. 84 | 933,918 |
| Net position, beginning of year, as restated | <u>\$ 395,987,760</u> |

Fiscal Year 2021



**REQUIRED
SUPPLEMENTARY
INFORMATION**

ATLANTA INDEPENDENT SCHOOL SYSTEM

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

| | <u>2021</u> | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| School System's proportion of the net pension liability | 2.600428% | 2.699836% | 2.727309% | 2.887411% | 2.923534% | 3.025601% |
| School System's proportionate share of the net pension liability | \$ 629,925,442 | \$ 580,537,744 | \$ 506,246,969 | \$ 536,634,228 | \$ 603,157,662 | \$ 460,617,707 |
| State of Georgia's proportionate share of the net pension liability associated with the District | <u>1,260,855</u> | <u>1,346,069</u> | <u>1,313,272</u> | <u>2,085,643</u> | <u>4,133,857</u> | <u>2,567,833</u> |
| Total | \$ 631,186,297 | \$ 581,883,813 | \$ 507,560,241 | \$ 538,719,871 | \$ 607,291,519 | \$ 463,185,540 |
| School System's covered payroll | \$ 335,268,122 | \$ 329,490,856 | \$ 324,840,518 | \$ 331,541,794 | \$ 320,682,313 | \$ 319,369,924 |
| School System's proportionate share of the net pension liability as a percentage of its covered payroll | 187.89% | 176.19% | 155.84% | 161.86% | 188.09% | 144.23% |
| Plan fiduciary net position as a percentage of the total pension liability | 77.01% | 78.56% | 80.27% | 79.33% | 76.06% | 81.44% |
| | <u>2015</u> | | | | | |
| School System's proportion of the net pension liability | 3.069435% | | | | | |
| School System's proportionate share of the net pension liability | \$ 387,782,626 | | | | | |
| State of Georgia's proportionate share of the net pension liability associated with the District | <u>2,346,201</u> | | | | | |
| Total | \$ 390,128,827 | | | | | |
| School System's covered payroll | \$ 313,487,362 | | | | | |
| School System's proportionate share of the net pension liability as a percentage of its covered payroll | 123.70% | | | | | |
| Plan fiduciary net position as a percentage of the total pension liability | 84.03% | | | | | |

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

ATLANTA INDEPENDENT SCHOOL SYSTEM

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

| | 2021 | 2020 | 2019 | 2018 | 2017 |
|---|---------------|---------------|---------------|---------------|---------------|
| Contractually required contributions | \$ 65,800,197 | \$ 70,875,681 | \$ 68,863,589 | \$ 54,605,691 | \$ 47,311,014 |
| Contributions in relation to the contractually required contributions | 65,800,197 | 70,875,681 | 68,863,589 | 54,605,691 | 47,311,014 |
| Contribution deficiency (excess) | \$ - | \$ - | \$ - | \$ - | \$ - |
| School System's covered payroll | 345,226,637 | 335,268,122 | 329,490,856 | 324,840,518 | 331,541,794 |
| Contributions as a percentage of covered payroll | 19.06% | 21.14% | 20.90% | 16.81% | 14.27% |
| Contractually required contributions | 2016 | 2015 | 2014 | 2013 | 2012 |
| | \$ 45,761,366 | \$ 41,997,145 | \$ 38,496,248 | \$ 35,714,946 | \$ 33,138,997 |
| Contributions in relation to the contractually required contributions | 45,761,366 | 41,997,145 | 38,496,248 | 35,714,946 | 33,138,997 |
| Contribution deficiency (excess) | \$ - | \$ - | \$ - | \$ - | \$ - |
| School System's covered payroll | 320,682,313 | 319,369,924 | 313,487,362 | 313,014,426 | 322,363,784 |
| Contributions as a percentage of covered payroll | 14.27% | 13.15% | 12.28% | 11.41% | 10.28% |

ATLANTA INDEPENDENT SCHOOL SYSTEM

Notes to Required Supplementary Information

Teachers Retirement System of Georgia

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

On November 18, 2015, the Board adopted recommended changes to the economic and demographic assumptions utilized by the System. Primary among the changes were the updates to rates of mortality, retirement, disability, withdrawal and salary increases. The expectation of retired life mortality was changed to RP-2000 White Collar Mortality Table with future mortality improvement projected to 2025 with the Society of Actuaries' projection scale BB (set forward one year for males).

Effective with the June 30, 2018 valuation, the long-term assumed rate of return on assets (discount rate) was changed from 7.50% to 7.25%, and the assumed annual rate of inflation was changed from 2.75% to 2.50%.

In 2019 and later, the expectation of retired life mortality was changed to the Oub-2010 Teachers Headcount Weighted Below Median Healthy Retiree mortality table from RP-2000 Mortality Tables. In 2019m rates of withdrawal, retirement, disability and mortality were adjust to more closely reflect actual experience.

Method and assumptions used in calculations of actuarially determined contributions: The actuarially determined contribution rates in the schedule of employer contributions are calculated as of June 30, three years prior to the end of the fiscal year in which contributions are reported (June 30, 2021 employer contributions were determined in the June 30, 2018 valuation). The following actuarial methods and assumptions were used to determine the most recent contribution rate reported in that schedule:

| | |
|-----------------------------------|--|
| Valuation date | June 30, 2019 |
| Measurement date | June 30, 2020 |
| Reporting date | June 30, 2021 |
| Actuarial cost method | Entry age |
| Amortization method | Level percentage of payroll, closed |
| Remaining amortization period | 27.1 years |
| Asset valuation method | 5-year smoothed market |
| Inflation rate | 2.75% |
| Salary increases | 3.25 - 9.00%, including inflation |
| Investment Rate of Return | 7.50%, net of pension plan investment expense including inflation. |
| Post-Retirement Benefit Increases | 1.50% semi-annually |

ATLANTA INDEPENDENT SCHOOL SYSTEM

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

| | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Total pension liability | | | | | | |
| Service cost | \$ 3,396,619 | \$ 3,698,158 | \$ 4,136,488 | \$ 4,757,232 | \$ 4,617,642 | \$ 4,306,062 |
| Interest | 35,781,978 | 36,439,608 | 42,595,027 | 44,352,297 | 45,347,072 | 46,057,856 |
| Differences between expected and actual experience | 2,413,693 | 1,773,523 | (18,694,416) | (23,112,784) | (8,914,878) | (5,223,539) |
| Assumption changes | - | - | (40,970,683) | - | - | - |
| Benefit payments, including refunds of employee contributions | (50,145,000) | (51,216,000) | (52,677,000) | (54,450,000) | (54,177,000) | (55,058,000) |
| Net change in total pension liability | (8,552,710) | (9,304,711) | (65,610,584) | (28,453,255) | (13,127,164) | (9,917,621) |
| Total pension liability - beginning | 515,220,412 | 524,525,123 | 590,135,707 | 618,588,962 | 631,716,126 | 641,633,747 |
| Total pension liability - ending (a) | \$ 506,667,702 | \$ 515,220,412 | \$ 524,525,123 | \$ 590,135,707 | \$ 618,588,962 | \$ 631,716,126 |
| Plan fiduciary net position | | | | | | |
| Contributions - employer | \$ 56,700,000 | \$ 55,002,000 | \$ 53,400,000 | \$ 52,000,000 | \$ 50,400,000 | \$ 48,905,000 |
| Contributions - employee | 1,541,000 | 1,686,000 | 1,513,000 | 1,441,000 | 1,663,000 | 1,684,000 |
| Net investment income | 4,920,000 | 8,639,000 | 13,692,000 | 16,735,000 | 765,000 | 819,000 |
| Benefit payments, including refunds of employee contributions | (50,145,000) | (51,216,000) | (52,677,000) | (54,450,000) | (54,177,000) | (55,058,000) |
| Administrative expense | (204,000) | (227,000) | (212,000) | (206,000) | (202,000) | (278,000) |
| Net change in plan fiduciary net position | 12,812,000 | 13,884,000 | 15,716,000 | 15,520,000 | (1,551,000) | (3,928,000) |
| Plan fiduciary net position - beginning | 168,996,000 | 155,112,000 | 139,396,000 | 123,876,000 | 125,427,000 | 129,355,000 |
| Plan fiduciary net position - ending (b) | \$ 181,808,000 | \$ 168,996,000 | \$ 155,112,000 | \$ 139,396,000 | \$ 123,876,000 | \$ 125,427,000 |
| School System's net pension liability - ending (a) - (b) | \$ 324,859,702 | \$ 346,224,412 | \$ 369,413,123 | \$ 450,739,707 | \$ 494,712,962 | \$ 506,289,126 |
| Plan fiduciary net position as a percentage of the total pension liability | 35.88% | 32.80% | 29.57% | 23.62% | 20.03% | 19.85% |
| Covered payroll | \$ 20,240,852 | \$ 20,241,852 | \$ 20,240,951 | \$ 21,585,554 | \$ 20,072,615 | \$ 21,786,097 |
| School System's net pension liability as a percentage of covered payroll | 1604.97% | 1710.44% | 1825.08% | 2088.15% | 2464.62% | 2323.91% |
| | <u>2015</u> | | | | | |
| Total pension liability | | | | | | |
| Service cost | \$ 4,432,230 | | | | | |
| Interest | 46,411,606 | | | | | |
| Differences between expected and actual experience | - | | | | | |
| Assumption changes | - | | | | | |
| Benefit payments, including refunds of employee contributions | (56,063,000) | | | | | |
| Net change in total pension liability | (5,219,164) | | | | | |
| Total pension liability - beginning | 646,852,911 | | | | | |
| Total pension liability - ending (a) | \$ 641,633,747 | | | | | |
| Plan fiduciary net position | | | | | | |
| Contributions - employer | \$ 48,000,000 | | | | | |
| Contributions - employee | 1,554,000 | | | | | |
| Net investment income | 21,358,000 | | | | | |
| Benefit payments, including refunds of employee contributions | (56,063,000) | | | | | |
| Administrative expense | (1,003,000) | | | | | |
| Net change in plan fiduciary net position | 13,846,000 | | | | | |
| Plan fiduciary net position - beginning | 115,509,000 | | | | | |
| Plan fiduciary net position - ending (b) | \$ 129,355,000 | | | | | |
| School System's net pension liability - ending (a) - (b) | \$ 512,278,747 | | | | | |
| Plan fiduciary net position as a percentage of the total pension liability | 20.16% | | | | | |
| Covered payroll | \$ 22,914,238 | | | | | |
| School System's net pension liability as a percentage of covered payroll | 2235.64% | | | | | |

Notes to the Schedule:

This schedule will present 10 years of information once it is accumulated

ATLANTA INDEPENDENT SCHOOL SYSTEM

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

| | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 |
|--|---------------|---------------|---------------|---------------|---------------|---------------|
| Actuarially determined contribution | \$ 58,400,000 | \$ 56,700,000 | \$ 55,002,000 | \$ 53,400,000 | \$ 51,900,000 | \$ 50,400,000 |
| Contributions in relation to the actuarially determined contribution | 58,400,000 | 56,700,000 | 55,002,000 | 53,400,000 | 52,000,000 | 50,400,000 |
| Contribution deficiency (excess) | \$ - | \$ - | \$ - | \$ - | \$ (100,000) | \$ - |
| Covered payroll | \$ 19,988,848 | \$ 20,240,852 | \$ 20,241,852 | \$ 20,240,951 | \$ 21,585,554 | \$ 20,072,615 |
| Contributions as a percentage of covered payroll | 292.16% | 280.13% | 271.72% | 263.82% | 240.90% | 251.09% |
| 2015 | | | | | | |
| Actuarially determined contribution | | | | | | |
| Contributions in relation to the actuarially determined contribution | \$ 48,900,000 | | | | | |
| Contribution deficiency (excess) | \$ - | | | | | |
| Covered payroll | | | | | | |
| Contributions as a percentage of covered payroll | \$ 21,786,097 | | | | | |
| | 224.46% | | | | | |

Notes to the Schedule

(1) Actuarial Assumptions:

| | |
|---------------------------------------|---|
| Valuation Date | July 1, 2019 |
| Measurement Date | June 30, 2020 |
| Reporting Date | June 30, 2021 |
| Cost Method | Entry Age Actuarial Cost Method |
| Actuarial Asset Valuation Method | The fair value of assets less unrecognized returns in each of the last five years. Unrecognized return is equal to the difference between actual and expected returns on a fair value basis and is recognized over a five-year period. The deferred return is further adjusted, if necessary, so that the actuarial value of assets will stay within 20% of the fair value of assets. |
| Assumed Rate of Return on Investments | 7.25%, net of pension plan investment expense (including inflation) |
| Projected Salary Increases | 3.00% (plus age-related salary scale) |
| Cost-of-living Adjustment | 2.25% |
| Amortization Method | Level percent of payroll, using 3.0% annual increases |
| Remaining Amortization Period | 7.6 years remaining as of July 1, 2019 |
| Inflation | 2.25% |
| Retirement Rates | Rates vary from age 52 to 69 for service greater than 30 years and from 61 to 69 for service less than 30 years. |
| Mortality | Healthy: RP-2006 Blue Collar Healthy Annuitant Table, loaded by 25% for males and females Disabled: RP-2006 Disabled Retiree Table, loaded by 25% for males and females. |

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

ATLANTA INDEPENDENT SCHOOL SYSTEM

*Required Supplementary Information
School OPEB Fund
Schedule Of The School System's Proportionate Share
Of Net OPEB Liability*

| | <u>2021</u> | <u>2020</u> | <u>2019</u> | <u>2018</u> |
|--|----------------|----------------|----------------|----------------|
| School System's proportion of the net OPEB liability (%) | 2.798871% | 2.835857% | 2.859052% | 2.954663% |
| School System's proportion of the net OPEB liability (\$) | \$ 411,088,967 | \$ 348,020,497 | \$ 363,376,735 | \$ 415,128,962 |
| School System's covered payroll | \$ 366,200,074 | \$ 357,818,965 | \$ 350,619,661 | \$ 359,737,162 |
| School System's proportionate share of the net OPEB liability as a percentage of its covered payroll | 112% | 97% | 104% | 115% |
| Plan fiduciary net position as a percentage of the net OPEB liability | 3.99% | 4.63% | 2.93% | 1.61% |

Notes to the Schedule:

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

ATLANTA INDEPENDENT SCHOOL SYSTEM

Required Supplementary Information
School OPEB Fund
Schedule Of School System's Contributions

| | <u>2021</u> | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> |
|--|-------------------|------------------|-------------------|-------------------|-------------------|
| Contractually required contribution | \$ 10,689,975 | \$ 9,465,127 | \$ 15,273,052 | \$ 14,818,194 | \$ 15,405,845 |
| Contributions in relation to the contractually required contribution | <u>10,689,975</u> | <u>9,465,127</u> | <u>15,273,052</u> | <u>14,818,194</u> | <u>15,405,845</u> |
| Contribution deficiency (excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| School System's covered payroll | 351,331,871 | 366,200,074 | 357,818,965 | 350,619,661 | 359,737,162 |
| Contributions as a percentage of covered payroll | 3.04% | 2.58% | 4.27% | 4.23% | 4.28% |

Notes to the Schedule:

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

ATLANTA INDEPENDENT SCHOOL SYSTEM

Required Supplementary Information

School OPEB Fund

Notes To The Schedule

Changes of benefit terms : There have been no changes in benefit terms.

Changes in assumptions: In the June 30, 2019 actuarial valuation, decremental assumptions were changed to reflect the Teachers Retirement Systems experience study.

In the June 30, 2018 actuarial valuation, the inflation assumption was lowered from 2.75% to 2.50%.

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

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

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

The discount rate was updated from 3.07% as of June 30, 2016 to 3.58% as of June 30, 2017, to 3.87% as of June 30, 2018, back to 3.58% as of June 30, 2019, and to 2.22% as of June 30, 2020.

| | |
|--------------------------------------|---|
| Valuation Date | June 30, 2019 |
| Measurement Date | June 30, 2020 |
| Reporting Date | June 30, 2021 |
| Inflation | 2.50% |
| Salary Increases (TRS) | 3.00 - 8.75%, including inflation |
| Long-term investment rate of return | 7.30% compounded annually, net of investment expense and including inflation |
| Municipal Bond Index Rate | 2.21% |
| Year FNP is projected to be depleted | 2022 |
| Single Equivalent Interest Rate | 2.22% |
| Healthcare cost trend rate: | |
| Pre-Medicare Eligible | 7.00% |
| Medicare Eligible | 5.25% |
| Ultimate trend rate: | |
| Pre-Medicare Eligible | 4.50% |
| Medicare Eligible | 4.50% |
| Year of Ultimate trend rate: | |
| Pre-Medicare Eligible | 2029 |
| Medicare Eligible | 2023 |
| Mortality | <p>For TRS members: Postretirement mortality rates for service retirements and beneficiaries were based on the Pub-2010 Teachers Headcount Weighted Below Median Healthy Retiree mortality table (ages set forward one year and adjusted 106%) with the MP-2019 Projection scale applied generationally. The rates of improvement were reduced by 20% for all years prior to the ultimate rate. Postretirement mortality rates for disability retirements were based on the Pub-2010 Teachers Mortality Table for Disabled Retirees (ages set forward one year and adjusted 106%) with the MP-2019 Projection scale applied generationally. The rates of improvement were reduced by 20% for all years prior to the ultimate rate. The Pub-2010 Teachers Headcount Weighted Below Median Employee mortality table with ages set forward one year and adjusted 106% was used for death prior to retirement. Future improvement in mortality rates was assumed using the MP-2019 projection scale generationally. These rates of improvement were reduced by 20% for all years prior to the ultimate rate.</p> <p>For PSERS members: Post-retirement mortality rates were based on the RP-2000 Blue-Collar Mortality Table projected to 2025 with projection scale BB (set forward 3 years for males and 2 years for females) for the period after service retirements and for dependent beneficiaries. The RP-2000 Disabled Mortality projected to 2025 with projection scale BB (set forward 5 years for both males and females) was used for death after disability retirement. There is a margin for future mortality improvement in the tables used by the System. Based on the results of the most recent experience study adopted by the Board on December 17, 2015, the numbers of expected future deaths are 9-11% less than the actual number of deaths that occurred during the study period for healthy retirees and 9-11% less than expected under the selected table for disabled retirees. Rates of mortality in active service were based on the RP-2000 Employee Mortality Table projected to 2025 with projection scale BB.</p> |

ATLANTA INDEPENDENT SCHOOL SYSTEM

General Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual (GAAP BASIS) For the Fiscal Year Ended June 30, 2021

| | ORIGINAL BUDGET | FINAL BUDGET | ACTUAL | VARIANCE WITH FINAL BUDGET |
|--|-----------------------|-----------------------|-----------------------|----------------------------------|
| REVENUES | | | | |
| Local taxes | \$ 646,214,296 | \$ 651,708,118 | \$ 690,480,169 | \$ 38,772,051 |
| Investment income | 1,024,458 | 1,024,458 | 147,594 | (876,864) |
| Tuition charges | - | - | 11,223 | 11,223 |
| Facility rental fees | 1,264,231 | 1,264,231 | 769,196 | (495,035) |
| State revenues | 151,728,293 | 175,703,403 | 182,929,032 | 7,225,629 |
| Federal revenues | 1,216,000 | 21,996,426 | 1,321,139 | (20,675,287) |
| Charges for services | - | - | 778,924 | 778,924 |
| Miscellaneous | 23,827,704 | 7,932,053 | 7,021,705 | (910,348) |
| TOTAL REVENUES | \$ 825,274,982 | \$ 859,628,689 | \$ 883,458,982 | \$ 23,830,293 |
| EXPENDITURES | | | | |
| Current: | | | | |
| Instruction | \$ 555,397,215 | \$ 587,647,278 | \$ 560,722,499 | \$ 26,924,779 |
| Support services | | | | |
| Pupil services | 50,056,744 | 56,437,695 | 48,116,348 | 8,321,347 |
| Improvement of instructional services | 36,225,175 | 36,318,557 | 32,391,678 | 3,926,879 |
| Educational media | 5,939,250 | 5,722,596 | 5,191,872 | 530,724 |
| Federal grant administration | 2,870 | 18,870 | 17,673 | 1,197 |
| General administration | 7,761,764 | 8,699,346 | 8,100,172 | 599,174 |
| School administration | 41,704,882 | 41,776,063 | 39,354,508 | 2,421,555 |
| Business administration | 8,642,265 | 9,068,759 | 7,851,508 | 1,217,251 |
| Maintenance and operation of facilities | 79,765,820 | 83,950,625 | 76,481,140 | 7,469,485 |
| Student transportation | 31,898,635 | 31,078,831 | 29,607,511 | 1,471,320 |
| Central support | 19,895,086 | 23,817,603 | 20,653,974 | 3,163,629 |
| Other support services | 682,815 | 652,271 | 661,404 | (9,133) |
| Nutrition | 379,092 | 379,092 | 129,980 | 249,112 |
| Debt service: | | | | |
| Principal | 855,000 | 855,000 | 1,811,225 | (956,225) |
| Interest and fiscal charges | 75,000 | 75,000 | 233,064 | (158,064) |
| TOTAL EXPENDITURES | 839,281,613 | 886,497,586 | 831,324,556 | 55,173,030 |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | (14,006,631) | (26,868,897) | 52,134,426 | 79,003,323 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers out | (4,435,723) | (4,521,472) | (4,449,120) | 72,352 |
| Proceeds from sale of capital assets | 150,880 | 150,880 | 53,949 | (96,931) |
| TOTAL OTHER FINANCING SOURCES (USES) | (4,284,843) | (4,370,592) | (4,395,171) | (24,579) |
| NET CHANGE IN FUND BALANCES | (18,291,474) | (31,239,489) | 47,739,255 | 78,978,744 |
| FUND BALANCES - BEGINNING OF FISCAL YEAR (AS RESTATED) | 138,027,648 | 138,027,648 | 138,027,648 | - |
| FUND BALANCES - END OF FISCAL YEAR | \$ 119,736,174 | \$ 106,788,159 | \$ 185,766,903 | \$ 78,978,744 |



OTHER SUPPLEMENTARY INFORMATION

Combining and Individual Fund Statements and Schedules:

Combining Balance Sheet – Nonmajor Governmental Funds

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

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

Title I Fund

Title II Fund

Title VI-B Fund

CARES Fund

ESSER Fund

School Food Service Fund

Lottery Grants Fund

Other Federal Programs Fund

Other Special Projects Fund

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

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

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

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

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

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

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

CARES Fund was established to account for federal grant funds passed through the Georgia Department of Education from the Coronavirus Relief Fund for the purpose of responding to the Coronavirus pandemic in schools.

