



Brief Description of Atlanta Public Schools Fiscal History

Established by Ordinance of the Atlanta City Council, the Atlanta Public Schools (APS) opened two high schools and three grammar schools in 1872 in order to educate the youth of the city. APS is one of the oldest and largest school districts in Georgia. As well as other school districts in Georgia, APS managed the financial conditions during the great recession by making some hard decisions through budget reductions and use of fund balance. Throughout the great recession, APS has not raised the millage rate as other school districts were managing their budgets through millage increases. In fact, just before this economic downturn, the school district's maintenance and operations millage rate dropped from 22.64 in 2007 to 21.64 in 2008 and still maintains that rate today. Additionally, APS has managed to maintain a fund balance in excess of 7.5% of total appropriations.

In the midst of a major economic downturn, the Atlanta Public Schools had to make some tough decisions about the operation and structure of the system to maintain and continue to improve the education of our children given the lessor resources afforded to us. During the great recession, the District's General Fund revenues dropped from \$657 million to \$585 million in 2013, a 12.3% drop, while student enrollment was at 48,805 with expected enrollment for fiscal year 2016 to be at 50,754.

On April 20, 2015, the Board adopted the FY16 General Fund Budget at \$685.6 million, which is a \$28.0 million increase over fiscal year 2015 fiscal budget of \$657.6 million. The fiscal year 2016 budget displays a significant decrease of \$22.5 million in General Administration expenditures and shifts an additional \$42.0 million to Instruction. This is indicative of the APS goal to increase flexible spending at the school level as much as possible.

The fiscal year 2016 General Fund Budget not only outlines the Atlanta Public Schools' revenue and expenditure plan for school year 2015-2016, it also reflects the District's position for a new direction. This new direction seeks to increase instructional quality and efficiency to assure successful achievement of the District's vision and mission.

This budget is not only a balanced budget, but a strategic and more efficient one that drives the District to higher student outcomes and sets the course for APS to operate in the proper capacity and at the right size for many years to come. The budget illustrates to stakeholders how the District demonstrates organizational integrity and fiduciary responsibilities in the way it generates revenue and allocates funds in an equitable manner.

In short, this budget is a result of a close examination of the APS mission, vision, strategic plan and guiding principles with a goal of addressing equity and enabling all students to graduate ready for college and career.

As the District prepares for its implementation of a charter system operating model, it has adopted a multi-year budget strategy that features the following:

- Providing flexibility and autonomy at the school level for principals to develop staffing plans and invest resources in alignment with the district's academic standards of service
- Evaluating all funding requests for alignment to the district's mission and vision
- Identifying the resources required to support enrollment trends and to implement strategic priorities, initiatives and budget parameters
- Reducing general administration and central administration costs to redirect resources to support strategic priorities including initial efforts to right-size the district at the school level
- Accelerating a tax-neutral strategy for pension benefits, and
- Leveraging new revenue options