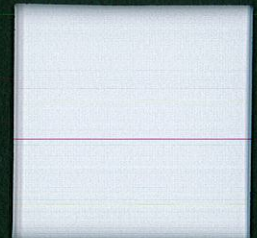
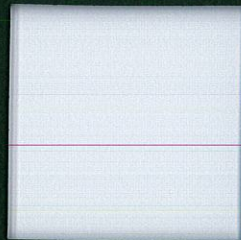
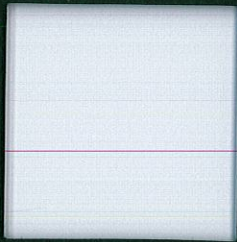
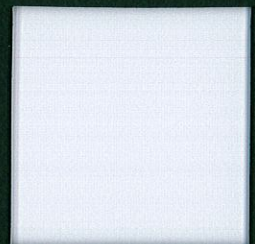
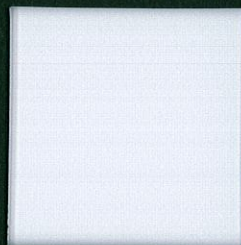
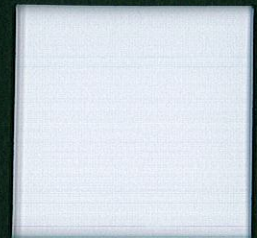


FULTON COUNTY
SCHOOL DISTRICT
ATLANTA, GEORGIA



Fulton
County Schools
Where Students Come First



COMPREHENSIVE ANNUAL
FINANCIAL REPORT

FISCAL YEAR ENDED JUNE 30, 2016

Fulton
County Schools
Where Students Come First

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2016



Holcomb Bridge MS
Carley Chinn ~ 8th Grade



Webb Bridge MS
Alexis Albrecht ~ 6th Grade



Langston Hughes HS
Airason Heard~ 11th Grade



Manning Oaks ES
Hallie Prucha ~ 1st Grade



Johns Creek HS
AshleyTsang ~ 12th Grade



Riverwood HS
Caroling Smalley. ~ 12th Grade



Seaborn Lee ES
Alana Joseph~ 2nd Grade



Johns Creek HS
Jessie Sui~ 11th Grade



Sweet Apple ES
Sara Kate Coyne- 2nd

Prepared by:
Fulton County Board of Education
Division of Financial Services
Dan W. Jones, Chief Financial Officer

ACKNOWLEDGEMENTS

On behalf of the Fulton County School Board of Education, the Superintendent, and the Financial Services Division, I am pleased to present the 2016 Comprehensive Annual Financial Report (CAFR). The cover, designed to resemble an art gallery, showcases the work of our extremely talented students in kindergarten through grade twelve.

I would like to thank the student artists who allowed us to share their prized and inspirational artwork for our financial report. I also must give special acknowledgement to the District's art teachers who teach and motivate our student artists.

Finally, as Chief Financial Officer, I wish to acknowledge my appreciation to the members of the Financial Services Division who contributed to the development and the content of this report including Mrs. Greta Tinaglia, Executive Director of Accounting and Retirement Services and her Accounting Services staff and Mr. Marvin Dereef, Deputy Chief Financial Officer for their leadership during the transition this year.

Yours very truly,



Dan Jones
Chief Financial Officer



STUDENT ARTWORK

Carley Chinn, 8th Grade
Art Teacher, Amanda Marbry
Holcomb Bridge Middle School
District 1

Hallie Prucha, 1st Grade
Art Teacher, Yuri Strom
Manning Oaks Elementary School
District 2

Alana Joseph, 2nd Grade
Art Teacher, Sarah Falconer
Seaborn Lee Elementary School
District 6

Alexis Albrecht, 6th Grade
Art Teacher, Stephanie Turner
Webb Bridge Middle School
District 2

Ashley Tsang- 12th Grade
Art Teacher, Bonnie Lovell
Johns Creek High School
District 5