ESSER Fund was established to account for federal grant funds passed through the Georgia Department of Education from the Elementary and Secondary School Emergency Relief Fund for the purpose of relieving the impact that COVID-19 has had on elementary and secondary schools.

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

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

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

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

ATLANTA INDEPENDENT SCHOOL SYSTEM

*Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2021*

| | <u>Title I Fund</u> | <u>Title II Fund</u> | <u>Title VI-B Fund</u> | <u>CARES Fund</u> | <u>ESSER Fund</u> | <u>School Food Service Fund</u> | <u>Lottery Grants Fund</u> | <u>Other Federal Programs Fund</u> | <u>Other Special Projects Fund</u> | <u>Total Nonmajor Governmental Funds</u> |
|--|-------------------------|--------------------------|----------------------------|-----------------------|-----------------------|---|------------------------------------|--|--|--|
| ASSETS | | | | | | | | | | |
| Cash and cash equivalents | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 11,308,634 | \$ - | \$ - | \$ - | \$ 11,308,634 |
| Other receivables | - | - | - | - | - | 26,205 | - | - | - | 26,205 |
| Due from other governments | 11,227,390 | 641,309 | 2,052,454 | 8,107,255 | 7,357,049 | 866,949 | - | 3,242,387 | 1,010,780 | 34,505,573 |
| Due from other funds | - | - | - | - | - | - | - | - | 8,187,525 | 8,187,525 |
| Inventory | - | - | - | - | - | 614,292 | - | - | - | 614,292 |
| TOTAL ASSETS | <u>\$ 11,227,390</u> | <u>\$ 641,309</u> | <u>\$ 2,052,454</u> | <u>\$ 8,107,255</u> | <u>\$ 7,357,049</u> | <u>\$ 12,816,080</u> | <u>\$ -</u> | <u>\$ 3,242,387</u> | <u>\$ 9,198,305</u> | <u>\$ 54,642,229</u> |
| LIABILITIES AND FUND BALANCES | | | | | | | | | | |
| LIABILITIES | | | | | | | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 4,382 | - | \$ - | \$ - | \$ 4,382 |
| Accrued liabilities | - | - | - | - | - | 135,909 | - | - | - | 135,909 |
| Due to other funds | 11,227,390 | 641,309 | 2,052,454 | 8,188,694 | 7,357,049 | 3,812,931 | - | 3,242,387 | 2,434,968 | 38,957,182 |
| TOTAL LIABILITIES | <u>11,227,390</u> | <u>641,309</u> | <u>2,052,454</u> | <u>8,188,694</u> | <u>7,357,049</u> | <u>3,953,222</u> | <u>-</u> | <u>3,242,387</u> | <u>2,434,968</u> | <u>39,097,473</u> |
| FUND BALANCES | | | | | | | | | | |
| Nonspendable: | | | | | | | | | | |
| Inventories | - | - | - | - | - | 614,292 | - | - | - | \$ 614,292 |
| Restricted: | | | | | | | | | | |
| School nutrition program | - | - | - | - | - | 8,248,566 | - | - | - | 8,248,566 |
| Other state and local programs | - | - | - | - | - | - | - | - | 3,263,808 | 3,263,808 |
| Assigned: | | | | | | | | | | |
| Local school programs | - | - | - | - | - | - | - | - | 3,499,529 | 3,499,529 |
| Unassigned | - | - | - | (81,439) | - | - | - | - | - | (81,439) |
| TOTAL FUND BALANCES | <u>-</u> | <u>-</u> | <u>-</u> | <u>(81,439)</u> | <u>-</u> | <u>8,862,858</u> | <u>-</u> | <u>-</u> | <u>6,763,337</u> | <u>15,544,756</u> |
| TOTAL LIABILITIES AND FUND BALANCES | <u>\$ 11,227,390</u> | <u>\$ 641,309</u> | <u>\$ 2,052,454</u> | <u>\$ 8,107,255</u> | <u>\$ 7,357,049</u> | <u>\$ 12,816,080</u> | <u>\$ -</u> | <u>\$ 3,242,387</u> | <u>\$ 9,198,305</u> | <u>\$ 54,642,229</u> |

ATLANTA INDEPENDENT SCHOOL SYSTEM

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances Nonmajor Governmental Funds For the Fiscal Year Ended June 30, 2021

| | Title I Fund | Title II Fund | Title VI-B Fund | CARES Fund | ESSER Fund | School Food Service Fund | Lottery Grants Fund | Other Federal Programs Fund | Other Special Projects Fund | Total Nonmajor Governmental Funds |
|--|-------------------|------------------|--------------------|--------------------|------------------|--------------------------------|---------------------------|--------------------------------------|--------------------------------------|--|
| REVENUES | | | | | | | | | | |
| State revenues | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 671,756 | \$ 5,855,555 | \$ - | \$ 579,956 | \$ 7,107,267 |
| Federal revenues | 33,624,951 | 2,384,286 | 9,941,387 | 20,979,922 | 7,357,049 | 11,162,215 | - | 6,108,674 | 547,363 | 92,105,847 |
| Charges for services | - | - | - | - | - | 2,190 | - | - | - | 2,190 |
| Miscellaneous | - | - | - | - | - | 139,906 | - | - | 8,203,058 | 8,342,964 |
| TOTAL REVENUES | 33,624,951 | 2,384,286 | 9,941,387 | 20,979,922 | 7,357,049 | 11,976,067 | 5,855,555 | 6,108,674 | 9,330,377 | 107,558,268 |
| EXPENDITURES | | | | | | | | | | |
| Current: | | | | | | | | | | |
| Instruction | 22,105,651 | - | 8,065,960 | 7,207,532 | 5,209,443 | - | 7,099,094 | 4,588,964 | 2,672,909 | 56,949,553 |
| Support services | | | | | | | | | | |
| Pupil services | 2,669,983 | - | 653,779 | 4,904,692 | 365,392 | - | 10,342 | 279,828 | 1,075,026 | 9,959,042 |
| Improvement of instructional services | 3,044,073 | 2,034,622 | - | 560,086 | 257,438 | - | 145,394 | 269,548 | 750,463 | 7,061,624 |
| Educational media services | - | - | - | - | 55,760 | - | - | 19,237 | - | 203,855 |
| Federal grant administration | 1,525,959 | 81,903 | 107,912 | 459,039 | 20,786 | - | - | 122,762 | - | 2,318,361 |
| General administration | 3,404,637 | - | - | - | 23,321 | - | - | 22,642 | 3,117,723 | 6,568,323 |
| School administration | - | - | - | 176,018 | 408,008 | - | - | 287,178 | 125,835 | 997,039 |
| Business administration | - | - | - | - | 51,678 | - | - | - | 100,001 | 151,679 |
| Maintenance and operation of facilities | - | - | - | 1,827,944 | 413,761 | - | - | - | 551,446 | 2,793,151 |
| Student transportation | 623,031 | - | 1,113,736 | 252,844 | 427,779 | - | 12,250 | 51,184 | 9,625 | 2,490,449 |
| Central support | - | 267,761 | - | 66,903 | 72,982 | - | - | - | 2,762,782 | 3,170,428 |
| Other support services | 251,617 | - | - | - | 2,029 | - | - | 27,905 | 270,992 | 552,543 |
| Nutrition | - | - | - | 1,106,303 | 48,672 | 11,657,184 | - | 439,426 | - | 13,251,585 |
| Debt service: | | | | | | | | | | |
| Principal | - | - | - | 4,500,000 | - | - | - | - | - | 4,500,000 |
| TOTAL EXPENDITURES | 33,624,951 | 2,384,286 | 9,941,387 | 21,061,361 | 7,357,049 | 11,657,184 | 7,267,080 | 6,108,674 | 11,565,660 | 110,967,632 |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | - | - | - | (81,439) | - | 318,883 | (1,411,525) | - | (2,235,283) | (3,409,364) |
| OTHER FINANCING SOURCES | | | | | | | | | | |
| Transfers in | - | - | - | - | - | - | 1,411,525 | - | 3,037,595 | 4,449,120 |
| TOTAL OTHER FINANCING SOURCES | - | - | - | - | - | - | 1,411,525 | - | 3,037,595 | 4,449,120 |
| NET CHANGE IN FUND BALANCES | - | - | - | (81,439) | - | 318,883 | - | - | 802,312 | 1,039,756 |
| FUND BALANCES, BEGINNING OF FISCAL YEAR | - | - | - | - | - | 8,543,975 | - | - | 5,961,025 | 14,505,000 |
| FUND BALANCES, END OF FISCAL YEAR | \$ - | \$ - | \$ - | \$ (81,439) | \$ - | \$ 8,862,858 | \$ - | \$ - | \$ 6,763,337 | \$ 15,544,756 |

ATLANTA INDEPENDENT SCHOOL SYSTEM
All Special Revenue Funds Combined
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2021

| | <u>ORIGINAL BUDGET</u> | <u>FINAL BUDGET</u> | <u>ACTUAL</u> | <u>VARIANCE WITH FINAL BUDGET</u> |
|--|----------------------------|-------------------------|----------------------|---|
| REVENUES | | | | |
| State revenues | \$ 6,107,087 | \$ 6,455,007 | \$ 6,435,511 | \$ (19,496) |
| Federal revenues | 87,095,998 | 190,720,133 | 80,943,632 | (109,776,501) |
| Charges for services | | | | |
| Miscellaneous | 8,130,726 | 12,585,778 | 8,203,058 | (4,382,720) |
| TOTAL REVENUES | <u>101,333,811</u> | <u>209,760,918</u> | <u>95,582,201</u> | <u>(114,178,717)</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Instruction | 57,103,051 | 108,619,147 | 56,949,553 | 51,669,594 |
| Support services: | | | | |
| Pupil services | 15,622,118 | 34,759,550 | 9,959,042 | 24,800,508 |
| Improvement of instructional services | 8,095,138 | 16,394,367 | 7,061,624 | 9,332,743 |
| Educational media | 86,836 | 277,035 | 203,855 | 73,180 |
| Federal grant administration | 3,386,545 | 8,907,793 | 2,318,361 | 6,589,432 |
| General administration | 6,670,833 | 9,822,966 | 6,568,323 | 3,254,643 |
| School administration | 409,901 | 1,974,157 | 997,039 | 977,118 |
| Business administration | 116,000 | 174,257 | 151,679 | 22,578 |
| Maintenance and operation of facilities | 9,028,198 | 18,508,324 | 2,793,151 | 15,715,173 |
| Student transportation | 2,626,182 | 3,934,497 | 2,490,449 | 1,444,048 |
| Central support | 1,095,488 | 7,912,423 | 3,170,428 | 4,741,995 |
| Other support services | 689,246 | 783,072 | 552,543 | 230,529 |
| Nutrition | 839,999 | 3,601,075 | 1,594,401 | 2,006,674 |
| TOTAL EXPENDITURES | <u>105,769,535</u> | <u>215,668,663</u> | <u>94,810,448</u> | <u>120,858,215</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | <u>(4,435,724)</u> | <u>(5,907,745)</u> | <u>771,753</u> | <u>6,679,498</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | 4,436,316 | 4,522,064 | 4,449,120 | (72,944) |
| Transfers out | (592) | (592) | - | 592 |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>4,435,724</u> | <u>4,521,472</u> | <u>4,449,120</u> | <u>(72,352)</u> |
| NET CHANGE IN FUND BALANCES | - | (1,386,273) | 5,220,873 | 6,607,146 |
| FUND BALANCES - BEGINNING OF FISCAL YEAR | <u>5,961,025</u> | <u>5,961,025</u> | <u>5,961,025</u> | <u>-</u> |
| FUND BALANCES - END OF FISCAL YEAR | <u>\$ 5,961,025</u> | <u>\$ 4,574,752</u> | <u>\$ 11,181,898</u> | <u>\$ 6,607,146</u> |

ATLANTA INDEPENDENT SCHOOL SYSTEM

Title I Special Revenue Fund

Schedule of Revenues, Expenditures, and Changes in

Fund Balances - Budget and Actual

For the Fiscal Year Ended June 30, 2021

| | ORIGINAL BUDGET | FINAL BUDGET | ACTUAL | VARIANCE WITH FINAL BUDGET |
|---|----------------------------|-------------------------|-------------------|---|
| REVENUES | | | | |
| Federal revenues | \$ 38,002,203 | \$ 37,840,006 | \$ 33,624,951 | \$ (4,215,055) |
| TOTAL REVENUES | <u>38,002,203</u> | <u>37,840,006</u> | <u>33,624,951</u> | <u>(4,215,055)</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Instruction | 25,936,168 | 23,008,805 | 22,105,651 | 903,154 |
| Support services: | | | | |
| Pupil services | 4,586,706 | 3,028,087 | 2,669,983 | 358,104 |
| Improvement of instructional services | 3,386,721 | 5,048,814 | 3,044,073 | 2,004,741 |
| Federal grant administration | 900,301 | 2,235,763 | 1,525,959 | 709,804 |
| General administration | 2,219,325 | 3,286,251 | 3,404,637 | (118,386) |
| Student transportation | 571,466 | 874,935 | 623,031 | 251,904 |
| Other support services | 401,516 | 357,351 | 251,617 | 105,734 |
| TOTAL EXPENDITURES | <u>38,002,203</u> | <u>37,840,006</u> | <u>33,624,951</u> | <u>4,215,055</u> |
| EXCESS OF REVENUES OVER EXPENDITURES | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| NET CHANGE IN FUND BALANCES | - | - | - | - |
| FUND BALANCES - BEGINNING OF FISCAL YEAR | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| FUND BALANCES - END OF FISCAL YEAR | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

ATLANTA INDEPENDENT SCHOOL SYSTEM

Title II Special Revenue Fund

Schedule of Revenues, Expenditures, and Changes in

Fund Balances - Budget and Actual

For the Fiscal Year Ended June 30, 2021

| | ORIGINAL BUDGET | FINAL BUDGET | ACTUAL | VARIANCE WITH FINAL BUDGET |
|---|----------------------------|-------------------------|------------------|---|
| REVENUES | | | | |
| Federal revenues | \$ 4,297,715 | \$ 4,272,860 | \$ 2,384,286 | \$ (1,888,574) |
| TOTAL REVENUES | <u>4,297,715</u> | <u>4,272,860</u> | <u>2,384,286</u> | <u>(1,888,574)</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Instruction | 152,000 | 191,420 | - | 191,420 |
| Support services: | | | | |
| Improvement of instructional services | 3,416,783 | 3,611,440 | 2,034,622 | 1,576,818 |
| Federal grant administration | 195,867 | 120,000 | 81,903 | 38,097 |
| Central support | 533,065 | 350,000 | 267,761 | 82,239 |
| TOTAL EXPENDITURES | <u>4,297,715</u> | <u>4,272,860</u> | <u>2,384,286</u> | <u>1,888,574</u> |
| EXCESS OF REVENUES OVER EXPENDITURES | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| NET CHANGE IN FUND BALANCES | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| FUND BALANCES - BEGINNING OF FISCAL YEAR | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| FUND BALANCES - END OF FISCAL YEAR | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

ATLANTA INDEPENDENT SCHOOL SYSTEM

*Title VI-B Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2021*

| | ORIGINAL BUDGET | FINAL BUDGET | ACTUAL | VARIANCE WITH FINAL BUDGET |
|---|----------------------------|-------------------------|------------------|---|
| REVENUES | | | | |
| Federal revenues | \$ 12,169,173 | \$ 12,531,315 | \$ 9,941,387 | \$ (2,589,928) |
| TOTAL REVENUES | <u>12,169,173</u> | <u>12,531,315</u> | <u>9,941,387</u> | <u>(2,589,928)</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Instruction | 9,910,745 | 9,696,652 | 8,065,960 | 1,630,692 |
| Support services: | | | | |
| Pupil services | 812,876 | 868,627 | 653,779 | 214,848 |
| Improvement of instructional services | 28,832 | - | - | - |
| Federal grant administration | 111,566 | 113,013 | 107,912 | 5,101 |
| General administration | 16,385 | 557,758 | - | 557,758 |
| Student transportation | 1,288,769 | 1,295,265 | 1,113,736 | 181,529 |
| TOTAL EXPENDITURES | <u>12,169,173</u> | <u>12,531,315</u> | <u>9,941,387</u> | <u>2,589,928</u> |
| NET CHANGE IN FUND BALANCES | - | - | - | - |
| FUND BALANCES - BEGINNING OF FISCAL YEAR | - | - | - | - |
| FUND BALANCES - END OF FISCAL YEAR | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

ATLANTA INDEPENDENT SCHOOL SYSTEM

CARES Special Revenue Fund

Schedule of Revenues, Expenditures, and Changes in

Fund Balances - Budget and Actual

For the Fiscal Year Ended June 30, 2021

| | ORIGINAL BUDGET | FINAL BUDGET | ACTUAL | VARIANCE WITH FINAL BUDGET |
|---|----------------------------|-------------------------|--------------------|---|
| REVENUES | | | | |
| Federal revenues | \$ 22,948,079 | \$ 113,998,299 | \$ 20,979,922 | \$ (93,018,377) |
| TOTAL REVENUES | <u>22,948,079</u> | <u>113,998,299</u> | <u>20,979,922</u> | <u>(93,018,377)</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Instruction | 7,649,360 | 52,294,519 | 7,207,532 | 45,086,987 |
| Support services: | | | | |
| Pupil services | 7,649,359 | 28,067,841 | 4,904,692 | 23,163,149 |
| Improvement of instructional services | - | 5,739,859 | 560,086 | 5,179,773 |
| Federal grant administration | - | 2,815,229 | 459,039 | 2,356,190 |
| School administration | - | 750,584 | 176,018 | 574,566 |
| Maintenance and operation of facilities | 7,649,360 | 16,543,993 | 1,827,944 | 14,716,049 |
| Student transportation | - | 933,234 | 252,844 | 680,390 |
| Central support | - | 4,140,636 | 66,903 | 4,073,733 |
| Nutrition | - | 2,712,404 | 1,106,303 | 1,606,101 |
| Debt service: | | | | |
| Principal | - | - | 4,500,000 | (4,500,000) |
| TOTAL EXPENDITURES | <u>22,948,079</u> | <u>113,998,299</u> | <u>21,061,361</u> | <u>92,936,938</u> |
| NET CHANGE IN FUND BALANCES | - | - | (81,439) | (81,439) |
| FUND BALANCES - BEGINNING OF FISCAL YEAR | - | - | - | - |
| FUND BALANCES - END OF FISCAL YEAR | <u>\$ -</u> | <u>\$ -</u> | <u>\$ (81,439)</u> | <u>\$ (81,439)</u> |

ATLANTA INDEPENDENT SCHOOL SYSTEM
ESSER Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2021

| | ORIGINAL BUDGET | FINAL BUDGET | ACTUAL | VARIANCE WITH FINAL BUDGET |
|---|----------------------------|-------------------------|------------------|---|
| REVENUES | | | | |
| Federal revenues | \$ 104,587 | \$ 8,282,340 | \$ 7,357,049 | \$ (925,291) |
| TOTAL REVENUES | <u>104,587</u> | <u>8,282,340</u> | <u>7,357,049</u> | <u>(925,291)</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Instruction | 29,330 | 6,068,805 | 5,209,443 | 859,362 |
| Support services: | | | | |
| Pupil services | - | 363,212 | 365,392 | (2,180) |
| Improvement of instructional services | 75,257 | 323,641 | 257,438 | 66,203 |
| Federal grant administration | - | 20,786 | 20,786 | - |
| Educational media services | - | 55,760 | 55,760 | - |
| General administration | - | 23,321 | 23,321 | - |
| School administration | - | 408,535 | 408,008 | 527 |
| Business administration | - | 50,664 | 51,678 | (1,014) |
| Maintenance and operation of facilities | - | 415,129 | 413,761 | 1,368 |
| Student transportation | - | 428,794 | 427,779 | 1,015 |
| Central support | - | 72,992 | 72,982 | 10 |
| Other support services | - | 2,029 | 2,029 | - |
| Nutrition | - | 48,672 | 48,672 | - |
| TOTAL EXPENDITURES | <u>104,587</u> | <u>8,282,340</u> | <u>7,357,049</u> | <u>925,291</u> |
| NET CHANGE IN FUND BALANCES | - | - | - | - |
| FUND BALANCES - BEGINNING OF FISCAL YEAR | - | - | - | - |
| FUND BALANCES - END OF FISCAL YEAR | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

ATLANTA INDEPENDENT SCHOOL SYSTEM

*School Food Service Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2021*

| | ORIGINAL BUDGET | FINAL BUDGET | ACTUAL | VARIANCE WITH FINAL BUDGET |
|---|----------------------------|-------------------------|---------------------|---|
| REVENUES | | | | |
| Federal revenues | \$ 36,223,977 | \$ 36,223,977 | \$ 11,162,215 | \$ (25,061,762) |
| State revenues | - | - | 671,756 | 671,756 |
| Charges for services | - | - | 2,190 | 2,190 |
| Miscellaneous | - | - | 139,906 | 139,906 |
| TOTAL REVENUES | <u>36,223,977</u> | <u>36,223,977</u> | <u>11,976,067</u> | <u>(24,247,910)</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Support services: | | | | |
| Nutrition | 36,223,977 | 36,223,977 | 11,657,184 | 24,566,793 |
| TOTAL EXPENDITURES | <u>36,223,977</u> | <u>36,223,977</u> | <u>11,657,184</u> | <u>24,566,793</u> |
| NET CHANGE IN FUND BALANCES | - | - | 318,883 | 318,883 |
| FUND BALANCES - BEGINNING OF FISCAL YEAR | <u>8,543,975</u> | <u>8,543,975</u> | <u>8,543,975</u> | <u>-</u> |
| FUND BALANCES - END OF FISCAL YEAR | <u>\$ 8,543,975</u> | <u>\$ 8,543,975</u> | <u>\$ 8,862,858</u> | <u>\$ 318,883</u> |

ATLANTA INDEPENDENT SCHOOL SYSTEM

*Lottery Grants Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2021*

| | ORIGINAL BUDGET | FINAL BUDGET | ACTUAL | VARIANCE WITH FINAL BUDGET |
|--|----------------------------|-------------------------|------------------|---|
| REVENUES | | | | |
| State revenues | \$ 5,569,558 | \$ 5,716,800 | \$ 5,855,555 | \$ 138,755 |
| TOTAL REVENUES | <u>5,569,558</u> | <u>5,716,800</u> | <u>5,855,555</u> | <u>138,755</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Instruction | 6,939,940 | 7,002,435 | 7,099,094 | (96,659) |
| Support services: | | | | |
| Pupil services | 3,450 | 3,597 | 10,342 | (6,745) |
| Improvement of instructional services | 66,645 | 161,645 | 145,394 | 16,251 |
| Student transportation | 43,400 | 33,000 | 12,250 | 20,750 |
| Non-salary | | | | |
| TOTAL EXPENDITURES | <u>7,053,435</u> | <u>7,200,677</u> | <u>7,267,080</u> | <u>(66,403)</u> |
| DEFICIENCY OF REVENUES UNDER EXPENDITURES | (1,483,877) | (1,483,877) | (1,411,525) | 72,352 |
| OTHER FINANCING SOURCES | | | | |
| Transfers in | 1,483,877 | 1,483,877 | 1,411,525 | (72,352) |
| NET CHANGE IN FUND BALANCES | - | - | - | - |
| FUND BALANCES - BEGINNING OF FISCAL YEAR | - | - | - | - |
| FUND BALANCES - END OF FISCAL YEAR | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

ATLANTA INDEPENDENT SCHOOL SYSTEM
Other Federal Programs Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2021

| | ORIGINAL BUDGET | FINAL BUDGET | ACTUAL | VARIANCE WITH FINAL BUDGET |
|---|----------------------------|-------------------------|------------------|---|
| REVENUES | | | | |
| Federal revenues | \$ 8,939,241 | \$ 13,160,313 | \$ 6,108,674 | \$ (7,051,639) |
| TOTAL REVENUES | <u>8,939,241</u> | <u>13,160,313</u> | <u>6,108,674</u> | <u>(7,051,639)</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Instruction | 4,303,008 | 6,546,968 | 4,588,964 | 1,958,004 |
| Support services: | | | | |
| Pupil services | 442,269 | 618,112 | 279,828 | 338,284 |
| Improvement of instructional services | 491,551 | 555,965 | 269,548 | 286,417 |
| Federal grant administration | 2,178,811 | 3,603,002 | 122,762 | 3,480,240 |
| Educational media services | - | 23,361 | 19,237 | 4,124 |
| General administration | 24,691 | 29,977 | 22,642 | 7,335 |
| School administration | 162,508 | 615,246 | 287,178 | 328,068 |
| Maintenance and operation of facilities | 1,625 | - | - | - |
| Student transportation | 434,919 | 260,048 | 51,184 | 208,864 |
| Other support services | 59,860 | 67,635 | 27,905 | 39,730 |
| Nutrition | 839,999 | 839,999 | 439,426 | 400,573 |
| TOTAL EXPENDITURES | <u>8,939,241</u> | <u>13,160,313</u> | <u>6,108,674</u> | <u>7,051,639</u> |
| NET CHANGE IN FUND BALANCES | - | - | - | - |
| FUND BALANCES - BEGINNING OF FISCAL YEAR | - | - | - | - |
| FUND BALANCES - END OF FISCAL YEAR | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

ATLANTA INDEPENDENT SCHOOL SYSTEM

*Other Special Projects Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2021*

| | ORIGINAL BUDGET | FINAL BUDGET | ACTUAL | VARIANCE WITH FINAL BUDGET |
|--|----------------------------|-------------------------|---------------------|---|
| REVENUES | | | | |
| State revenues | \$ 537,529 | \$ 738,207 | \$ 579,956 | \$ (158,251) |
| Federal revenues | 635,000 | 635,000 | 547,363 | (87,637) |
| Miscellaneous | 8,130,726 | 12,585,778 | 8,203,058 | (4,382,720) |
| TOTAL REVENUES | 9,303,255 | 13,958,985 | 9,330,377 | (4,628,608) |
| EXPENDITURES | | | | |
| Current: | | | | |
| Instruction | 2,182,500 | 3,809,543 | 2,672,909 | 1,136,634 |
| Support services: | | | | |
| Pupil services | 2,127,458 | 1,810,074 | 1,075,026 | 735,048 |
| Improvement of instructional services | 629,349 | 953,003 | 750,463 | 202,540 |
| Educational media services | 86,836 | 197,914 | 128,858 | 69,056 |
| General administration | 4,410,432 | 5,925,659 | 3,117,723 | 2,807,936 |
| School administration | 247,393 | 199,792 | 125,835 | 73,957 |
| Business administration | 116,000 | 123,593 | 100,001 | 23,592 |
| Maintenance and operation of facilities | 1,377,213 | 1,549,202 | 551,446 | 997,756 |
| Student transportation | 287,628 | 109,221 | 9,625 | 99,596 |
| Central support | 562,423 | 3,348,795 | 2,762,782 | 586,013 |
| Other support services | 227,870 | 356,057 | 270,992 | 85,065 |
| TOTAL EXPENDITURES | 12,255,102 | 18,382,853 | 11,565,660 | 6,817,193 |
| DEFICIENCY OF REVENUES UNDER EXPENDITURES | (2,951,847) | (4,423,868) | (2,235,283) | 2,188,585 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | 2,952,439 | 3,038,187 | 3,037,595 | (592) |
| Transfers out | (592) | (592) | - | 592 |
| TOTAL OTHER FINANCING SOURCES (USES) | 2,951,847 | 3,037,595 | 3,037,595 | - |
| NET CHANGE IN FUND BALANCES | - | (1,386,273) | 802,312 | 2,188,585 |
| FUND BALANCES - BEGINNING OF FISCAL YEAR | 5,961,025 | 5,961,025 | 5,961,025 | - |
| FUND BALANCES - END OF FISCAL YEAR | \$ 5,961,025 | \$ 4,574,752 | \$ 6,763,337 | \$ 2,188,585 |

ATLANTA INDEPENDENT SCHOOL SYSTEM

Capital Projects Fund

Schedule of Revenues, Expenditures, and Changes in

Fund Balances - Budget and Actual

For the Fiscal Year Ended June 30, 2021

| | ORIGINAL BUDGET | FINAL BUDGET | ACTUAL | VARIANCE WITH FINAL BUDGET |
|--|----------------------------|-------------------------|----------------------|---|
| REVENUES | | | | |
| Sales tax income | \$ 146,293,892 | \$ 146,293,892 | \$ 106,432,193 | \$ (39,861,699) |
| State revenues | - | 10,755,278 | 3,642,293 | (7,112,985) |
| Federal revenues | 6,663,415 | 6,663,415 | 3,455,766 | (3,207,649) |
| Investment income | 493,693 | 493,693 | - | (493,693) |
| TOTAL REVENUES | 153,451,000 | 164,206,278 | 113,530,252 | (50,676,026) |
| EXPENDITURES | | | | |
| Current: | | | | |
| Support services: | | | | |
| Maintenance and operation of facilities | 30,500,000 | 10,213,942 | 3,535,221 | 6,678,721 |
| Student transportation services | 6,000,000 | 6,000,000 | 462,916 | 5,537,084 |
| Debt service: | | | | |
| Principal | - | - | 2,048,928 | (2,048,928) |
| Interest | 11,000,000 | 11,000,000 | 4,029,142 | 6,970,858 |
| Capital outlays: | | | | |
| Facilities acquisition and construction | 105,951,000 | 136,992,336 | 108,399,289 | 28,593,047 |
| TOTAL EXPENDITURES | 153,451,000 | 164,206,278 | 118,475,496 | 45,730,782 |
| DEFICIENCY OF REVENUES UNDER EXPENDITURES | - | - | (4,945,244) | (4,945,244) |
| OTHER FINANCING SOURCES | | | | |
| Financed purchases | - | - | 23,475,200 | 23,475,200 |
| TOTAL OTHER FINANCING SOURCES | - | - | 23,475,200 | 23,475,200 |
| NET CHANGE IN FUND BALANCES | - | - | 18,529,956 | 18,529,956 |
| FUND BALANCES - BEGINNING OF FISCAL YEAR | 61,009,217 | 61,009,217 | 61,009,217 | - |
| FUND BALANCES - END OF FISCAL YEAR | \$ 61,009,217 | \$ 61,009,217 | \$ 79,539,173 | \$ 18,529,956 |

Other Reports

Quality Basic Education Programs – Program Expenditures

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

Lottery Programs - Schedule of Expenditures by Object

Schedule of Approved Local Options Sales Tax Projects

Schedule of State Revenues

Atlanta Independent School System
QUALITY BASIC EDUCATION PROGRAMS -

PROGRAM EXPENDITURES
For the Fiscal Year Ended June 30, 2021

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

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

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

ATLANTA INDEPENDENT SCHOOL SYSTEM BOARD OF EDUCATION
GENERAL FUND - QUALITY BASIC EDUCATION PROGRAM(QBE)
SCHEDULE OF ALLOTMENTS AND EXPENDITURES - BY PROGRAM
FISCAL YEAR ENDED JUNE 30, 2021

| DESCRIPTION | ALLOTMENTS FROM GEORGIA DEPARTMENT OF EDUCATION (1) | | ELIGIBLE QBE PROGRAM COSTS | | TOTAL |
|--|--|-----------------------|----------------------------|-------------|-----------------------|
| | | SALARIES | | OPERATIONS | |
| Direct Instructional Programs | | | | | |
| Kindergarten Program | \$ 21,050,104 | \$ 18,666,785 | \$ - | \$ - | \$ 18,666,785 |
| Kindergarten Program-Early Intervention Program | 3,934,438 | 1,210,412 | - | - | 1,210,412 |
| Primary Grades (1-3) Program | 50,799,741 | 55,922,429 | 9,271,913 | - | 65,194,342 |
| Primary Grades-Early Intervention (1-3) Program | 17,931,407 | 7,084,016 | - | - | 7,084,016 |
| Upper Elementary Grades (4-5) Program | 22,712,045 | 36,579,672 | - | - | 36,579,672 |
| Upper Elem Grades-Early Intervention (4-5) Program | 14,128,023 | 6,337,353 | - | - | 6,337,353 |
| Middle Grades (6-8) Program | - | 168,273 | - | - | 168,273 |
| Middle School (6-8) Program | 43,231,537 | 41,313,961 | 4,313,178 | - | 45,627,139 |
| High School General Education (9-12) Program | 33,596,277 | 53,164,100 | 5,634,150 | - | 58,798,250 |
| Vocational Laboratory (9-12) Program | 6,626,356 | 7,439,645 | 670,019 | - | 8,109,664 |
| Students with Disabilities | | | | | |
| Category I | 9,625,105 | 1,809,279 | (2,057) | - | 1,807,222 |
| Category II | 4,754,425 | 1,642,070 | - | - | 1,642,070 |
| Category III | 25,699,156 | 52,569,033 | 4,778,769 | - | 57,347,802 |
| Category IV | 6,264,148 | 1,422,936 | - | - | 1,422,936 |
| Category V | 3,154,864 | - | - | - | - |
| Gifted Student - Category VI | 16,060,011 | 12,162,853 | 30,436 | - | 12,193,289 |
| Remedial Education Program | 6,034,757 | 5,489,490 | - | - | 5,489,490 |
| Alternative Education Program | 2,791,579 | 28 | - | - | 28 |
| English Speakers of Other Languages (ESOL) | 5,235,132 | 7,459,083 | - | - | 7,459,083 |
| TOTAL DIRECT INSTRUCTIONAL PROGRAMS | \$ 293,629,105 | \$ 310,441,418 | \$ 24,696,408 | \$ - | \$ 335,137,826 |
| Media Center Program | 7,836,427 | 4,907,523 | - | 428,887 | 5,336,410 |
| Staff and Professional Development | 1,249,516 | 1,650,227 | - | 624,299 | 2,274,526 |
| Principal Staff and Professional Development | 29,043 | - | - | 684 | 684 |
| TOTAL QBE FORMULA FUNDS | \$ 302,744,091 | \$ 316,999,168 | \$ 25,750,278 | \$ - | \$ 342,749,446 |
| Twenty days additional Instruction | | - | - | - | - |
| Pupil Transportation | | 18,413,640 | 6,153,515 | - | 24,567,155 |
| On behalf | | - | - | - | - |
| Indirect costs - Central Admin. | | - | - | - | - |
| Indirect costs - School Admin. | | - | - | - | - |
| Indirect costs - Facilities M&O | | - | - | - | - |
| Nurses | | 3,515,600 | - | - | 3,515,600 |
| Charter System Adjustment | | - | 6,636,791 | - | 6,636,791 |
| | | <u>\$ 338,928,408</u> | <u>\$ 38,540,584</u> | | <u>\$ 377,468,992</u> |

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

ATLANTA INDEPENDENT SCHOOL SYSTEM

Lottery Programs
Schedule of Expenditures by Object
For the Fiscal Year Ended June 30, 2021

| | Pre-Kindergarten Program |
|--------------------------|-----------------------------|
| | <hr/> |
| Salaries | \$ 4,912,650 |
| Employee benefits | 1,952,400 |
| Employee travel | 96 |
| Other purchased services | 167,514 |
| Materials and supplies | 234,420 |
| | <hr/> |
| | \$ 7,267,080 |
| | <hr/> <hr/> |

ATLANTA INDEPENDENT SCHOOL SYSTEM
SCHEDULE OF APPROVED LOCAL OPTION SALES TAX PROJECTS
YEAR ENDED JUNE 30, 2021

| PROJECT | ORIGINAL ESTIMATED COST (1) | CURRENT ESTIMATED COSTS (2) | AMOUNT EXPENDED IN CURRENT YEAR (3) | AMOUNT EXPENDED IN PRIOR YEARS (4) | PROJECT STATUS |
|--|--|--|--|---|---------------------------|
| SPLOST IV | | | | | |
| DeKalb County | | | | | |
| Capital outlay projects consisting of construction, renovations, modifications, additions and equipment for the following facilities: The Howard School, Lin Elementary School and Whitefoord Elementary School and any future updates: Crim High School, Coan, Springdale | \$ 19,500,463 | \$ 30,654,529 | \$ 6,368 | \$ 30,648,161 | Ongoing |
| Fulton County | | | | | |
| Capital outlay projects including new school construction, classroom additions, renovations, infrastructure improvements, upgrading security system, technology improvements, land acquisition, site preparation, providing staff development and instructional | 499,962,831 | 489,462,831 | 1,757,395 | 409,680,785 | Ongoing |
| SPLOST V | | | | | |
| Fulton County | | | | | |
| Capital outlay projects including new school construction, classroom additions, renovations, infrastructure improvements, upgrading security system, technology improvements, land acquisition, site preparation, providing staff development and instructional | 525,695,691 | 525,695,691 | 92,917,987 | 265,369,694 | Ongoing |
| DeKalb County | | | | | |
| Capital outlay projects including new school construction, classroom additions, renovations, infrastructure improvements, upgrading security system, technology improvements, relocations, site preparation, providing staff development and instructional | 20,057,000 | 20,057,000 | 211,774 | 5,729,948 | Ongoing |
| Totals | \$ 1,065,215,985 | \$ 1,065,870,051 | \$ 94,893,524 | \$ 711,428,588 | |

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

| | |
|---|-----------------------|
| Expenditures from above paid by SPLOST funding | \$ 94,893,524 |
| Expenditures not reflected above that were paid from other sources of the School System | \$ 23,581,972 |
| Total Capital Projects Expenditures | \$ 118,475,496 |

- (1) The School System's original cost estimate as specified in the resolution calling for the imposition of the Local Option Sales Tax.
- (2) The School System's current estimate of total cost for the projects. Includes all cost from project inception to completion.
- (3) The voters of Fulton and DeKalb Counties approved the imposition of a 1% sales tax to fund the above projects and retire associated debt. Amounts expended for these projects may include sales tax proceeds, state, local property taxes and/or other funds over the life of the projects.
- (4) The School System's amounts expended in prior years related to the above projects.
- (5) The Original Estimated Cost is based on Collections at 100%

ATLANTA INDEPENDENT SCHOOL SYSTEM
SCHEDULE OF STATE REVENUE
FISCAL YEAR ENDED JUNE 30, 2021

| AGENCY/FUNDING | GOVERNMENTAL FUND TYPES | | | TOTAL |
|--|-------------------------|-----------------------|-----------------------------------|-----------------------|
| | GENERAL FUND | CAPITAL PROJECTS FUND | OTHER NONMAJOR GOVERNMENTAL FUNDS | |
| GRANTS | | | | |
| Georgia Department of Early Care and Learning | | | | |
| Bright from the Start (Lottery) | | | | |
| Pre-Kindergarten Program | \$ - | \$ - | \$ 5,855,555 | \$ 5,855,555 |
| Education, Georgia Department of | | | | |
| Quality Basic Education | | | | |
| Direct Instructional Cost | | | | |
| Kindergarten Program | 10,264,906 | - | - | 10,264,906 |
| Kindergarten Program - Early Intervention Program | 1,790,073 | - | - | 1,790,073 |
| Primary Grades (1-3) Program | 25,226,320 | - | - | 25,226,320 |
| Primary Grades - Early Intervention (1-3) Program | 8,845,112 | - | - | 8,845,112 |
| Upper Elementary Grades (4-5) Program | 11,240,043 | - | - | 11,240,043 |
| Upper Elementary Grades - Early Intervention (4-5) Program | 7,039,431 | - | - | 7,039,431 |
| Middle School (6-8) Program | 21,726,272 | - | - | 21,726,272 |
| High School General Education (9-12) Program | 16,743,339 | - | - | 16,743,339 |
| Vocational Laboratory (9-12) Program | 3,408,913 | - | - | 3,408,913 |
| Students with Disabilities - All Categories | 24,812,653 | - | - | 24,812,653 |
| Gifted Student - Category VI | 8,201,682 | - | - | 8,201,682 |
| Remedial Education Program | 2,955,483 | - | - | 2,955,483 |
| Alternative Education Program | 1,400,838 | - | - | 1,400,838 |
| English Speakers of Other Languages (ESOL) | 2,629,049 | - | - | 2,629,049 |
| Media Center Program | 3,904,331 | - | - | 3,904,331 |
| 20 Days Additional Instruction | 1,169,334 | - | - | 1,169,334 |
| Staff and Professional Development | 633,838 | - | - | 633,838 |
| Principal Staff and Prof Development | 14,733 | - | - | 14,733 |
| Indirect Cost | | | | |
| Central Administration | 3,153,225 | - | - | 3,153,225 |
| School Administration | 8,435,536 | - | - | 8,435,536 |
| Facility Maintenance and Operations | 7,521,546 | - | - | 7,521,546 |
| Categorical Grants | | | | |
| Pupil Transportation | | | | |
| Regular | 4,022,706 | - | - | 4,022,706 |
| Nursing Services | 1,136,791 | - | - | 1,136,791 |
| Midterm Hold Harmless | 3,760,449 | - | - | 3,760,449 |
| Austerity Reduction | (5,671,944) | - | - | (5,671,944) |
| Other State Programs | | | | |
| Charter Schools - Facilities | 723,259 | - | - | 723,259 |
| Charter System Grant | 4,500,000 | - | - | 4,500,000 |
| CTAE - Apprenticeship | 34,615 | - | - | 34,615 |
| CTAE - CTE Extended Day | 236,726 | - | - | 236,726 |
| CTAE - Supervision | 26,141 | - | - | 26,141 |
| CTAE - Vocational Construction Bond | 527,996 | - | - | 527,996 |
| Vocational Industry Certification | 63,444 | - | - | 63,444 |
| Math and Science Supplement | 481,031 | - | - | 481,031 |
| Feminine Hygiene | 31,908 | - | - | 31,908 |
| Preschool Handicapped State Grant | 629,587 | - | - | 629,587 |
| Residential Treatment Centers Grant | 590,916 | - | - | 590,916 |
| Teacher's Retirement | 107,388 | - | - | 107,388 |
| SHBP One-Month Employer Contr Holiday | 611,362 | - | - | 611,362 |
| Governors Office of Student Achievement | - | - | 84,173 | 84,173 |
| HUD Choice Neighborhood | - | - | 86,191 | 86,191 |
| GA COVID | - | - | 20,000 | |
| Technical and Adult Education, Georgia Department of | | | | |
| Adult Education | - | - | 389,592 | 389,592 |
| School Nutrition | | | | |
| State School Nutrition Service Program | - | - | 671,756 | 671,756 |
| Georgia State Financing and Investment Commission | | | | |
| Brown Middle, Kimberly Ele & Boyd Ele School Construction Proj | - | 3,642,293 | - | 3,642,293 |
| | <u>\$ 182,929,032</u> | <u>\$ 3,642,293</u> | <u>\$ 7,107,267</u> | <u>\$ 193,658,592</u> |