Jessie Sui, 11th Grade
Art Teacher, Bonnie Lovell
Johns Creek High School
District 7

Airason Heard, 11th Grade
Art Teacher, Mary Beazeale
Langston Hughes High School
District 4

Caroling Smalley, 12th Grade
Art Teacher, Lana Ensmann
Riverwood High School
District 3

Sara Kate Coyne, 2nd Grade
Art Teacher, Drew Brown
Sweet Apple Elementary School
District 1

Fulton County Board of Education, Georgia
Comprehensive Annual Financial Report
For The Fiscal Year Ended June 30, 2016

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(Unaudited)

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Introductory Section



Holcomb Bridge MS
Carley Chinn ~ 8th Grade

*F*ulton
County Schools
Where Students Come First



BOARD OF EDUCATION

Linda McCain, *President*
Linda P. Bryant, *Vice President*
Julia C. Bernath • Gail Dean • Catherine Maddox
Katie Reeves • Katha Stuart
Jeff Rose, Ed. D., *Superintendent*

December 20, 2016

**To the Members of the Fulton County Board of Education,
The Citizens of Fulton County, Georgia and the Financial Community:**

The *Comprehensive Annual Financial Report* (CAFR) of the Fulton County Board of Education, Georgia (the School District) for the fiscal year ended June 30, 2016, is submitted herewith. This report was prepared by the Financial Services Division and is intended to fulfill the requirements for audit prescribed by Georgia Statutes for local boards of education. District management assumes full responsibility for the completeness and reliability of the information contained in this report, based on a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

The Financial Services Division prepared this report in conformance with standards of the Governmental Accounting Standards Board, the American Institute of Certified Public Accountants, and the Government Finance Officers Association.

Mauldin & Jenkins, LLC, have issued an unmodified ("clean") opinion on the Board's financial statements for the fiscal year ended June 30, 2016. The independent auditor's report is located at the front of the financial section of this report.

**PROFILE OF
THE BOARD**

The School District's boundaries are coterminous with those of Fulton County, Georgia (the "County") (except the area within the corporate limits of the City of Atlanta, Georgia which constitutes the territory within the Atlanta Independent School System). The School District reports one blended component unit, the *"Fulton County School Employees' Pension Fund"*.

The School District serves the entire County area excluding the territory within the Atlanta Independent School System. The School District is currently composed of 100 schools: 57 elementary schools (grades K-5), 19 middle schools (grades 6-8) and 17 high schools (grades 9- 12), 2 open campus high schools, and 5 start-up Charter Schools for a total enrollment of approximately 96,200. The School District is governed by an elected seven-member Board of Education, the official policy-making body of the School District, and administered by an appointed Superintendent.



BOARD OF EDUCATION

Linda McCain, *President*
Linda P. Bryant, *Vice President*
Julia C. Bernath • Gail Dean • Catherine Maddox
Katie Reeves • Katha Stuart
Jeff Rose, Ed. D., *Superintendent*

The School District is the fourth largest system in Georgia and the 32nd largest in the United States. The District is governed by a Board of Education consisting of seven members elected by the registered voters of the County from seven education districts within the County. A president and a vice-president are elected from the membership, and serve as such for a term of two years and one year respectively.

Day-to-day administration of the School District is the responsibility of the Superintendent, who is appointed by the Board for terms of office which may not be less than one year or greater than three years. The School Superintendent acts as the Secretary of the Board of Education, *ex officio*.

As of June 30, 2016, there were more than 7,500 certificated personnel servicing an active enrollment of approximately 96,200 students in the various schools. Services provided by our personnel include: preschool for three and four-year-old special needs students, regular and special education instructional program at the elementary (kindergarten through 5th grade), middle (6th through 8th grade), and secondary (9th through 12th grade) levels. Additional services in community school programs, on-line educational programs and numerous others, which exceed the legal requirements, are also offered in the school system.