STATISTICAL SECTION (unaudited)

Atlanta Independent School System

Introduction to the Statistical Section (Unaudited)

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

| <u>Contents</u> | <u>Pages</u> |
|---|---------------------|
| Financial Trends | 84-90 |
| These tables contain trend information that may assist the reader in assessing the School System's current financial performance by placing it in a historical perspective. | |
| Revenue Capacity | 91-97 |
| The schedules contain information to help the reader assess the School System's major revenue sources. | |
| Debt Capacity | 98-100 |
| These schedules contain information to help the reader assess the affordability of the School System's current levels of outstanding debt and the ability to issue additional debt in the future. | |
| Demographic and Economic Information | 101-106 |
| These tables present demographic and economic information intended (1) to assist users in understanding the socioeconomic environment within which the School System operates and (2) to provide information that facilitates comparisons of financial statement information over time. | |
| Operating Information | 107-110 |
| These tables contain service indicators that can inform ones' understanding how the information in the School System's financial statements relates to the services the School System provides and the activities it performs. | |

Data Source:

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

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

| Fiscal Year Ended June 30, | 2012 | Restated 2013 | Restated 2014 | Restated 2015 | 2016 | Restated 2017 | 2018 | Restated 2019 | Restated 2020 | 2021 |
|---|-------------------------|-------------------------|-------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Governmental Activities | | | | | | | | | | |
| Net investment in capital assets | \$ 1,171,493,160 | \$ 1,187,165,191 | \$ 1,215,512,729 | \$ 1,265,539,647 | \$ 1,331,099,338 | \$ 1,322,358,593 | \$ 1,294,404,835 | \$ 1,326,321,101 | \$ 1,363,406,640 | \$ 1,378,172,708 |
| Restricted | 116,028,486 | 119,946,096 | 103,222,132 | 70,686,257 | 31,929,343 | 65,461,019 | 121,641,738 | 109,083,971 | 88,620,651 | 98,540,499 |
| Unrestricted (deficit) | 95,879,455 | 101,540,763 | 96,220,509 | (838,250,590) | (814,836,296) | (1,265,019,857) | (1,252,464,176) | (1,147,810,611) | (1,056,973,449) | (1,001,034,337) |
| Total Governmental Activities Net Position | <u>1,383,401,101</u> | <u>1,408,652,050</u> | <u>1,414,955,370</u> | <u>497,975,314</u> | <u>548,192,385</u> | <u>122,799,755</u> | <u>163,582,397</u> | <u>287,594,461</u> | <u>395,053,842</u> | <u>475,678,870</u> |
| Business-Type Activities | | | | | | | | | | |
| Net investment in capital assets | - | 141,550 | 111,750 | - | - | - | - | - | - | - |
| Unrestricted | 4,893,181 | 5,481,550 | 7,038,771 | - | - | - | - | - | - | - |
| Total Business-Type Activities Net Position | <u>4,893,181</u> | <u>5,623,100</u> | <u>7,150,521</u> | <u>-</u> |
| Primary Government Activities | | | | | | | | | | |
| Net investment in capital assets | 1,171,493,160 | 1,187,306,741 | 1,215,624,479 | 1,265,539,647 | 1,331,099,338 | 1,322,358,593 | 1,294,404,835 | 1,326,321,101 | 1,363,406,640 | 1,378,172,708 |
| Restricted | 116,028,486 | 119,946,096 | 103,222,132 | 70,686,257 | 31,929,343 | 65,461,019 | 121,641,738 | 109,083,971 | 88,620,651 | 98,540,499 |
| Unrestricted (deficit) | 100,772,636 | 107,022,313 | 103,259,280 | (838,250,590) | (814,836,296) | (1,265,019,857) | (1,252,464,176) | (1,147,810,611) | (1,056,039,531) | (1,001,034,337) |
| Total Primary Government Activities Net Position | <u>\$ 1,388,294,282</u> | <u>\$ 1,414,275,150</u> | <u>\$ 1,422,105,891</u> | <u>\$ 497,975,314</u> | <u>\$ 548,192,385</u> | <u>\$ 122,799,755</u> | <u>\$ 163,582,397</u> | <u>\$ 287,594,461</u> | <u>\$ 395,987,760</u> | <u>\$ 475,678,870</u> |

Source: Atlanta Independent School System Financial Reports for previous years and fiscal year ended June 30, 2021

Note: All restatements are due to prior period adjustments for change in accounting principle. For fiscal year 2013, see Note S of FY2014 APS ACFR and for fiscal year 2017, see Note T of FY2018 ACFR.

Beginning in FY2015 (with a restatement for FY2014), the School System implemented GASB 68 which required the reporting of the School System's net pension liabilities.

Starting with fiscal year 2016, food service balances are treated as part of governmental rather than business-type activities. FY 2019 restated due to error of over accrual liabilities. See Note S of the FY 2020 ACFR.

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

| Fiscal Year Ended June 30, Expenses | 2012 | Restated 2013 | Restated 2014 | Restated 2015 | 2016 | Restated 2017 | 2018 | Restated 2019 | 2020 | 2021 |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Governmental Activities | | | | | | | | | | |
| Instruction | \$ 405,995,101 | \$ 426,037,447 | \$ 463,069,508 | \$ 481,535,172 | \$ 509,804,437 | \$ 538,600,743 | \$ 548,543,131 | \$ 528,376,412 | \$ 588,117,925 | \$ 664,567,332 |
| Pupil Services | 29,543,231 | 25,105,338 | 27,826,272 | 30,763,057 | 35,198,187 | 52,335,789 | 53,690,214 | 51,626,810 | 52,065,351 | 59,571,262 |
| Improvement of instructional services | 38,215,985 | 42,917,654 | 40,341,847 | 48,046,569 | 39,684,582 | 49,457,808 | 49,949,929 | 44,948,413 | 44,890,214 | 41,042,578 |
| Educational media | 8,958,197 | 8,869,786 | 9,056,362 | 10,921,506 | 12,132,847 | 8,790,315 | 7,622,141 | 6,476,218 | 6,174,935 | 5,678,041 |
| Federal grant administration | 1,118,206 | 1,973,342 | 2,217,909 | 2,405,337 | 1,669,202 | 2,244,931 | 1,990,551 | 2,012,917 | 2,330,647 | 2,426,817 |
| General administration | 17,882,230 | 14,324,803 | 13,450,517 | 16,697,432 | 13,464,419 | 11,228,888 | 12,355,629 | 12,201,430 | 16,271,365 | 14,863,868 |
| School administration | 30,826,584 | 40,648,067 | 42,089,001 | 41,929,991 | 41,752,774 | 43,648,857 | 38,891,016 | 39,215,766 | 40,438,726 | 42,726,346 |
| Business administration | 22,610,577 | 15,157,828 | 12,480,379 | 12,353,040 | 9,453,803 | 9,679,120 | 7,862,778 | 7,237,195 | 8,034,354 | 8,389,339 |
| Maintenance and operation of facilities | 97,084,662 | 80,783,550 | 89,278,591 | 100,306,868 | 102,343,863 | 105,893,809 | 97,953,163 | 106,751,761 | 108,528,247 | 110,602,220 |
| Student transportation | 29,770,071 | 24,892,766 | 30,987,580 | 29,800,605 | 31,922,287 | 34,408,310 | 31,621,678 | 32,621,657 | 40,145,479 | 32,553,490 |
| Central support | 28,379,529 | 28,361,651 | 25,040,308 | 24,684,505 | 20,521,363 | 18,918,080 | 20,976,023 | 20,610,763 | 19,399,005 | 24,425,276 |
| Other support services | 13,035,152 | 3,011,547 | 13,929,448 | 3,563,951 | 3,796,962 | 979,587 | 1,044,426 | 2,224,857 | 2,422,328 | 1,226,204 |
| Nutrition | 358,681 | 910,473 | 1,209,017 | 1,083,116 | 28,548,019 | 30,470,614 | 27,023,594 | 26,530,425 | 24,349,703 | 14,634,597 |
| Interest and fiscal charges | 6,418,786 | 5,851,816 | 5,603,226 | 5,475,553 | 5,003,615 | 4,406,716 | 4,682,822 | 4,562,117 | 4,369,740 | 4,667,247 |
| Total Governmental Activities Expenses | 730,196,992 | 718,846,068 | 776,579,962 | 809,566,702 | 855,296,360 | 911,063,567 | 904,207,095 | 885,396,741 | 957,538,019 | 1,027,374,617 |
| Business-Type Activities | | | | | | | | | | |
| Food services | 22,705,598 | 23,680,487 | 23,898,174 | 25,167,134 | - | - | - | - | - | - |
| Total Business-Type Activities Expenses | 22,705,598 | 23,680,487 | 23,898,174 | 25,167,134 | - | - | - | - | - | - |
| Total Primary Government Activities Expenses | 752,902,590 | 742,526,555 | 800,478,136 | 834,733,836 | 855,296,360 | 911,063,567 | 904,207,095 | 885,396,741 | 957,538,019 | 1,027,374,617 |
| Program Revenues | | | | | | | | | | |
| Governmental Activities | | | | | | | | | | |
| Charges for Services | | | | | | | | | | |
| Instruction | 3,490 | 2,591 | 26,383 | 12,616 | 22,056 | 12,190 | 16,726 | 50,102 | 9,534 | 11,223 |
| Pupil services | - | 3,373,883 | 3,237,092 | 4,596,681 | 4,953,646 | 3,705,644 | 2,367,520 | 3,006,040 | 2,073,093 | 778,924 |
| Maintenance and operation of facilities | 996,731 | 1,158,726 | 988,989 | 1,006,553 | 1,197,526 | 1,262,666 | 1,252,305 | 1,264,229 | 793,769 | 769,196 |
| Other support services | 724,400 | - | - | - | - | - | - | - | - | - |
| Nutrition | - | - | - | - | - | 1,307,557 | 1,017,616 | 976,054 | 29,796 | 142,095 |
| Operating Grants and Contributions | | | | | | | | | | |
| Instruction | 110,219,318 | 113,724,544 | 120,464,226 | 134,257,445 | 145,331,457 | 151,457,569 | 160,660,230 | 159,965,568 | 175,371,718 | 181,697,531 |
| Pupil services | 11,780,166 | 8,489,114 | 10,715,721 | 10,295,171 | 12,003,494 | 18,519,800 | 18,720,540 | 16,685,270 | 16,303,618 | 21,734,261 |
| Improvement of instructional services | 30,489,786 | 34,826,333 | 32,986,455 | 37,136,248 | 28,683,276 | 27,545,720 | 19,644,884 | 16,679,586 | 16,878,156 | 14,226,998 |
| Educational media | - | 2,223,907 | 2,389,577 | 2,939,771 | 3,400,017 | 2,363,675 | 2,538,834 | 1,932,009 | 1,585,546 | 1,268,634 |
| Federal grant administration | 1,118,206 | 1,973,342 | 2,217,909 | 2,440,200 | 1,708,350 | 2,145,806 | 1,944,538 | 2,124,962 | 2,247,430 | 2,448,195 |
| General administration | 7,689,306 | 6,213,208 | 7,024,079 | 9,321,899 | 5,317,536 | 4,146,886 | 4,849,452 | 7,722,188 | 7,705,947 | 7,756,728 |
| School administration | 7,325,735 | 10,237,170 | 11,077,536 | 11,438,765 | 12,059,944 | 11,304,921 | 10,413,733 | 9,760,828 | 10,567,314 | 9,294,154 |
| Business administration | 4,105,440 | 3,227,896 | 2,653,498 | 2,608,697 | 2,148,730 | 2,077,243 | 2,082,577 | 1,964,025 | 2,004,706 | 1,812,892 |
| Maintenance and operation of facilities | 22,290,143 | 18,353,454 | 18,959,112 | 18,473,478 | 20,108,020 | 21,706,603 | 21,803,899 | 19,712,466 | 23,035,914 | 19,633,950 |
| Student transportation | 8,218,788 | 6,767,808 | 8,914,204 | 8,283,087 | 9,482,254 | 10,166,765 | 9,586,627 | 9,965,471 | 10,009,204 | 9,157,031 |
| Central support | 7,961,419 | 5,947,248 | 6,540,388 | 6,422,446 | 5,867,185 | 5,913,062 | 6,701,941 | 6,566,273 | 6,455,425 | 7,138,063 |
| Other support services | 4,210,388 | 2,467,522 | 11,980,412 | 3,175,348 | 3,371,346 | 516,574 | 703,494 | 325,174 | 670,095 | 646,427 |
| Nutrition | 358,681 | 407,762 | 771,988 | 26,044,389 | 28,252,937 | 28,612,987 | 25,158,104 | 26,008,299 | 22,155,323 | 13,674,861 |
| Interest and fiscal charges | 2,520,803 | 3,659,230 | 3,368,321 | 3,408,579 | 3,401,254 | 3,411,020 | 3,405,852 | 3,442,039 | 3,437,847 | 3,455,766 |
| Capital Grants and Contributions | | | | | | | | | | |
| Instruction | 8,803,308 | 3,904,228 | 7,268,111 | 10,245,276 | 4,075,810 | 4,933,821 | 1,882,627 | 596,438 | 452,738 | 938,939 |
| Improvement of instructional services | - | 135,500 | 576,500 | 1,165,151 | 115,325 | - | - | - | - | - |
| Maintenance and operation of facilities | - | 135,650 | - | 60,759 | - | - | - | 3,678,326 | 7,617,195 | 3,642,293 |
| Total Governmental Activities Program Revenues | 228,816,108 | 227,229,116 | 252,160,501 | 293,332,559 | 291,500,163 | 301,110,509 | 294,373,179 | 292,803,667 | 309,404,368 | 300,228,161 |
| Business-Type Activities | | | | | | | | | | |
| Charges for Services | | | | | | | | | | |
| Food Services | 1,638,841 | 1,279,087 | 958,435 | - | - | - | - | - | - | - |
| Operating Grants and Contributions | | | | | | | | | | |
| Food Services | 23,774,887 | 23,131,319 | 24,467,160 | - | - | - | - | - | - | - |
| Total Business-Type Activities Program Revenues | 25,413,728 | 24,410,406 | 25,425,595 | - |
| Total Primary Government Activities Program Revenues | \$ 254,229,836 | \$ 251,639,522 | \$ 277,586,096 | \$ 293,332,559 | \$ 291,500,163 | \$ 301,110,509 | \$ 294,373,179 | \$ 292,803,667 | \$ 309,404,368 | \$ 300,228,161 |

Continued on next page

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

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

| Fiscal Year Ended June 30, <i>Net (Expense)/Revenue</i> | 2012 | Restated 2013 | Restated 2014 | Restated 2015 | 2016 | Restated 2017 | 2018 | Restated 2019 | 2020 | 2021 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|-------------------------|----------------------|-----------------------|-----------------------|----------------------|
| Governmental Activities | | | | | | | | | | |
| Instruction | \$ (286,968,985) | \$ (308,406,084) | \$ (335,310,788) | \$ (337,019,835) | \$ (360,375,114) | \$ (382,197,163) | \$ (385,983,548) | \$ (367,764,304) | \$ (412,283,935) | \$ (481,919,639) |
| Pupil Services | (17,763,065) | (13,242,341) | (13,873,459) | (17,085,558) | (18,241,047) | (30,110,345) | (32,602,154) | (31,935,500) | (33,688,640) | (37,058,077) |
| Improvement of instructional services | (7,726,199) | (7,955,821) | (6,778,892) | (9,745,170) | (10,885,981) | (21,912,088) | (30,305,045) | (28,268,827) | (28,012,058) | (26,815,580) |
| Educational media | (8,958,197) | (6,645,879) | (6,666,785) | (7,981,735) | (8,732,830) | (6,426,640) | (5,083,307) | (4,544,209) | (4,589,389) | (4,409,407) |
| Federal grant administration | - | - | - | 34,863 | 39,148 | (99,125) | (46,013) | 112,045 | (83,217) | 21,378 |
| General administration | (10,192,924) | (8,111,595) | (6,426,438) | (7,375,533) | (8,146,883) | (7,082,002) | (7,506,177) | (4,479,242) | (8,565,418) | (7,107,140) |
| School administration | (23,500,849) | (30,410,897) | (31,011,465) | (30,491,226) | (29,692,830) | (32,343,936) | (28,477,283) | (29,454,938) | (29,871,412) | (33,432,192) |
| Business administration | (18,505,137) | (11,929,932) | (9,826,881) | (9,744,343) | (7,305,073) | (7,601,877) | (5,780,201) | (5,273,170) | (6,029,648) | (6,576,447) |
| Maintenance and operation of facilities | (73,797,788) | (61,135,720) | (69,330,490) | (80,766,078) | (81,038,317) | (82,924,540) | (74,896,959) | (82,096,740) | (77,081,369) | (86,556,781) |
| Student transportation | (21,551,283) | (18,124,958) | (22,073,376) | (21,517,518) | (22,440,033) | (24,241,545) | (22,035,051) | (22,656,186) | (30,136,275) | (23,396,459) |
| Central support | (20,418,110) | (22,414,403) | (18,499,920) | (18,262,059) | (14,654,178) | (13,005,018) | (14,274,082) | (14,044,490) | (12,943,580) | (17,287,213) |
| Other support services | (8,100,364) | (544,025) | (1,949,033) | (388,603) | (425,616) | (463,013) | (719,252) | (1,521,363) | (1,752,233) | (579,777) |
| Nutrition | - | (502,711) | (437,029) | 1,008,492 | (295,082) | (550,070) | (847,874) | 453,928 | (2,164,584) | (817,641) |
| Interest and fiscal charges | (3,897,983) | (2,192,586) | (2,234,905) | (2,066,974) | (1,602,361) | (995,696) | (1,276,970) | (1,120,078) | (931,893) | (1,211,481) |
| Total Governmental Activities Net (Expenses)/Revenues | (501,380,884) | (491,616,952) | (524,419,461) | (541,401,277) | (563,796,197) | (609,953,058) | (609,833,916) | (592,593,074) | (648,133,651) | (727,146,456) |
| Business-Type Activities | | | | | | | | | | |
| Food Services | 2,708,130 | 729,919 | 1,527,421 | - | - | - | - | - | - | - |
| Total Business-Type Activities Net (Expenses)/Revenues | 2,708,130 | 729,919 | 1,527,421 | - | - | - | - | - | - | - |
| Total Primary Government Activities Net Expense | (498,672,754) | (490,887,033) | (522,892,040) | (541,401,277) | (563,796,197) | (609,953,058) | (609,833,916) | (592,593,074) | (648,133,651) | (727,146,456) |
| General Revenues and Other Charges in Net Position | | | | | | | | | | |
| Governmental Activities | | | | | | | | | | |
| Taxes | | | | | | | | | | |
| Property Taxes levied for general purposes | 414,313,637 | 416,364,236 | 429,448,006 | 450,321,405 | 507,480,889 | 514,306,061 | 539,738,290 | 599,871,585 | 647,286,947 | 693,174,169 |
| Property Taxes levied for debt Services | 1,111,471 | 1,910,601 | 2,385,690 | 2,319,188 | 2,568,017 | 668,480 | 32,014 | 12,696 | 7,322 | 7,956 |
| Special Local Option Sales Tax & Other Taxes | 93,699,732 | 85,376,919 | 88,603,776 | 92,655,880 | 93,792,152 | 93,790,758 | 99,589,667 | 105,280,616 | 100,107,752 | 106,432,193 |
| Grants and Contributions not restricted to specific programs | 11,613,166 | 20,946,374 | 10,216,768 | 12,209,288 | 9,384,782 | 7,525,758 | 9,626,231 | 8,273,721 | 5,136,351 | 7,021,705 |
| Investment Earnings | 134,088 | 198,096 | 68,541 | 156,570 | 609,138 | 1,164,952 | 1,630,356 | 3,132,820 | 3,033,365 | 147,594 |
| Other | - | - | - | 2,870,395 | - | - | - | - | - | - |
| Gain on sale of capital assets | - | - | - | 9,283,900 | 178,290 | 909,142 | - | 33,700 | 21,295 | 53,949 |
| Extra ordinary items | - | (7,928,325) | - | - | - | (433,804,723) | - | - | - | - |
| Total Governmental Activities | 520,872,094 | 516,867,901 | 530,722,781 | 569,816,626 | 614,013,268 | 184,560,428 | 650,616,558 | 716,605,138 | 755,593,032 | 806,837,566 |
| Business-Type Activities | | | | | | | | | | |
| Investment Earnings | 1,407 | - | - | - | - | - | - | - | - | - |
| Total Business-Type Activities | 1,407 | - | - | - | - | - | - | - | - | - |
| Total Primary Government Activities | 520,873,501 | 516,867,901 | 530,722,781 | 569,816,626 | 614,013,268 | 184,560,428 | 650,616,558 | 716,605,138 | 755,593,032 | 806,837,566 |
| Change in Net Position | | | | | | | | | | |
| Governmental Activities | 19,491,818 | 25,250,949 | 6,303,320 | 27,088,373 | 50,217,071 | (425,392,630) | 40,782,642 | 124,012,064 | 107,459,381 | 79,691,110 |
| Business-Type Activities | 2,709,537 | 729,919 | 1,527,421 | 1,326,976 | - | - | - | - | - | - |
| Total Primary Government | \$ 22,201,355 | \$ 25,980,868 | \$ 7,830,741 | \$ 28,415,349 | \$ 50,217,071 | \$ (425,392,630) | \$ 40,782,642 | \$ 124,012,064 | \$ 107,459,381 | \$ 79,691,110 |

Source: Atlanta Independent School System Financial Reports for previous years and fiscal year ended June 30, 2021

Notes: Decrease in Sales Tax revenue in fiscal years 2012 due in part to the economic downturn.
All restatements are due to prior period adjustments for change in accounting principle. For fiscal year 2014, see Note S of FY2014 ACFR and for fiscal year 2017, see Note T of the FY2018 ACFR.
Starting with fiscal year 2016, food service balances are treated as part of governmental rather than business-type activities.

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

| | <u>2012</u> | Restated <u>2013</u> | Restated <u>2014</u> | Restated <u>2015</u> | <u>2016</u> | Restated <u>2017</u> | <u>2018</u> | Restated <u>2019</u> | Restated <u>2020</u> | <u>2021</u> |
|---|-----------------------|-------------------------|-------------------------|-------------------------|-----------------------|-------------------------|-----------------------|-------------------------|-------------------------|-----------------------|
| GASB 54 | | | | | | | | | | |
| General Fund | | | | | | | | | | |
| Nonspendable | \$ 1,023,447 | \$ - | \$ - | \$ - | \$ 227,162 | \$ 63,210 | \$ 239,347 | \$ 257,001 | \$ - | \$ - |
| Restricted | 299,867 | 395,553 | 955,364 | 1,732,429 | 3,106,199 | 3,440,290 | 3,141,762 | 3,154,973 | 1,903,006 | 812,415 |
| Committed | 1,589,097 | 1,139,666 | 1,124,458 | 1,089,486 | 1,292,525 | 1,418,790 | 1,421,131 | 1,395,511 | 1,438,167 | 1,436,586 |
| Assigned | 28,351,208 | 25,300,000 | 25,000,000 | 2,800,000 | 24,005,021 | 17,303,806 | 8,669,038 | 8,007,805 | 37,900,265 | 24,467,019 |
| Unassigned | 50,754,070 | 55,989,982 | 61,387,638 | 69,746,719 | 66,306,776 | 63,380,812 | 57,608,161 | 72,222,419 | 96,786,210 | 159,050,883 |
| Total General Fund | <u>82,017,689</u> | <u>82,825,201</u> | <u>88,467,460</u> | <u>75,368,634</u> | <u>94,937,683</u> | <u>85,606,908</u> | <u>71,079,439</u> | <u>85,037,709</u> | <u>138,027,648</u> | <u>185,766,903</u> |
| All Other Governmental Funds | | | | | | | | | | |
| Capital Projects | | | | | | | | | | |
| Restricted | 112,372,048 | 113,874,603 | 99,474,791 | 67,300,552 | 18,129,315 | 44,459,667 | 101,815,086 | 74,050,336 | 61,009,217 | 79,539,173 |
| Assigned | 21,363,504 | 15,219,006 | 9,190,881 | 3,591,004 | 991,167 | - | - | - | - | - |
| Special Revenue Funds | | | | | | | | | | |
| Nonspendable | - | - | - | - | 618,881 | 442,766 | 323,707 | 418,018 | 321,861 | 614,292 |
| Restricted | 49,926,602 | 5,810,236 | 2,791,977 | 1,653,276 | 10,693,829 | 10,279,607 | 12,022,218 | 13,317,035 | 10,955,632 | 11,512,374 |
| Assigned | 2,129,346 | 2,364,322 | 3,076,229 | 2,305,708 | 1,292,046 | 2,101,913 | 1,788,459 | 2,313,450 | 3,227,507 | 3,499,529 |
| Unassigned | - | - | - | - | - | - | (2,739) | - | - | (81,439) |
| Total All Other Governmental Funds | <u>185,791,500</u> | <u>137,268,167</u> | <u>114,533,878</u> | <u>74,850,540</u> | <u>31,725,238</u> | <u>57,283,953</u> | <u>115,946,731</u> | <u>90,098,839</u> | <u>75,514,217</u> | <u>95,083,929</u> |
| Total | <u>\$ 267,809,189</u> | <u>\$ 220,093,368</u> | <u>\$ 203,001,338</u> | <u>\$ 150,219,174</u> | <u>\$ 126,662,921</u> | <u>\$ 142,890,861</u> | <u>\$ 187,026,170</u> | <u>\$ 175,136,548</u> | <u>\$ 213,541,865</u> | <u>\$ 280,850,832</u> |

Source: Atlanta Independent School System Financial Report for previous years and fiscal year ended June 30, 2021

Note: All restatements are due to prior period adjustment for change in accounting principle. See Note S of the respective years' ACFR. FY 2019 restated due to error of overaccrual of invoices. See Note S in the FY 2020 ACFR.

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

| Fiscal Year Ended June 30, | 2012 | Restated 2013 | Restated 2014 | Restated 2015 | 2016 | Restated 2017 | 2018 | Restated 2019 | 2020 | 2021 |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|----------------------|----------------------|----------------------|
| Revenues | | | | | | | | | | |
| Local Taxes | \$ 445,177,849 | \$ 413,467,525 | \$ 433,996,780 | \$ 454,927,297 | \$ 511,492,393 | \$ 518,224,539 | \$ 532,696,413 | \$ 599,659,003 | \$ 654,774,672 | \$ 690,480,169 |
| Sales taxes income | 93,097,083 | 85,979,568 | 88,603,776 | 92,655,880 | 93,792,152 | 93,790,758 | 99,589,667 | 105,280,616 | 100,107,752 | 106,432,193 |
| State revenues | 142,661,322 | 146,333,340 | 166,924,818 | 170,977,501 | 192,400,197 | 202,948,388 | 207,698,871 | 198,765,051 | 222,791,954 | 193,678,592 |
| Federal revenues | 75,794,627 | 67,825,396 | 78,966,352 | 113,265,229 | 88,560,089 | 86,269,601 | 75,008,749 | 78,281,171 | 74,153,846 | 96,882,752 |
| Investment income | 134,088 | 198,096 | 68,541 | 156,570 | 609,138 | 1,164,952 | 1,630,356 | 5,510,683 | 5,044,150 | 147,594 |
| Facility rental fees | 996,731 | 1,158,726 | 988,989 | 1,006,553 | 1,197,526 | 1,262,666 | 1,252,305 | 1,264,229 | 793,769 | 769,196 |
| Tuition charges | 3,490 | 2,591 | 26,383 | 12,616 | 22,056 | 12,190 | 16,726 | 50,102 | 9,534 | 11,223 |
| Charges for services | 724,400 | 3,373,883 | 3,237,092 | 4,596,681 | 4,953,646 | 4,979,146 | 3,361,508 | 3,940,006 | 2,100,052 | 781,114 |
| Other | 20,717,752 | 31,594,799 | 14,590,435 | 16,082,334 | 14,330,549 | 12,387,171 | 16,806,242 | 16,441,886 | 13,061,897 | 15,364,669 |
| Total Revenues | 779,307,342 | 749,933,924 | 787,403,166 | 853,680,661 | 907,357,746 | 921,039,411 | 938,060,837 | 1,009,192,747 | 1,072,837,626 | 1,104,547,502 |
| Expenditures | | | | | | | | | | |
| Current Expenditures | | | | | | | | | | |
| Instruction | 369,977,089 | 384,975,252 | 406,426,726 | 452,833,641 | 477,989,545 | 498,663,838 | 515,504,873 | 545,357,281 | 576,029,557 | 617,672,052 |
| Support Services: | | | | | | | | | | |
| Pupil Services | 29,461,159 | 25,023,266 | 27,819,145 | 31,526,739 | 35,726,688 | 51,027,337 | 52,868,194 | 53,119,645 | 51,191,277 | 58,075,390 |
| Improvement of instructional services | 38,215,985 | 42,917,654 | 40,368,632 | 48,830,299 | 40,399,037 | 47,970,931 | 49,128,759 | 46,529,988 | 43,859,282 | 39,453,302 |
| Educational media | 8,916,740 | 8,828,329 | 9,019,486 | 11,238,567 | 12,305,325 | 8,418,504 | 7,463,402 | 6,836,979 | 5,898,595 | 5,395,727 |
| Federal grant administration | 1,118,206 | 1,973,342 | 2,217,909 | 2,440,200 | 1,708,350 | 2,145,806 | 1,944,540 | 2,124,962 | 2,247,430 | 2,336,034 |
| General administration | 17,882,230 | 14,324,803 | 13,474,897 | 16,913,708 | 13,572,077 | 11,070,288 | 11,758,631 | 14,035,310 | 14,685,970 | 14,668,495 |
| School administration | 30,826,584 | 40,648,067 | 42,213,686 | 43,525,481 | 42,672,757 | 41,864,605 | 38,455,013 | 39,724,987 | 40,372,546 | 40,351,547 |
| Business administration | 16,653,106 | 12,509,036 | 9,829,649 | 9,951,233 | 7,768,723 | 7,675,658 | 7,673,969 | 7,704,561 | 7,671,826 | 8,003,187 |
| Maintenance and operation of facilities | 98,718,040 | 77,738,813 | 77,358,846 | 77,195,740 | 79,699,348 | 87,966,545 | 87,842,343 | 88,441,793 | 92,596,065 | 82,809,512 |
| Student transportation | 27,596,737 | 22,567,164 | 28,399,995 | 28,708,916 | 30,747,886 | 34,015,172 | 31,559,065 | 35,848,398 | 41,744,347 | 32,560,876 |
| Central Support | 28,294,967 | 28,361,651 | 25,140,028 | 25,095,644 | 20,746,465 | 18,422,454 | 20,787,949 | 20,710,652 | 19,511,525 | 23,824,402 |
| Other support services | 13,035,152 | 3,011,547 | 13,929,494 | 3,608,149 | 3,855,684 | 967,692 | 1,019,328 | 1,161,006 | 1,234,066 | 1,213,947 |
| Nutrition | 358,681 | 910,473 | 1,209,017 | 26,201,178 | 28,547,837 | 30,374,312 | 25,818,293 | 26,804,263 | 24,363,634 | 13,381,565 |
| Other | - | - | - | - | - | - | - | - | - | - |
| Food Services Operation | - | - | - | - | - | - | - | - | - | - |
| Other Operations of Non-Instructional Services | - | - | - | - | - | - | - | - | - | - |
| Capital Outlays | 46,053,815 | 117,779,131 | 91,461,362 | 114,183,045 | 128,932,728 | 51,663,723 | 35,782,804 | 127,151,855 | 108,315,902 | 108,399,289 |
| Debt Service: | | | | | | | | | | |
| Principal | 7,904,791 | 9,538,823 | 9,188,890 | 9,643,101 | 9,439,490 | 8,983,035 | 2,047,181 | 1,047,300 | 1,719,624 | 8,360,153 |
| Interest and fiscal charges | 5,331,323 | 6,684,960 | 6,488,819 | 6,140,938 | 5,447,694 | 4,780,869 | 4,705,703 | 4,576,373 | 4,387,481 | 4,262,206 |
| Bond issuance cost | - | - | - | - | - | - | - | - | - | - |
| Total Expenditures | 740,344,605 | 797,792,311 | 804,546,581 | 908,036,579 | 939,559,634 | 906,010,769 | 894,360,047 | 1,021,175,353 | 1,035,829,127 | 1,060,767,684 |

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

| Fiscal Year Ended June 30, | <u>2012</u> | Restated <u>2013</u> | Restated <u>2014</u> | Restated <u>2015</u> | <u>2016</u> | Restated <u>2017</u> | <u>2018</u> | Restated <u>2019</u> | Restated <u>2020</u> | <u>2021</u> |
|---|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| Excess / (Deficiency) of Revenues over (under) Expenditures | \$ 38,962,737 | \$ (47,858,387) | \$ (17,143,415) | \$ (54,355,918) | \$ (32,201,888) | \$ 15,028,642 | \$ 43,700,790 | \$ (11,982,606) | \$ 37,008,499 | \$ 43,779,818 |
| Other Financing Sources (Uses) | | | | | | | | | | |
| Capital leases | 4,467,505 | - | - | - | - | - | - | - | - | - |
| Proceeds from sale of capital assets | 251,784 | 142,566 | 51,385 | 2,930,530 | 250,088 | 1,199,298 | 434,519 | 92,984 | 462,900 | 53,949 |
| Financed purchases | - | - | - | - | - | - | - | - | - | 23,475,200 |
| Transfers in | 600,090 | 5,925,802 | 1,238,300 | 288,955 | 1,402,164 | 2,550,527 | 2,705,646 | 3,161,317 | 4,428,122 | 4,449,120 |
| Transfers out | (600,090) | (5,925,802) | (1,238,300) | (288,955) | (1,402,164) | (2,550,527) | (2,705,646) | (3,161,317) | (4,428,122) | (4,449,120) |
| Total Other Financing Sources/(Uses) | <u>4,719,289</u> | <u>142,566</u> | <u>51,385</u> | <u>2,930,530</u> | <u>250,088</u> | <u>1,199,298</u> | <u>434,519</u> | <u>92,984</u> | <u>462,900</u> | <u>23,529,149</u> |
| Net Change in Fund Balances | 43,682,026 | (47,715,821) | (17,092,030) | (51,425,388) | (31,951,800) | 16,227,940 | 44,135,309 | (11,889,622) | 37,471,399 | 67,308,967 |
| Fund Balance at Beginning of Fiscal Year, as Restated | 224,127,163 | 267,809,189 | 220,093,368 | 210,040,109 | 158,614,721 | 126,662,921 | 142,890,861 | 187,026,170 | 176,070,466 | 213,541,865 |
| FUND BALANCE AT END OF FISCAL YEAR | <u>\$ 267,809,189</u> | <u>\$ 220,093,368</u> | <u>\$ 203,001,338</u> | <u>\$ 158,614,721</u> | <u>\$ 126,662,921</u> | <u>\$ 142,890,861</u> | <u>\$ 187,026,170</u> | <u>\$ 175,136,548</u> | <u>\$ 213,541,865</u> | <u>\$ 280,850,832</u> |
| FUND BALANCE AT END OF FISCAL YEAR | \$ 267,809,189 | \$ 220,093,368 | \$ 203,001,338 | \$ 158,614,721 | \$ 126,662,921 | \$ 142,890,861 | \$ 187,026,170 | \$ 175,136,548 | \$ 212,607,947 | \$ 280,850,832 |
| Debt service as a percentage of noncapital expenditures | 1.91% | 2.39% | 2.16% | 1.99% | 1.79% | 1.58% | 0.78% | 0.61% | 0.65% | 1.29% |

Source: Atlanta Independent School System Financial Reports for previous years and fiscal year ended June 30, 2021.

Notes: All restatements are due to prior period adjustment for change in accounting principle. See Notes S and R of the respective years' ACFR. FY 2019 restated due to error of overaccrual of invoices. See Note S in the FY 2020 ACFR.
Starting with fiscal year 2016, food service balances are treated as part of governmental rather than business-type activities.

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

| Fiscal Year | Instruction ₁ | Pupil Services | General and School Admin. Services | Business Services ₂ | Other ₃ | Total | Total current expenditures % of change from prior year | Total expenditures % of change from prior year |
|--------------------|---------------------------------|-----------------------|---|---------------------------------------|---------------------------|----------------|---|---|
| 2012 | \$ 354,658,932 | \$ 23,126,330 | \$ 43,942,259 | \$ 136,262,413 | \$ 46,644,887 | \$ 604,634,821 | -0.88% | -0.88% |
| 2013 | 375,555,820 | 22,019,608 | 49,946,736 | 105,425,858 | 25,836,983 | 578,785,005 | -4.28% | -4.28% |
| 2014 | 392,615,401 | 22,987,226 | 50,096,842 | 106,235,157 | 24,962,789 | 596,897,415 | 3.13% | 3.13% |
| 2015 | 440,936,459 | 28,028,356 | 52,951,820 | 108,345,064 | 26,213,781 | 656,475,480 | 9.98% | 9.98% |
| 2016 | 479,682,810 | 32,066,457 | 52,506,041 | 109,262,530 | 21,813,684 | 695,331,522 | 5.92% | 5.92% |
| 2017 | 504,257,876 | 44,031,586 | 50,858,509 | 119,024,084 | 19,632,776 | 737,804,831 | 6.11% | 6.11% |
| 2018 | 528,032,749 | 46,282,870 | 47,221,449 | 118,580,971 | 22,308,788 | 762,426,827 | 3.34% | 3.34% |
| 2019 | 553,358,010 | 48,044,167 | 47,810,012 | 120,516,325 | 20,883,083 | 790,611,597 | 3.70% | 3.70% |
| 2020 | 578,946,770 | 46,621,503 | 48,661,338 | 127,672,400 | 19,796,446 | 821,698,457 | 3.93% | 3.93% |
| 2021 | 598,306,049 | 48,116,348 | 47,472,353 | 113,940,159 | 23,489,647 | 831,324,556 | 1.17% | 1.17% |

Source: Atlanta Independent School System Financial Reports for previous years and fiscal year ended June 30, 2021.

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

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

| Fiscal Year | Taxes | State Grants | Federal Grants | Other | Total | % of total | | | |
|-------------|----------------|----------------|----------------|---------------|----------------|------------|--------|---------|-------|
| | | | | | | Local | State | Federal | Other |
| 2012 | \$ 445,177,849 | \$ 140,134,932 | \$ 1,409,596 | \$ 14,525,430 | \$ 601,247,807 | 74% | 23.31% | 0.23% | 2.42% |
| 2013 | 413,467,525 | 143,710,200 | 1,315,257 | 26,882,771 | 585,375,753 | 71% | 24.55% | 0.22% | 4.59% |
| 2014 | 433,996,780 | 153,279,702 | 1,297,845 | 15,152,262 | 603,726,589 | 72% | 25.39% | 0.21% | 2.51% |
| 2015 | 454,927,297 | 167,216,672 | 1,248,478 | 17,342,632 | 640,735,079 | 71% | 26.10% | 0.19% | 2.71% |
| 2016 | 511,492,393 | 187,972,496 | 1,156,562 | 15,431,196 | 716,052,647 | 71% | 26.25% | 0.16% | 2.16% |
| 2017 | 518,224,539 | 196,882,236 | 1,139,105 | 13,579,405 | 729,825,285 | 71% | 26.98% | 0.16% | 1.86% |
| 2018 | 532,696,413 | 201,961,932 | 1,161,069 | 14,351,071 | 750,170,485 | 71% | 26.92% | 0.15% | 1.91% |
| 2019 | 599,659,003 | 191,036,285 | 1,216,000 | 15,726,912 | 807,638,200 | 74% | 23.65% | 0.15% | 1.95% |
| 2020 | 654,774,672 | 210,483,370 | 1,319,757 | 11,046,112 | 877,623,911 | 75% | 23.98% | 0.15% | 1.26% |
| 2021 | 690,480,169 | 182,929,032 | 1,321,139 | 8,728,642 | 883,458,982 | 78% | 20.71% | 0.15% | 0.99% |

Source: Atlanta Independent School System Financial Reports for previous years and fiscal year ended June 30, 2021.