All teachers in the School System hold Bachelor's degrees, many have Master's degrees, and some have Specialist's and Doctoral degrees. Most have a continuing interest in professional and personal growth through formal study and staff development workshops.

The School District has been reaccredited by AdvanceEd, which is comprised of three U.S.-based regional accreditation agencies. The regional accreditation agency that conducts the School District's accreditation activities is the Southern Association of Colleges and Schools Council on Accreditation (SACS CASI).

Fulton County has a land area of approximately 529 square miles. The terrain is rolling, and the elevation varies from 900 to 1,050 feet above sea level. The average temperature varies from 41 degrees in January to 79 degrees in July, with an average mean temperature of 61 degrees. Average annual rainfall is 50.77 inches.

LOCAL ECONOMY

The development of the fiscal year 2016 budget, which was approved on June 09, 2015, was a planned, orderly process, which evaluated the prioritization of available funds for provision of educational services for Fulton County students. The central focus of the approved fiscal year 2016 budget is student achievement and a commitment to continual improvement.

Our two primary funding sources have experienced growth this fiscal year as the local economy continues to recover and the state revenue picture improves. Our major General Fund revenue stream for operations is property taxes which generates 61% of the General Fund revenue and increased by \$51.4 million due to growth in the Tax Digest.

Our second major General Fund revenue stream is State revenue through the "Quality Basic Education" Act funding, which represents 37% of General Fund revenue. In fiscal year 2016, QBE state aid of approximately \$342 million was up from fiscal year 2015 by approximately \$34 million due to enrollment growth, an increase in training and experience credit for teachers and a reduction in the state austerity adjustments.

Overall our General Fund revenues are up approximately 11%. It is the goal of the School District to strategically use new revenue to support the district's strategic plan, to provide compensation increases to employees to manage the expenditure growth associated with increased enrollment and rising benefit costs. The revenue increases in fiscal 2016 were used in part to provide a salary incentive to all employees a minimum 3% average 8% compensation to employees and to add \$2.9 million to General Fund balance to help manage future spending increases.

LONG TERM FINANCIAL PLANNING

The School District plans capital improvements as future capital needs arise due to increased student population and facility repair and maintenance needs. Specific capital expenditure plans are formalized in conjunction with enrollment forecasts, current facility assessments, and anticipated annual receipts of capital outlay funds from the State of Georgia Department of Education. The School District regularly monitors anticipated capital outlay needs.

The District has adopted financial policies that provide us with an infrastructure for our future financial management decisions. The topics addressed in these policies include:

- Operating budgets and equity reserve policies;
- Capital improvement program policies;
- Debt issuance and management policies (adopted in fiscal year 2010);
- Revenue administration policies
- Accounting, auditing, and financial reporting policies;
- Deposit and investment policies.

STRATEGIC INITIATIVES

During the 2012- 2013 school year Fulton County Schools began the implementation of Strategic Plan 2017: Building Our Future, a five-year roadmap to dramatically improve student achievement for all students. We have organized the path forward around these five areas of focus where the district must improve:

- Advancing Instruction;
- Enhancing People;
- Integrating Technology;
- Ensuring Effective Schools;
- Managing Resources.

Our status as Georgia's largest Charter System presents an unprecedented level of flexibility to think differently about how we operate and consider new ways to meet the needs of a diverse and wide-reaching school district. Our theory of action is that empowering principals and school-based governance councils will lead to improved outcomes for students throughout Fulton County. Focused and intentional work guided by the District's strategic plan has led to Fulton improving its four-year cohort graduation rate over 15 percentage points resulting in both the highest graduation rate in Metro Atlanta as well as the fastest rate of improvement over the same period.

AWARDS

Financial Reporting

The District received a Certificate of Excellence in financial reporting for the fiscal year June 30, 2015 CAFR from Government Finance Officers Association of the United States and Canada (GFOA) and the Association of School Business Officials International (ASBO). This was the 8th year that the School District has submitted and received these prestigious awards.