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

| Fiscal Year Ended | Residential Property | Commercial Property | Industrial Property | Other Property ₁ | Less Tax-Exempt Property ₂ | Total Taxable Assessed Value ₃ | Estimated Actual Value ₃ | Total Direct Tax Rate |
|--------------------------|-----------------------------|----------------------------|----------------------------|------------------------------------|--|--|--|------------------------------|
| June 30, 2012 | \$ 11,506,413,986 | \$ 11,148,297,009 | \$ 758,400,890 | \$ 1,528,992,043 | \$ 2,880,803,214 | \$ 22,061,300,714 | \$ 55,153,251,785 | 33.63% |
| June 30, 2013 | 10,896,664,314 | 10,752,062,104 | 723,400,082 | 1,658,974,465 | 2,660,010,749 | 21,371,090,216 | 53,427,725,540 | 33.63% |
| June 30, 2014 | 11,183,385,556 | 10,556,075,940 | 687,309,657 | 1,671,292,251 | 2,430,432,837 | 21,667,630,567 | 54,169,076,418 | 33.68% |
| June 30, 2015 | 11,687,041,707 | 11,151,391,836 | 683,832,400 | 1,554,353,314 | 2,599,674,413 | 22,476,944,844 | 56,192,362,110 | 33.49% |
| June 30, 2016 | 12,848,381,757 | 12,774,083,537 | 711,630,623 | 1,503,577,204 | 2,874,052,314 | 24,963,620,807 | 62,409,052,018 | 33.19% |
| June 30, 2017 | 13,444,916,986 | 12,741,070,429 | 746,742,197 | 1,357,032,493 | 2,726,925,124 | 25,562,836,981 | 63,907,092,453 | 33.49% |
| June 30, 2018 | 13,493,027,408 | 14,154,056,870 | 843,130,074 | 1,210,968,574 | 2,985,921,567 | 26,715,261,359 | 66,788,153,398 | 32.60% |
| June 30, 2019 | 17,863,794,272 | 15,356,502,641 | 820,071,202 | 1,052,958,644 | 2,665,173,788 | 32,428,152,971 | 81,070,382,428 | 32.56% |
| June 30, 2020 | 19,945,206,363 | 17,205,214,920 | 850,290,017 | 1,179,949,809 | 5,698,451,725 | 33,482,210,284 | 83,705,525,710 | 30.97% |
| June 30, 2021 | 21,267,932,937 | 17,589,854,851 | 844,631,642 | 1,430,734,819 | 6,125,025,157 | 35,008,129,092 | 87,520,322,730 | 30.97% |

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

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

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

| Fiscal Year Ended | City Direct Rates | | | | | | Overlapping Rates | | | | | |
|-------------------|-------------------|-------------|------------|----------------|------------------|-----------------------|--|---|--------------------------|------------------|--------------------|-------|
| | General Levy | School Levy | Parks Levy | City Bond Levy | School Bond Levy | Total Direct Tax Rate | Atlanta/DeKalb County Special Tax District | Downtown Improvement District Special Tax District ¹ | Fulton County, Georgia | | | Total |
| | | | | | | | | | County Levy ² | County Bond Levy | Georgia State Levy | |
| June 30, 2012 | 10.24 | 21.640 | 0.50 | 1.20 | 0.050 | 33.63 | 1.020 | 5.00 | 10.28 (2) | - | 0.25 | 10.80 |
| June 30, 2013 | 10.24 | 21.640 | 0.50 | 1.20 | 0.100 | 33.68 | 1.224 | 5.00 | 10.21 (2) | - | 0.25 | 10.46 |
| June 30, 2014 | 10.05 | 21.640 | 0.50 | 1.20 | 0.100 | 33.49 | 1.160 | 5.00 | 10.21 (2) | - | 0.10 | 10.31 |
| June 30, 2015 | 9.75 | 21.640 | 0.50 | 1.20 | 0.100 | 33.19 | 1.060 | 5.00 | 11.78 (2) | 0.27 | 0.10 | 12.15 |
| June 30, 2016 | 8.89 | 21.640 | 0.50 | 1.48 | 0.100 | 32.61 | 1.110 | 5.00 | 10.50 (2) | 0.25 | 0.05 | 10.80 |
| June 30, 2017 | 8.88 | 21.715 | 0.50 | 1.48 | 0.025 | 32.60 | 0.965 | 5.00 | 10.45 (2) | 0.25 | 0.00 | 10.70 |
| June 30, 2018 | 8.84 | 21.740 | 0.50 | 1.48 | 0.000 | 32.56 | 1.176 | 5.00 | 10.38 (2) | 0.25 | 0.00 | 10.63 |
| June 30, 2019 | 7.85 | 20.740 | 0.50 | 1.88 | 0.000 | 30.97 | 1.168 | 5.00 | 10.20 (2) | 0.23 | 0.00 | 10.43 |
| June 30, 2020 | 7.85 | 20.740 | 0.50 | 1.88 | 0.000 | 30.97 | 1.370 | 5.00 | 9.90 (2) | 0.22 | 0.00 | 10.12 |
| June 30, 2021 | 7.85 | 20.740 | 0.50 | 1.88 | 0.000 | 30.97 | 1.380 | 5.00 | 9.78 (2) | 0.22 | 0.00 | 10.00 |

Source: Statistical section of the City of Atlanta, Georgia Annual Comprehensive Financial Report For the Fiscal Year Ended June 30, 2021.

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

**Atlanta Independent School System
Principal Property Taxpayers
June 30, 2020 Nine Years Ago ¹
Schedule 9**

2020

| Tax Payer | Type of Business | Taxable Assessed Value ¹ | Rank | Percentage of Total City Taxable Assessed Value |
|---------------------------------|-----------------------------|-------------------------------------|------|---|
| Development Authority of Fulton | Government | \$ 1,799,716,494 | 1 | 4.40% |
| Georgia Power Company | Utility Service | 395,727,057 | 2 | 0.97% |
| Atlanta Development Authority | Government | 336,499,587 | 3 | 0.82% |
| Coca-Cola Company | Marketing and Manufacturing | 183,877,780 | 4 | 0.45% |
| Post Apartment Homes | Residential Real Estate | 158,637,060 | 5 | 0.39% |
| Delta Airlines | Transportation | 141,736,421 | 6 | 0.35% |
| Twitter | Technology | 124,968,120 | 7 | 0.31% |
| AC Property Owner LP | Commercial Real Estate | 124,000,000 | 8 | 0.30% |
| Corporate Property Corporation | Commercial Real Estate | 118,018,080 | 9 | 0.29% |
| Norfolk Southern Corp | Commercial Real Estate | 113,007,492 | 10 | 0.28% |
| Total | | \$ 3,496,188,091 | | 8.56% |

2011

| Type of Business | Taxable Assessed Value | Rank | Percentage of Total City Taxable Assessed Value |
|---------------------------------|-------------------------|------|---|
| Development Authority of Fulton | \$ 652,260,501 | 1 | 3.09% |
| Georgia Power Company | 258,789,449 | 2 | 1.23% |
| Coca-Cola Company | 160,539,113 | 3 | 0.76% |
| BF ATL, LLC | 135,349,360 | 4 | 0.64% |
| Post Apartment Homes | 128,772,451 | 5 | 0.61% |
| SunTrust Plaza Association | 96,150,900 | 6 | 0.46% |
| IEP Peachtree, LLC | 91,879,110 | 7 | 0.44% |
| Corporate Property Corporation | 87,232,239 | 8 | 0.41% |
| Georgia Pacific Company | 84,328,320 | 9 | 0.40% |
| Hines One Atlantic Center LP | 74,287,820 | 10 | 0.35% |
| Total | \$ 1,769,589,263 | | 8.39% |

Sources:

2020 - Statistical section of the City of Atlanta, Georgia Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2020.

Notes:

¹ Information for FY2021 not available

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

| <u>Fiscal Year Ended</u> | <u>Taxes Levied for the Fiscal Year</u> | <u>Collected within the Fiscal Year of the Levy</u> | | <u>Collections in Subsequent Years ₂</u> | <u>Total Collections To Date</u> | |
|--------------------------|---|---|-------------------------------|---|----------------------------------|-------------------------------|
| | | <u>Amount ₁</u> | <u>Percentage of Levy</u> | | <u>Amount</u> | <u>Percentage of Levy</u> |
| June 30, 2012 | \$ 421,138,690 | \$ 387,758,472 | 92.07% | \$ 5,592,112 | \$ 393,350,584 | 93.40% |
| June 30, 2013 | 406,331,865 | 379,039,454 | 93.28% | 9,917,274 | 388,956,728 | 95.72% |
| June 30, 2014 | 416,082,025 | 392,377,360 | 94.30% | 8,683,841 | 401,061,201 | 96.39% |
| June 30, 2015 | 432,301,038 | 414,643,040 | 95.92% | 6,711,929 | 421,354,969 | 97.47% |
| June 30, 2016 | 480,630,290 | 458,918,009 | 95.48% | 395,842 | 459,313,851 | 95.56% |
| June 30, 2017 | 500,406,653 | 476,135,158 | 95.15% | 8,895,408 | 485,030,566 | 96.93% |
| June 30, 2018 | 524,298,574 | 491,670,036 | 93.78% | 14,692,135 | 506,362,171 | 96.58% |
| June 30, 2019 | 617,335,775 | 561,782,463 | 91.00% | 14,868,786 | 576,651,249 | 93.41% |
| June 30, 2020 | 647,922,045 | 602,289,187 | 92.96% | 8,776,464 | 611,065,651 | 94.31% |
| June 30, 2021 | 673,010,480 | 637,887,538 | 94.78% | - | 637,887,538 | 94.78% |

Source: Data from the original digest and the roll forward receivable reports from Dekalb and Fulton Counties.
For the Fiscal Year Ended June 30, 2021.
Previous ACFR's have provided City of Atlanta data only

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

Atlanta Independent School System
Comparison of Property Tax Millage Rates
As of June 30, 2021
 Schedule 11

| | <u>TOTAL RATE</u> | <u>MAINTENANCE AND OPERATION</u> | <u>DEBT SERVICE</u> |
|-------------------------|-------------------|--|-------------------------|
| Atlanta Public Schools | 20.74 | 20.74 | 0.00 |
| Clayton County Schools | 20.00 | 20.00 | 0.00 |
| Cobb County Schools | 18.90 | 18.90 | 0.00 |
| DeKalb County Schools | 23.08 | 23.08 | 0.00 |
| Douglas County Schools | 20.60 | 19.60 | 1.00 |
| Fulton County Schools | 17.80 | 17.80 | 0.00 |
| Gwinnett County Schools | 21.60 | 19.70 | 1.90 |
| Rockdale County Schools | 24.60 | 24.60 | 0.00 |

Sources: Department of Revenue, Tax Digest Millage Rates

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

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

| <u>Tax Year</u> | <u>Maintenance and Operations</u> | <u>Sinking Bond Fund</u> | <u>Total Levy</u> | <u>Comments</u> |
|-----------------|---|----------------------------------|-----------------------|-------------------------|
| 2011 | 21.640 | 0.100 | 21.740 | Increase of .046 mills |
| 2012 | 21.640 | 0.100 | 21.740 | No change from 2011 |
| 2013 | 21.640 | 0.100 | 21.740 | No change from 2012 |
| 2014 | 21.640 | 0.100 | 21.740 | No change from 2013 |
| 2015 | 21.715 | 0.025 | 21.740 | No change from 2014 |
| 2016 | 21.715 | 0.025 | 21.740 | No change from 2015 |
| 2017 | 21.740 | 0.000 | 21.740 | No change from 2016 |
| 2018 | 20.740 | 0.000 | 20.740 | Decrease of 1.000 mills |
| 2019 | 20.740 | 0.000 | 20.740 | No change from 2018 |
| 2020 | 20.740 | 0.000 | 20.740 | No change from 2019 |

Sources: Atlanta Public Schools June 2010 Tax Levy Board Resolution for tax year 2011
Georgia Department of Revenue for tax years 2012-2017
Atlanta Public Schools August 6, 2018 Tax Levy Board Resolution for tax year 2018
Atlanta Public Schools July 29, 2019 Tax Levy Board Resolution for tax year 2019

Note: The tax year does not equate to the fiscal year. Tax year 2020 collections are made in fiscal year 2021.

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

| Fiscal Year Ended June 30, | Education Reform Success (COPS) | Intergovernmental Agreement | Capital Leases | Financed Purchases | Fund Balance Restricted to Debt Service | Net Total Debt (1) | Estimated Actual Value of Taxable Property (2) | Ratio of Total Debt to Est. Actual Value | Personal Income (3) | Ratio of Total Debt to Personal Income | Outstanding Debt per Capita |
|-------------------------------|-------------------------------------|--------------------------------|-------------------|-----------------------|---|-----------------------|--|--|------------------------|--|-----------------------------------|
| 2012 | \$ 115,114,094 | \$ 17,398,125 | \$ 7,905,594 | - | \$ (299,867) | \$ 140,117,946 | \$ 22,061,300,714 | 0.64% | \$ 222,204,000 | 63.06% | 316 |
| 2013 | 107,431,623 | 16,311,250 | 6,018,646 | - | (395,553) | 129,365,966 | 21,371,090,216 | 0.61% | 228,134,000 | 56.71% | 289 |
| 2014 | 99,948,185 | 15,167,625 | 4,753,381 | - | (955,364) | 118,913,827 | 21,667,630,567 | 0.55% | 228,134,000 | 52.12% | 261 |
| 2015 | 92,437,941 | 4,518,925 | 3,445,099 | - | (1,732,429) | 98,669,536 | 22,476,944,844 | 0.44% | 244,065,000 | 40.43% | 213 |
| 2016 | 84,678,997 | 3,800,175 | 2,114,340 | - | (3,106,199) | 87,487,313 | 24,963,620,807 | 0.35% | 261,782,000 | 33.42% | 188 |
| 2017 | 76,740,000 | 3,612,675 | 1,068,805 | - | (3,440,290) | 77,981,190 | 25,562,836,981 | 0.31% | 257,510,000 | 30.28% | 165 |
| 2018 | 75,950,000 | 3,424,300 | - | - | (3,141,762) | 76,232,538 | 26,715,261,359 | 0.29% | 274,129,000 | 27.81% | 157 |
| 2019 | 75,130,000 | 3,196,999 | - | - | (2,788,584) | 75,538,415 | 32,428,152,971 | 0.23% | 295,295,000 | 25.58% | 152 |
| 2020 | 74,275,000 | 2,332,375 | - | - | (1,810,617) | 74,796,758 | 33,482,210,284 | 0.22% | 312,213,000 | 23.96% | 148 |
| 2021 | 73,385,000 | 1,411,150 | - | 16,926,272 | (812,415) | 90,910,007 | 35,008,129,092 | 0.26% | 328,450,000 | 27.68% | 179 |

Source: Atlanta Independent School System Financial Reports for previous years and fiscal year ended June 30, 2021.

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

Atlanta Independent School System
Overlapping and Direct Governmental Activities Debt (Unaudited)
June 30, 2021
Schedule 14

| Governmental Unit | Debt Outstanding | Estimated Percentage Applicable (6) | Estimated Share of Overlapping Debt |
|--|------------------|-------------------------------------|-------------------------------------|
| Overlapping Debt: | | | |
| Certificate of Participation - City of Atlanta (4) | \$ 65,218,000 | 100.0% | \$ 65,218,000 |
| APSJFA Revenue Bonds - City of Atlanta (4) | 19,106,000 | 100.0% | 19,106,000 |
| SWMA Revenue Refunding Bonds - City of Atlanta (4) | 2,050,000 | 100.0% | 2,050,000 |
| Limited Obligation Bonds - City of Atlanta (4) | 298,762,000 | 100.0% | 298,762,000 |
| Capital Leases - City of Atlanta (1) | 45,836,000 | 100.0% | 45,836,000 |
| Fulton County (2) | 326,392,000 | 47.0% | 153,404,240 |
| DeKalb County (3) | 210,590,000 | 4.6% | 9,687,140 |
| Subtotal of overlapping debt | | | <u>594,063,380</u> |
| Contractual General Obligation Debt: | | | |
| City of Atlanta General Obligation Debt (less APS Portion) | 267,994,585 | 100.0% | 267,994,585 |
| Atlanta and Fulton Recreation Authority | | | |
| Series 2014 A/B Park Improvement Bonds (4) | 49,345,000 | 100.0% | 49,345,000 |
| Series 2017A Philips Arena Downtown Project (4) | 99,560,000 | 100.0% | 99,560,000 |
| Series 2017B Philips Arena Downtown Project (4) | 40,585,000 | 100.0% | 40,585,000 |
| Series 2018 Downtown Arena Bonds (4) | 152,000,000 | 100.0% | 152,000,000 |
| AURA Bonds Series 2010 (ADA) - COA (4) | 10,805,000 | 100.0% | 10,805,000 |
| AURA Downtown Parking Deck Series 2017 (ADA) - COA (4) | 12,340,000 | 100.0% | 12,340,000 |
| AURA Taxable Bond Series 2019 (4) | 23,985,000 | 100.0% | 23,985,000 |
| Urban Residential Finance Authority (URFA) - COA (4) | 49,455,000 | 100.0% | 49,455,000 |
| AFCRA Revenue Zoo Series 2007 (1) | 3,007,000 | 75.0% | 2,255,250 |
| Overlapping Contractual Obligations: | | | |
| Fulton-DeKalb Hospital Authority (2) | 103,310,000 | 47.0% | <u>48,555,700</u> |
| Total Overlapping Debt | | | 1,350,943,915 |
| School District Direct Debt: | | | |
| City of Atlanta General Obligation Debt (APS Portion) | 1,411,150 | 100.0% | 1,411,150 |
| Less: Sinking fund (less APS Portion) | (812,415) | 100.0% | <u>(812,415)</u> |
| Net City of Atlanta General Obligation Debt (APS Portion) | | | 598,735 |
| ERS, Inc (COPS, Series 2006/2007) | 925,000 | 100.0% | 925,000 |
| ERS, Inc (COPS, Series 2011A) | 72,460,000 | 100.0% | <u>72,460,000</u> |
| Net ERS, Inc. (COPS, All Series) | | | 73,385,000 |
| Total Overlapping and Direct Debt | | | <u>\$ 1,424,927,650</u> |

Sources:

- (1) Includes the City of Atlanta and Fulton County Recreation Authority Revenue Bonds (Zoo Atlanta Parking Facility Project). Series 2017 which is now categorized as a capital lease. Outstanding balance as of June 30, 2021 is \$27,215,000
- (2) Fulton County ACFR - Year Ended December 31, 2021
- (3) DeKalb County ACFR - Year Ended December 31, 2021
- (4) City of Atlanta ACFR - Year Ended December 31, 2021

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

| Fiscal Year Ended June 30, | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Assessed Value | \$ 22,061,300,714 | \$ 21,371,090,216 | \$ 21,667,630,567 | \$ 22,476,944,844 | \$ 24,963,620,807 | \$ 25,562,836,981 | \$ 26,715,261,359 | \$ 32,428,152,971 | \$ 33,482,210,284 | \$ 35,008,129,092 |
| Legal Debt Margin | | | | | | | | | | |
| Debt limit (10% of assessed value) | 2,206,130,071 | 2,137,109,022 | 2,166,763,057 | 2,247,694,484 | 2,496,362,081 | 2,556,283,698 | 2,671,526,136 | 3,242,815,297 | 3,348,221,028 | 3,500,812,909 |
| Debt applicable to limit: | | | | | | | | | | |
| ERS, Inc (COPS, Series 2006/2007) | 7,780,000 | 7,135,000 | 6,395,000 | 5,765,000 | 5,035,000 | 4,280,000 | 3,490,000 | 2,670,000 | 1,815,000 | 925,000 |
| ERS, Inc (COPS, Series 2011A) | 72,460,000 | 72,460,000 | 72,460,000 | 72,460,000 | 72,460,000 | 72,460,000 | 72,460,000 | 72,460,000 | 72,460,000 | 72,460,000 |
| ERS, Inc (Comps, Series 2011B) | 31,955,000 | 26,035,000 | 19,995,000 | 13,655,000 | 6,995,000 | - | - | - | - | - |
| Unamortized premium 2011B | 2,569,042 | 1,801,623 | 1,098,185 | 557,941 | 188,997 | - | - | - | - | - |
| Net ERS, Inc (COPS, All Series) | 114,764,042 | 107,431,623 | 99,948,185 | 92,437,941 | 84,678,997 | 76,740,000 | 75,950,000 | 75,130,000 | 74,275,000 | 73,385,000 |
| Less: Amount reserved for repayment of debt | 299,867 | 395,553 | 955,364 | 1,732,429 | 3,106,199 | 3,440,290 | 3,141,762 | 2,788,584 | 1,810,617 | 812,415 |
| Total debt applicable to limit | 114,464,175 | 107,036,070 | 98,992,821 | 90,705,512 | 81,572,798 | 73,299,710 | 72,808,238 | 72,341,416 | 72,464,383 | 72,572,585 |
| Legal Debt Margin | 2,091,665,896 | 2,030,072,952 | 2,067,770,236 | 2,156,988,972 | 2,414,789,283 | 2,482,983,988 | 2,598,717,898 | 3,170,473,881 | 3,275,756,645 | 3,428,240,324 |
| Total net debt applicable to the limit as a % of the debt limit | 5.19% | 5.01% | 4.57% | 4.04% | 3.27% | 2.87% | 2.73% | 2.23% | 2.16% | 2.07% |

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

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

| <u>Fiscal Year Ended ₁</u> | <u>Population</u> | <u>Personal Income (thousands of dollars)</u> | <u>Per Capita Personal Income</u> | <u>Median Age</u> | <u>School Enrollment</u> | <u>Unemployment Rate</u> |
|---|-------------------|---|---|-----------------------|------------------------------|------------------------------|
| June 30, 2011 | 432,092 | \$ 214,002 | \$ 39,826 | 33.0 | 49,796 | 9.9% |
| June 30, 2012 | 444,002 | 222,204 | 40,738 | 32.2 | 50,009 | 8.8% |
| June 30, 2013 | 448,312 | 228,134 | 41,307 | 33.2 | 49,558 | 7.8% |
| June 30, 2014 | 456,143 | 228,134 | 41,307 | 33.4 | 50,131 | 6.8% |
| June 30, 2015 | 463,878 | 244,065 | 43,856 | 33.3 | 51,145 | 5.3% |
| June 30, 2016 | 472,522 | 261,782 | 45,934 | 33.0 | 51,500 | 4.6% |
| June 30, 2017 | 486,290 | 274,129 | 47,348 | 33.5 | 51,296 | 3.8% |
| June 30, 2018 | 498,044 | 295,295 | 50,269 | 33.5 | 52,147 | 3.5% |
| June 30, 2019 | 506,811 | 312,213 | 52,473 | 33.2 | 52,377 | 8.5% |
| June 30, 2020 | 506,811 | 328,450 | 54,557 | 36.8 | 52,416 | 3.2% |

Sources: Statistical section of the City of Atlanta, Georgia 2020 Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2020.

Enrollment data from GA Department of Education

(1) Statistical Data from the City of Atlanta is one year in arrears.

**Atlanta Independent School System
Principal Employers
June 30, 2020 and Nine Years Ago
Schedule 17**

2020

| <u>Employer</u> | <u>Type Of Business</u> | <u>Employees</u> | <u>Percentage of Total City Employment</u> |
|-----------------------------------|--------------------------------|----------------------|--|
| Cortland Development LLC | Management/Admin Svc | 6,995 | 3.87% |
| Delta Air Lines, Inc | Transportation | 5,718 | 3.16% |
| E Cee Excursions LLC | Consultant/Mgmt,Counselor, Bus | 4,200 | 2.32% |
| The Coca Cola Company | Marketing and Manufacturing | 3,369 | 1.86% |
| Accenture LLP | Consultant/Counselor/Finance | 2,419 | 1.34% |
| Cortland Management LLC | Management/Admin Svc | 2,270 | 1.25% |
| Allied Universal Security Service | Security and Commodity Brokers | 2,046 | 1.13% |
| Allen Enterprises Inc | Transportation | 2,020 | 1.12% |
| Wraps Loc Products Inc | Health and Personal Care | 2,020 | 1.12% |
| Deloitte Consulting LLP | Consultant/Mgmt,Counselor, Bus | 1,610 | 0.89% |
| Total | | <u>32,667</u> | <u>18.06%</u> |

2011

| <u>Employer</u> | <u>Type Of Business</u> | <u>Employees</u> | <u>Percentage of Total City Employment</u> |
|-------------------------------------|-----------------------------|----------------------|--|
| Delta Air Lines, Inc | Transportation | 3,678 | 1.87% |
| The Coca Cola Company | Marketing and Manufacturing | 3,670 | 1.87% |
| International Business Machine Corp | Technology Services | 3,561 | 1.81% |
| Turner Broadcasting System | Media/Entertainment | 2,090 | 1.06% |
| Cable News Network | Media | 1,884 | 0.96% |
| AT&T Services Inc | Telecommunications | 1,845 | 0.94% |
| Air Service Corp | Transportation | 1,733 | 0.88% |
| Accenture LLP | Consulting | 1,725 | 0.88% |
| Allied Barton Security Services | Security Services | 1,465 | 0.74% |
| Tenet Health Systems, Inc | Healthcare | 1,166 | 0.59% |
| Total | | <u>22,817</u> | <u>11.60%</u> |

Source: 2020 - Statistical section of the City of Atlanta, Georgia 2021 Annual Comprehensive Financial Report For the Fiscal Year Ended June 30, 2021.

2021 - Information not Available

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

| Fiscal Year | Total | Free | Reduced | Paid |
|--------------------|--------------|-------------|----------------|-------------|
| 2012 | 3,869,946 | 3,487,626 | 86,082 | 296,238 |
| 2013 | 3,718,353 | 3,368,341 | 77,277 | 272,735 |
| 2014 | 3,528,648 | 3,403,721 | 27,543 | 97,384 |
| 2015 | 3,481,920 | 3,353,976 | 24,313 | 103,631 |
| 2016 | 3,488,062 | 3,290,477 | 25,548 | 172,037 |
| 2017 | 3,716,272 | 3,496,581 | 24,955 | 194,736 |
| 2018 | 3,323,949 | 3,215,823 | 14,337 | 93,789 |
| 2019 | 3,390,817 | 3,277,801 | 13,556 | 99,460 |
| 2020 | 3,105,983 | 2,600,608 | - | 505,375 |
| 2021 | 1,818,610 | 1,816,971 | 309 | 1,330 |

Source: Nutrition Department of APS

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

| <u>Fiscal Year</u> | <u>Total</u> | <u>Free</u> | <u>Reduced</u> | <u>Paid</u> |
|--------------------|--------------|-------------|----------------|-------------|
| 2012 | 5,803,075 | 5,043,598 | 158,924 | 600,553 |
| 2013 | 5,426,460 | 4,799,240 | 126,324 | 500,896 |
| 2014 | 5,328,409 | 4,964,636 | 59,466 | 304,307 |
| 2015 | 5,454,239 | 5,026,532 | 66,502 | 361,205 |
| 2016 | 5,564,912 | 5,099,042 | 51,688 | 414,182 |
| 2017 | 5,553,290 | 5,058,258 | 46,256 | 448,776 |
| 2018 | 5,094,795 | 4,639,710 | 47,041 | 408,044 |
| 2019 | 5,138,248 | 4,675,400 | 46,180 | 416,668 |
| 2020 | 4,702,306 | 3,859,212 | - | 843,094 |
| 2021 | 1,863,339 | 1,861,546 | 325 | 1,468 |

Source: Nutrition Department of APS

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

| <u>Fiscal Year</u> | <u>Total</u> | <u>Elementary</u> | <u>Middle</u> | <u>High</u> |
|--------------------|--------------|-------------------|---------------|-------------|
| 2012 | 100 | 58 | 18 | 24 |
| 2013 | 86 | 50 | 15 | 21 |
| 2014 | 88 | 53 | 14 | 21 |
| 2015 | 86 | 53 | 12 | 21 |
| 2016 | 81 | 53 | 13 | 15 |
| 2017 | 77 | 50 | 12 | 15 |
| 2018 | 71 | 45 | 11 | 15 |
| 2019 | 81 | 53 | 15 | 13 |
| 2020 | 87 | 57 | 14 | 16 |
| 2021 | 87 | 55 | 16 | 16 |

Source: FY2012 - 2021 - information from Atlanta Public Schools - school list

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

| Grade Level | <u>2012</u> | <u>2013</u> | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> |
|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| PK | 1,111 | 1,098 | 1,108 | 1,113 | 1,101 | 1,232 | 1,300 | 1,376 | 1,417 | 1,154 |
| KK | 4,795 | 4,822 | 4,911 | 5,029 | 4,687 | 4,646 | 4,555 | 4,477 | 4,481 | 3,659 |
| Grade 1 | 4,609 | 4,698 | 4,816 | 4,902 | 4,979 | 4,802 | 4,668 | 4,599 | 4,474 | 4,297 |
| Grade 2 | 4,379 | 4,417 | 4,602 | 4,677 | 4,781 | 4,851 | 4,747 | 4,571 | 4,432 | 4,302 |
| Grade 3 | 4,269 | 4,289 | 4,341 | 4,509 | 4,567 | 4,727 | 4,783 | 4,650 | 4,484 | 4,210 |
| Grade 4 | 4,266 | 3,962 | 4,008 | 4,105 | 4,397 | 4,436 | 4,623 | 4,683 | 4,463 | 4,285 |
| Grade 5 | 4,172 | 4,094 | 3,963 | 3,979 | 4,057 | 4,301 | 4,398 | 4,479 | 4,518 | 4,300 |
| Grade 6 | 3,563 | 3,603 | 3,591 | 3,604 | 3,590 | 3,658 | 3,829 | 4,007 | 4,074 | 4,150 |
| Grade 7 | 3,503 | 3,471 | 3,505 | 3,568 | 3,402 | 3,424 | 3,634 | 3,667 | 3,862 | 3,828 |
| Grade 8 | 3,465 | 3,379 | 3,404 | 3,517 | 3,511 | 3,320 | 3,366 | 3,500 | 3,616 | 3,923 |
| Grade 9 | 4,475 | 4,395 | 4,741 | 4,732 | 4,083 | 3,718 | 3,941 | 3,885 | 3,877 | 3,876 |
| Grade 10 | 3,003 | 2,928 | 2,822 | 3,068 | 3,084 | 3,013 | 3,109 | 3,072 | 3,284 | 3,424 |
| Grade 11 | 2,352 | 2,346 | 2,378 | 2,232 | 2,761 | 2,635 | 2,729 | 2,823 | 2,791 | 2,987 |
| Grade 12 | 2,047 | 2,056 | 1,941 | 2,110 | 2,500 | 2,533 | 2,465 | 2,588 | 2,643 | 2,617 |
| Totals | 50,009 | 49,558 | 50,131 | 51,145 | 51,500 | 51,296 | 52,147 | 52,377 | 52,416 | 51,012 |

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

**Atlanta Independent School System
School Buildings, Acreage, and Capacity
June 30, 2021
Schedule 22**

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

| Elementary Schools | Region | Acres | Sq.Ft. | Planning Capacity @ 21/1 | SF per Student | Core Classrooms | Original Construction | Renovation | Actual Age (2021 basis) | Effective Age Basis | Effective Age (2021 basis) |
|-----------------------------------|--------|--------------|------------------|--------------------------|----------------|-----------------|-----------------------|------------|-------------------------|---------------------|----------------------------|
| 1 Beecher Hills | W | 9.5 | 61,177 | 420 | 146 | 20 | 1959 | 2019 | 62 | 2019 | 2 |
| 2 Benteen | E | 4.0 | 79,633 | 504 | 158 | 24 | 1957 | 2000 | 64 | 2000 | 21 |
| 3 Bolton Academy | N | 4.0 | 83,653 | 693 | 121 | 33 | 2003 | | 18 | 2003 | 18 |
| 4 Boyd | N | 19.7 | 80,246 | 525 | 153 | 25 | 1971 | 2016 | 50 | 2016 | 5 |
| 5 Brandon | N | 10.0 | 76,672 | 735 | 104 | 35 | 1947 | 1994 | 74 | 1994 | 27 |
| 6 Brandon Primary | N | 9.8 | 78,462 | 630 | 125 | 30 | 1954 | 2009 | 67 | 2009 | 12 |
| 7 Burgess-Peterson | E | 8.3 | 85,836 | 693 | 124 | 33 | 2004 | | 17 | 2004 | 17 |
| 8 Cascade | W | 8.7 | 70,101 | 504 | 139 | 24 | 1995 | | 26 | 1995 | 26 |
| 9 Centennial Place | E | 5.0 | 63,806 | 546 | 117 | 26 | 1998 | | 23 | 1998 | 23 |
| 10 Cleveland | S | 15.8 | 75,286 | 525 | 143 | 25 | 1996 | | 25 | 1996 | 25 |
| 11 Continental Colony | W | 8.7 | 85,562 | 504 | 170 | 24 | 1963 | 2011 | 58 | 2011 | 10 |
| 12 Deerwood Academy | W | 21.0 | 91,566 | 756 | 121 | 36 | 2004 | | 17 | 2004 | 17 |
| 13 Dobbs | S | 19.6 | 86,907 | 735 | 118 | 35 | 2003 | | 18 | 2003 | 18 |
| 14 Dunbar | E | 5.3 | 98,959 | 420 | 236 | 20 | 1969 | 2009 | 52 | 2009 | 12 |
| 16 Fickett | W | 12.0 | 86,490 | 756 | 114 | 36 | 1972 | 1994 | 49 | 1994 | 27 |
| 17 Finch | S | 4.1 | 95,024 | 798 | 119 | 38 | 2005 | | 16 | 2005 | 16 |
| 18 Garden Hills | N | 8.0 | 82,176 | 651 | 126 | 31 | 1938 | 2003 | 83 | 2003 | 18 |
| 19 Gideons | S | 4.5 | 78,959 | 651 | 121 | 31 | 1958 | 2019 | 63 | 2019 | 2 |
| 20 Harper - Archer | N | 18.1 | 229,745 | 861 | 267 | 41 | 1963 | 2019 | 58 | 2019 | 2 |
| 21 Heritage Academy | S | 7.0 | 80,864 | 714 | 113 | 34 | 2002 | | 19 | 2002 | 19 |
| 22 Hollis Innovation Academy | W | 5.0 | 228,028 | 756 | 302 | 36 | 1970 | 2019 | 51 | 2019 | 2 |
| 23 Hope - Hill | E | 2.4 | 75,631 | 588 | 129 | 28 | 2002 | | 19 | 2002 | 19 |
| 24 Humphries | S | 8.2 | 66,228 | 462 | 143 | 22 | 1940 | 2020 | 81 | 2020 | 1 |
| 25 Hutchinson | S | 8.5 | 70,797 | 504 | 140 | 24 | 1956 | 2020 | 65 | 2020 | 1 |
| 26 Jackson | N | 12.5 | 96,639 | 714 | 135 | 34 | 1967 | 1994 | 54 | 1994 | 27 |
| 27 Jackson Primary | N | 7.2 | 48,982 | 420 | 117 | 20 | 1959 | 2008 | 62 | 2008 | 13 |
| 28 Jones, M. A. | W | 7.5 | 92,272 | 735 | 126 | 35 | 2005 | | 16 | 2005 | 16 |
| 29 Kimberly | W | 7.2 | 70,070 | 546 | 128 | 26 | 1958 | 2016 | 63 | 2016 | 5 |
| 30 Lin, Mary | E | 5.2 | 91,338 | 735 | 124 | 35 | 1930 | 2015 | 91 | 2015 | 6 |
| 31 Miles | W | 15.0 | 82,211 | 735 | 112 | 35 | 2003 | | 18 | 2003 | 18 |
| 32 Morningside ⁽¹⁾ | E | 5.2 | 98,037 | 756 | 130 | 36 | 1930 | 1994 | 91 | 1994 | 27 |
| 33 Obama Academy | E | 6.0 | 85,170 | 567 | 150 | 27 | 1959 | 2021 | 62 | 2021 | 0 |
| 34 Parkside | E | 8.3 | 80,836 | 651 | 124 | 31 | 2001 | | 20 | 2001 | 20 |
| 35 Perkerson | S | 9.0 | 75,297 | 588 | 128 | 28 | 1994 | | 27 | 1994 | 27 |
| 36 Peyton Forest | W | 25.0 | 64,300 | 525 | 122 | 25 | 1968 | 1999 | 53 | 1999 | 22 |
| 37 Rivers | N | 8.0 | 112,000 | 756 | 148 | 36 | 2015 | | 6 | 2015 | 6 |
| 38 Scott | N | 8.0 | 72,891 | 672 | 108 | 32 | 1960 | 2006 | 61 | 2006 | 15 |
| 39 Slater | S | 13.0 | 78,232 | 672 | 116 | 32 | 1952 | 2002 | 69 | 2002 | 19 |
| 40 Smith Intermediate | N | 6.2 | 78,173 | 630 | 124 | 30 | 2009 | | 12 | 2009 | 12 |
| 41 Smith Primary | N | 10.3 | 70,545 | 630 | 112 | 30 | 1952 | 1994 | 69 | 1994 | 27 |
| 42 Springdale Park | E | 5.5 | 95,555 | 693 | 138 | 33 | 2009 | | 12 | 2009 | 12 |
| 43 Stanton, F. L. | N | 5.2 | 57,910 | 357 | 162 | 17 | 1928 | 2000 | 93 | 2000 | 21 |
| 44 Thomasville Heights | S | 11.2 | 83,023 | 798 | 104 | 38 | 1971 | 2001 | 50 | 2001 | 20 |
| 45 Toomer | E | 10.6 | 70,012 | 588 | 119 | 28 | 1967 | 1998 | 54 | 1998 | 23 |
| 46 Tuskegee Airmen Global Academy | W | 4.8 | 107,745 | 756 | 143 | 36 | 2019 | | 2 | 2019 | 2 |
| 47 Usher - Collier | N | 14.0 | 102,962 | 756 | 136 | 36 | 1969 | 2003 | 52 | 2003 | 18 |
| 48 West Manor | W | 10.8 | 52,105 | 336 | 155 | 16 | 1956 | 2021 | 65 | 2021 | 0 |
| 49 Woodson Park | N | 7.0 | 114,630 | 672 | 171 | 32 | 2021 | 2021 | 0 | 2021 | 0 |
| Elementary School Totals | | 449.9 | 4,192,743 | 30,219 | 139 | 1,439 | 1976 | | 45 | 2007 | 15 |

**Atlanta Independent School System
School Buildings, Acreage, and Capacity
June 30, 2021
Schedule 22**

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

| Middle Schools | | Region | Acres | Sq.Ft. | Planning Capacity @ 24/1 | SF per Student | Core Classrooms | Original Construction | Renovation | Actual Age (2021 basis) | Effective Age Basis | Effective Age (2021 basis) |
|-----------------------------|----------------------------------|--------|----------------|------------------|--------------------------|----------------|-----------------|-----------------------|------------|-------------------------|---------------------|----------------------------|
| 1 | Bunche | W | 42.3 | 148,708 | 936 | 159 | 39 | 1979 | 2015 | 42 | 2015 | 6 |
| 2 | Howard | E | 7.4 | 208,122 | 1,320 | 158 | 55 | 1924 | 2020 | 97 | 2020 | 1 |
| 3 | King, M.L. | E | 6.5 | 192,360 | 840 | 229 | 35 | 1967 | 2016 | 54 | 2016 | 5 |
| 4 | Lewis, John Academy | N | 15.1 | 217,578 | 1,680 | 130 | 70 | 2009 | | 12 | 2009 | 12 |
| 5 | Long | S | 15.6 | 160,082 | 1,032 | 155 | 43 | 1973 | 2003 | 48 | 2003 | 18 |
| 6 | Price | S | 19.0 | 167,168 | 936 | 179 | 39 | 1954 | 2002 | 67 | 2002 | 19 |
| 7 | Russell, H.J. Academy | W | 15.6 | 185,607 | 936 | 198 | 39 | 1928 | 2016 | 93 | 2016 | 5 |
| 8 | Sutton 6th (Powers Ferry Rd.) | N | 12.5 | 160,667 | 960 | 167 | 40 | 1960 | 2006 | 61 | 2006 | 15 |
| 9 | Sutton 7th & 8th (Northside Dr.) | N | 17.5 | 301,386 | 1,560 | 193 | 65 | 1951 | 2011 | 70 | 2011 | 10 |
| 10 | Sylvan Hills | S | 13.0 | 156,000 | 936 | 167 | 39 | 2015 | | 6 | 2015 | 6 |
| 11 | Young | W | 15.0 | 196,986 | 1,128 | 175 | 47 | 1951 | 2009 | 70 | 2009 | 12 |
| Middle School Totals | | | 179.5 | 2,094,664 | 12,264 | 174 | 511 | 1965 | | 56 | 2011 | 10 |
| High Schools | | Region | Acres | Sq.Ft. | Planning Capacity @ 25/1 | SF per Student | Core Classrooms | Original Construction | Renovation | Actual Age (2021 basis) | Effective Age Basis | Effective Age (2021 basis) |
| 1 | BEST / King, C.S. | N | 21.2 | 264,874 | 1,750 | 151 | 70 | 2009 | | 12 | 2009 | 12 |
| 2 | Carver | S | 35.4 | 271,429 | 1,525 | 178 | 61 | 1920 | 2005 | 101 | 2005 | 16 |
| 3 | Douglass | N | 32.0 | 336,101 | 1,950 | 172 | 78 | 1968 | 2004 | 53 | 2004 | 17 |
| 4 | East Atlanta Campus | E | 17.9 | 203,949 | 925 | 220 | 37 | 1940 | 2007 | 81 | 2007 | 14 |
| 5 | Hank Aaron Academy | S | 5.8 | 69,254 | 750 | 92 | 30 | 2008 | | 13 | 2008 | 13 |
| 6 | Jackson, M.H. | E | 25.0 | 314,251 | 1,500 | 210 | 60 | 1985 | 2014 | 36 | 2014 | 7 |
| 7 | Mays | W | 70.0 | 339,758 | 2,000 | 170 | 80 | 1981 | 2011 | 40 | 2011 | 10 |
| 8 | Midtown | E | 19.5 | 316,141 | 1,500 | 211 | 60 | 1924 | 2021 | 97 | 2021 | 0 |
| 9 | North Atlanta | N | 56.6 | 507,093 | 2,350 | 216 | 94 | 1978 | 2021 | 43 | 2021 | 0 |
| 10 | South Atlanta | S | 50.2 | 277,779 | 1,950 | 142 | 78 | 1973 | 2008 | 48 | 2008 | 13 |
| 11 | Therrell | W | 17.3 | 249,830 | 1,500 | 167 | 60 | 1960 | 2011 | 61 | 2011 | 10 |
| 12 | Washington | W | 21.1 | 261,269 | 1,625 | 161 | 65 | 1924 | 2005 | 97 | 2005 | 16 |
| High School Totals | | | 372.0 | 3,411,728 | 19,325 | 174 | 773 | 1964 | | 57 | 2010 | 11 |
| DISTRICT TOTALS & AVERAGES | | | Acres | Sq.Ft. | Planning Capacity | SF per Student | Core Classrooms | Original Construction | | Actual Age (2021 basis) | Effective Age Basis | Effective Age (2021 basis) |
| | | | 1,001.4 | 9,699,135 | 61,808 | 162 | 2,723 | 1972 | | 49 | 2008 | 13 |

NOTE:
1. Schools relocated for capital projects this year.

| Other Facilities / Programs | | Region | Acres | Sq.Ft. | Planning Capacity @ 21/1 | SF per Student | Core Classrooms | Original Construction | Renovation | Actual Age (2021 basis) | Effective Age Basis | Effective Age (2021 basis) |
|------------------------------------|----------------------------------|--------|-------------|----------------|--------------------------|----------------|-----------------|-----------------------|------------|-------------------------|---------------------|----------------------------|
| 1 | Atlanta College & Career Academy | S | 5.8 | 79,630 | 462 | 172 | 22 | 1966 | 2020 | 55 | 2020 | 1 |
| 2 | North Metro (Oglethorpe) | W | 3.8 | 52,909 | 462 | 115 | 22 | 1958 | 1999 | 63 | 1999 | 22 |
| 3 | Whiteford Early Learning Center | E | 2.3 | 59,438 | 546 | 109 | 26 | 1928 | 1994 | 93 | 1994 | 27 |
| Other Facilities / Programs | | | 11.9 | 191,977 | 1,470 | 132 | 70 | 1951 | | 70 | 2004 | 17 |

| Relocation Sites | | Region | Acres | Sq.Ft. | Planning Capacity @ 21, 24 or 25/1 | SF per Student | Core Classrooms | Original Construction | Renovation | Actual Age (2021 basis) | Effective Age Basis | Effective Age (2021 basis) |
|-------------------------|---------------------------------|--------|-------------|----------------|------------------------------------|----------------|-----------------|-----------------------|------------|-------------------------|---------------------|----------------------------|
| 1 | Bethune ES Facility | W | 4.5 | 78,561 | 693 | 113 | 33 | 1949 | 1999 | 72 | 1999 | 22 |
| 2 | Campbell ES Facility | S | 12.7 | 50,902 | 399 | 128 | 19 | 1915 | 1996 | 106 | 1996 | 25 |
| 3 | Coan MS Facility | E | 16.1 | 167,169 | 984 | 170 | 41 | 1967 | 2003 | 54 | 2003 | 18 |
| 4 | Connally ES Facility | W | 5.1 | 88,417 | 840 | 105 | 40 | 1975 | 2000 | 46 | 2000 | 21 |
| 5 | East Lake ES Facility | E | 2.7 | 79,378 | 483 | 164 | 23 | 1949 | 1994 | 72 | 1994 | 27 |
| 6 | Fain ES Facility | N | 8.0 | 83,782 | 588 | 142 | 28 | 1987 | | 34 | 1987 | 34 |
| 7 | Grove Park ES Facility (AVA) | N | 7.0 | 88,921 | 609 | 146 | 29 | 1967 | 2000 | 54 | 2000 | 21 |
| 8 | Inman MS Facility (Morningside) | E | 4.2 | 146,035 | 840 | 174 | 35 | 1923 | 2005 | 98 | 2005 | 16 |
| 9 | Towns ES Facility | N | 8.9 | 70,084 | 567 | 124 | 27 | 1963 | 2000 | 58 | 2000 | 21 |
| 10 | White ES Facility | W | 8.0 | 63,603 | 588 | 108 | 28 | 1964 | 1999 | 57 | 1999 | 22 |
| Relocation Sites | | | 77.2 | 916,852 | 6,591 | 139 | 303 | 1956 | | 65 | 1998 | 23 |

| Charter School Facilities | | Region | Acres | Sq.Ft. | Planning Capacity @ 21, 24 or 25/1 | SF per Student | Core Classrooms | Original Construction | Renovation | Actual Age (2021 basis) | Effective Age Basis | Effective Age (2021 basis) |
|----------------------------------|-----------------------------------|--------|-------------|----------------|------------------------------------|----------------|-----------------|-----------------------|------------|-------------------------|---------------------|----------------------------|
| 1 | Kindezi (Adamsville ES) | W | 4.9 | 75,058 | 630 | 119 | 30 | 1970 | 2001 | 51 | 2001 | 20 |
| 2 | Kindezi (Hill C.W. ES) | E | 7.6 | 79,042 | 693 | 114 | 33 | 1967 | | 54 | 1967 | 54 |
| 3 | KIPP Collegiate (Turner MS) | W | 9.5 | 122,279 | 768 | 159 | 32 | 1950 | 1999 | 71 | 1999 | 22 |
| 4 | KIPP Soul (Blalock ES) | W | 16.4 | 78,332 | 735 | 107 | 35 | 1971 | 2002 | 50 | 2002 | 19 |
| 5 | KIPP Vision (Waters ES) | S | 15.0 | 75,960 | 651 | 117 | 31 | 1958 | 1999 | 63 | 1999 | 22 |
| 6 | KIPP WAYS (Herndon ES) | W | 6.5 | 85,046 | 672 | 127 | 32 | 2002 | | 19 | 2002 | 19 |
| 7 | Neighborhood Charter (Slanton ES) | E | 3.5 | 43,040 | 378 | 114 | 18 | 1907 | 2005 | 114 | 2005 | 16 |
| 8 | Wesley International (Cook ES) | E | 2.6 | 85,856 | 609 | 141 | 29 | 2000 | | 21 | 2000 | 21 |
| 9 | Westside Atl Charter (Archer HS) | N | 19.5 | 266,648 | 1,536 | 174 | 64 | 1957 | 1972 | 64 | 1972 | 49 |
| Charter School Facilities | | | 85.5 | 911,261 | 6,672 | 130 | 304 | 1965 | | 56 | 1994 | 27 |

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

| <u>Fiscal Year</u> | <u>Expenditures¹</u> | <u>Active Enrollment²</u> | <u>Cost Per Pupil Enrolled</u> | <u>Average Daily Attendance³</u> | <u>Cost Per Pupil Attended</u> |
|--------------------|---------------------------------|--------------------------------------|--------------------------------|---|--------------------------------|
| 2012 | \$ 604,635 | 50,009 | \$ 12,091 | 47,192 | 12,812 |
| 2013 | 578,785 | 49,558 | 11,679 | 46,403 | 12,473 |
| 2014 | 596,900 | 50,131 | 11,906 | 47,068 | 12,682 |
| 2015 | 656,475 | 51,145 | 12,836 | 47,463 | 13,831 |
| 2016 | 695,332 | 51,500 | 13,502 | 48,552 | 14,321 |
| 2017 | 737,805 | 51,296 | 14,383 | 48,910 | 15,085 |
| 2018 | 762,428 | 52,147 | 14,621 | 48,445 | 14,738 |
| 2019 | 790,612 | 52,377 | 15,094 | 48,658 | 16,248 |
| 2020 | 821,698 | 52,416 | 15,676 | 48,642 | 16,893 |
| 2021 | 831,325 | 51,012 | 16,297 | 43,870 | 18,950 |

Sources:

1 Atlanta Independent School System General Fund Expenditures by Function schedule for fiscal year ended June 30, 2021 (amounts expressed in thousands).

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

3 Average daily attendance figures from the APS Attendance/Membership Summary Report as of June 30 of each fiscal year.

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

| Function | Fiscal Year Ended June 30, 2021 | | | | | | | | | |
|--|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
| Instruction | 4,743 | 4,568 | 4,020 | 3,840 | 3,808 | 3,833 | 4,992 | 5,099 | 4,965 | 4,361 |
| Pupil Services | 303 | 224 | 193 | 224 | 280 | 339 | 567 | 612 | 603 | 728 |
| Improvement of Instructional Services | 387 | 318 | 329 | 306 | 303 | 313 | 369 | 323 | 299 | 328 |
| Instructional Staff Training | - | - | - | - | - | - | - | 18 | 15 | 14 |
| Educational Media Services | 118 | 116 | 112 | 91 | 79 | 83 | 90 | 80 | 69 | 70 |
| Federal Grant Administration | - | - | - | - | - | - | - | 26 | 25 | 30 |
| General Administration | 57 | 64 | 45 | 59 | 62 | 42 | 66 | 44 | 46 | 53 |
| School Administration | 431 | 440 | 443 | 507 | 521 | 514 | 504 | 493 | 490 | 464 |
| Business Administration | 187 | 161 | 85 | 79 | 69 | 63 | 67 | 72 | 70 | 73 |
| Maintenance and Operations | 667 | 578 | 401 | 374 | 533 | 429 | 543 | 562 | 566 | 555 |
| Student Transportation Services | 431 | 444 | 396 | 451 | 457 | 432 | 575 | 582 | 528 | 565 |
| Central Services | 132 | 142 | 153 | 89 | 111 | 122 | 142 | 139 | 128 | 181 |
| Other Supporting Services | 180 | 91 | 67 | 71 | 55 | 5 | 3 | 4 | 3 | 6 |
| Nutrition Operations | 108 | 101 | 88 | 84 | 80 | 73 | 70 | 64 | 53 | 51 |
| Facilities, Acquisition and Construction | 2 | 2 | 3 | 4 | 2 | 2 | 3 | 4 | 4 | 3 |
| Totals | 7,746 | 7,249 | 6,335 | 6,179 | 6,360 | 6,250 | 7,991 | 8,122 | 7,864 | 7,482 |

Source: Information Technology Department of APS

We are all equal



SINGLE AUDIT SECTION

SINGLE AUDIT SECTION

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Atlanta Independent School System (the “School System”) as of and for the fiscal year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the School System’s basic financial statements, and have issued our report thereon dated March 14, 2022. Our report includes a reference to the changes in accounting principle resulting from the implementation of the Governmental Accounting Standards Board Statement No. 84, *Fiduciary Activities*.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School System’s internal control over financial reporting (“internal control”) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School System’s internal control. Accordingly, we do not express an opinion on the effectiveness of the School System’s internal control.

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Mauldin & Jenkins, LLC

Atlanta, Georgia
March 14, 2022

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

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

Report on Compliance for Each Major Federal Program

We have audited the Atlanta Independent School System's (the "School System") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the School System's major federal programs for the fiscal year ended June 30, 2021. The School System's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the Atlanta Independent School System complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the fiscal year ended June 30, 2021.

Report on Internal Control Over Compliance

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

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

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

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

Mauldin & Jenkins, LLC

Atlanta, Georgia
March 14, 2022

ATLANTA INDEPENDENT SCHOOL SYSTEM

Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2021

| FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE | ASSISTANCE LISTING NUMBER | PASS- THROUGH ENTITY ID NUMBER | TOTAL EXPENDITURES |
|--|---------------------------------|---|-----------------------|
| U. S. Department of Agriculture: | | | |
| Child Nutrition Cluster | | | |
| Pass-Through From Georgia Department of Education | | | |
| Food and Nutrition Program | | | |
| Food Services | | | |
| School Breakfast Program | 10.553 | 17175GA324N1099 | \$ 4,107,290 |
| Cash Assistance | 10.555 | 17175GA324N1100 | 6,703,222 |
| Non-Cash Assistance (Commodities) | 10.555 | 17175GA324N1100 | 292,431 |
| Total Child Nutrition Cluster | | | <u>11,102,943</u> |
| Other programs | | | |
| Pass-Through From Georgia Department of Education | | | |
| Fresh Fruit and Vegetable Program | 10.582 | 175GA324L1903 | <u>439,426</u> |
| Child and Adult Care Food Program | 10.558 | 175GA368N2020 | <u>37,317</u> |
| Warehouse Storage and Delivery Grant | 10.560 | 195GA904N2533 | <u>21,955</u> |
| Total U.S. Department of Agriculture | | | <u>11,601,641</u> |
| U. S. Department of Education: | | | |
| Pass-Through From Georgia Department of Education | | | |
| Individuals with Disabilities Education Act (IDEA)-Special Education Cluster | | | |
| Part B-Special Education | | | |
| Title VIB Flow Through | 84.027 | H027A160073 | 9,506,131 |
| Preschool | 84.173 | H173A160081 | 337,281 |
| IDEA Supplemental Relief Allocation | 84.027 | H027A160073 | 97,975 |
| Subtotal Special Education Cluster | | | <u>9,941,387</u> |
| Other Programs | | | |
| Pass-Through From Georgia Department of Education | | | |
| Title I, Part A Cluster | | | |
| Title I - Grants to Local Educational Agencies | 84.010 | S010A200010 | 779,232 |
| Title I - Grants to Local Educational Agencies | 84.010 | S010A200010 | 30,559,309 |
| Title I - School Improvement - G Digital Learning Funds | 84.010 | S010A200010 | 2,165,420 |
| Subtotal Grants to Local Educational Agencies | | | <u>33,503,961</u> |
| Title I - School Improvement - G Funds | 84.377 | S377A150011 | <u>120,990</u> |
| Title IIA (from GA DOE) | | | |
| Improving Teacher Quality | 84.367 | S367A150001 | 521,708 |
| Improving Teacher Quality | 84.367 | S367A160001 | 1,862,578 |
| Subtotal Improving Teacher Quality | | | <u>2,384,286</u> |
| Pass-Through From Georgia Department of Education | | | |
| Title III (from GA DOE) | | | |
| Limited English Proficient | 84.365 | S365A150010 | 14,084 |
| Limited English Proficient | 84.365 | S365A160010 | 214,554 |
| Subtotal Limited English Proficient | | | <u>228,638</u> |

Continued

ATLANTA INDEPENDENT SCHOOL SYSTEM

Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2021

| FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE | ASSISTANCE LISTING NUMBER | PASS- THROUGH ENTITY ID NUMBER | TOTAL EXPENDITURES |
|--|---------------------------------|---|-----------------------------|
| U. S. Department of Education (Continued): | | | |
| Pass-Through From Georgia Department of Education CARES | | | |
| COVID-19: CARES-1 | 84.425D | S425D200012 | \$ 14,752,702 |
| COVID-19: CARES-Cares | 84.425D | S425D200012 | 31,123 |
| COVID-19: ESSER-CARES-Equitable Services | 84.425D | S425D200012 | 86,726 |
| COVID-19: ESSER II-CARES | 84.425D | S425D200012 | 6,087,332 |
| COVID-19: ESSER-CARES-CTAE Extended Day | 84.425D | S425D200012 | 11,905 |
| COVID-19: ESSER-CARES-CTAE Youth Apprentice | 84.425D | S425D200012 | 3,625 |
| COVID-19: ESSER-CARES-CARES Connectivity | 84.425D | S425D200012 | 6,510 |
| Subtotal CARES | | | <u>20,979,923</u> |
| Pass-Through From Georgia Department of Education ESSER III - Retention Bonus | | | |
| COVID-19: ESSER III Retention Bonus | 84.425U | S425U210012 | <u>7,357,049</u> |
| Pass-Through From Georgia Department of Education Title IV | | | |
| Education for Homeless Children and Youth | 84.196 | S196A150011 | 2,540 |
| Education for Homeless Children and Youth | 84.196 | S196A160011 | 28,624 |
| Subtotal Education for Homeless Children and Youth | | | <u>31,164</u> |
| Pass-Through From Georgia Department of Education Vocational Education-Basic Grants to States | | | |
| CTE - Perkins IV - Program Improvement | 84.048 | V048A170010 | <u>755,468</u> |
| Pass-Through From Georgia Department of Education COVID-19: Charter Schools - Federal Covid19 Relief Distance Learn | 84.282 | U282A200016 | <u>389,814</u> |
| Pass-Through From Georgia Department of Education Title IVA - Student Support and Academic Enrichment | 84.424 | S424A180011 | 1,631,582 |
| Title IVA - Student Support and Academic Enrichment | 84.424 | S424A190011 | 1,850,723 |
| Subtotal Title IVA - Student Support and Academic Enrichment | | | <u>3,482,305</u> |
| Pass-Through From Georgia Department of Education 21st Century Community Learning Centers | | | |
| 21st Century Community Learning Centers | 84.287 | S287C150010 | 2,422 |
| 21st Century Community Learning Centers | 84.287 | S287C160010 | 779,436 |
| Subtotal 21st Century Community Learning Centers | | | <u>781,858</u> |
| Pass-Through From Georgia Department of Technical and Adult Education (GDTAE) Adult Literacy | 84.002 | V002A170010 | <u>547,363</u> |
| Total U. S. Department of Education | | | <u>80,504,206</u> |
| U. S. Department of Defense | | | |
| R.O.T.C. Program - Army | N/A | N/A | <u>1,321,139</u> |
| Total U. S. Department of Defense | | | <u>1,321,139</u> |
| Total Expenditures of Federal Awards | | | \$ <u>93,426,986</u> |

See Notes to the Schedule of Expenditures of Federal Awards.

ATLANTA INDEPENDENT SCHOOL SYSTEM

Notes to the Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2021

NOTE 1. BASIS OF PRESENTATION

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

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

NOTE 2. INDIRECT COST RATE

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

ATLANTA INDEPENDENT SCHOOL SYSTEM

Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2021

SECTION II FINANCIAL STATEMENT FINDINGS AND RESPONSES

None in fiscal year 2021.

SECTION III FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None in fiscal year 2021.

ATLANTA INDEPENDENT SCHOOL SYSTEM

Status of Prior Fiscal Year Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2021

2020 - 001 **Restatement of Prior Period Balances**

Criteria: Internal controls should be in place to ensure that all amounts reported within the financial statements are accurate and have been reconciled to subsidiary ledgers and underlying accounting records.

Condition and Context: During the prior fiscal year, the School System overaccrued \$1,899,442 of expenditures for one of its vendors. As a result, the School Nutrition Fund's beginning fund balance was understated by \$1,899,442 and its beginning accounts payable balance was overstated by \$1,899,442. Additionally, beginning government-wide net position was understated by \$1,899,442 and beginning government-wide accounts payable was overstated by \$1,899,442.

Cause: The above accrual was due to an oversight by management related to the recording of accrued invoices.

Effects: Adjustments totaling \$1,899,442 were required for governmental activities and for the School Nutrition Fund as detailed above.

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

ATLANTA INDEPENDENT SCHOOL SYSTEM

Status of Prior Fiscal Year Findings and Questioned Costs For the Fiscal Year Ended June 30, 2021

2020-002 **Time & Effort Logs – U.S. Department of Education for Title I, Part A, (Assistance Listing # 84.010)**

Criteria: In accordance with the terms of Title I, Part A and 2 CFR Part 200, specific documentation must be maintained to support salaries and wages charged to the federal program. The School System’s policy includes a process where employees who are expected to work solely on a single federal award or cost objective, that charges for their salaries and wages will be supported by periodic certifications and that the employees worked solely on that program for the period covered by the certification. These certifications will be prepared at least semi-annually and will be signed by the employee or supervisory official having first-hand knowledge of the work performed by the employee. Where employees work on multiple activities or cost objectives, the School System’s policy requires a distribution of their salaries or wages be supported by personnel activity reports or equivalent documentation.

Condition and Context: For fiscal year ended June 30, 2020, internal controls over compliance were not sufficient to ensure the School System maintained the semi-annual periodic certifications for some employees who worked solely on the Title I, Part A program. In our sample of forty-eight (48) employees who were paid with Title I, Part A funds, we noted twelve (12) instances in which the School System could not provide evidence that semi-annual periodic certifications had been completed timely for employees who worked solely on Title I, Part A. The signature lines on the periodic certifications provided for these twelve employees were dated after the date of our request for these certifications.

Cause: The School System’s internal controls were not sufficient to ensure that semi-annual periodic certifications were completed and signed for all employees who worked solely on the Title I, Part A program.

Effects or possible effects: Not completing semi-annual periodic certifications can result in spending Federal funds on unallowable costs.

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