In order to receive these awards, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. These awards are valid for a period of one year only. We believe that our current CAFR continues to meet GFOA and ASBO requirements, and will be submitting our 2016 CAFR to determine its eligibility for these certificates.

Budget Presentation

The District prepares an official budget document each year which is issued as a separate report. Since 2010, the District has received the Distinguished Budget Presentation Award from GFOA.

In order to receive this award, the District must publish a budget document that meets program criteria as a policy document, a financial plan, an operations guide, and as a communications device. The award is valid for a period of one year only. We have also received the Meritorious Budget Award from ASBO every year since 2010. The criteria required by ASBO includes an introductory, organizational, financial and information section. We believe the most recent budget continues to conform to program requirements, and we have submitted it to GFOA and ASBO to determine its eligibility for another award.

CLOSING

In closing, we want to thank the members of the Fulton County Board of Education for their unfailing support for maintaining the highest standards of professionalism in the management of the School District's finances. To the citizens of the Fulton County School District, please accept our gratitude for your support of our successful School District.

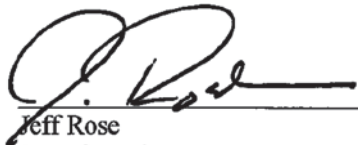
BOARD OF EDUCATION

Linda McCain, *President*
Linda P. Bryant, *Vice President*
Julia C. Bernath • Gail Dean • Catherine Maddox
Katie Reeves • Katha Stuart
Jeff Rose, Ed. D., *Superintendent*

ACKNOWLEDGEMENTS

The preparation of this report could not have been accomplished without the dedicated services of the entire professional staff of the Financial Services Division. Each member has our sincere appreciation for his/her timely closing of the School District's financial records and the preparation of this report. A special recognition is made to Ms. Greta Tinaglia, Executive Director of Accounting Services, for leading the comprehensive annual financial report development. We also express our thanks to all department of the School District for their help in collecting and assimilating data. We especially like to recognize the students of our District for the beautiful artwork found throughout this document.

Respectfully Submitted,



Jeff Rose
Superintendent



Dan Jones
Chief Financial Officer



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Fulton County
Board of Education
Georgia**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2015

Executive Director/CEO



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

**The Certificate of Excellence in Financial Reporting Award
is presented to**

Fulton County School District

**for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2015.**

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



Brenda Burkett

Brenda R. Burkett, CPA, CSBA, SFO
President

John D. Musso

John D. Musso, CAE, RSBA
Executive Director

Board of Education

2 0 1 5 - 2 0 1 6



Katha Stuart
District 1



Linda McCain
President - District 5



Katie Reeves
District 2



Gail Dean
District 3



Linda Bryant
Vice President - District 4



Catherine Maddox
District 6



Julia Bernath
District 7



The Fulton County Board of Education includes seven members elected by district to serve four-year terms. The Superintendent serves as an ex-officio member of the Board and acts as Secretary-Treasurer. Board members elect a President for a two-year term and a Vice President for a one-year term.

Duties and Responsibilities

The primary duty of the Board of Education is to enact policy. The Superintendent and staff enforce the policies and ensure that each student has an equal opportunity for a quality education. The Board also:

- Evaluates the educational program;
- Adopts courses of study;
- Approves personnel recommendations;
- Approves the budget, financial reports, audits and major expenditures;
- Provides funds for the operation and support of the school system;
- Sets minimum standards for efficient operation and improvement of the system;
- Approves school attendance boundaries; and
- Acts as a tribunal at certain employee and student hearings.

Fulton County Board of Education, Georgia
Superintendent of Schools
Dr. Jeff Rose
December 15, 2016

Superintendent

Dr. Jeff Rose joined Fulton County Schools as its Superintendent of Schools in June 2016. As Superintendent, he is responsible for the leadership, administration and management of approximately 96,000 students, 101 schools, 10,500+ employees, and a \$952 million general fund budget.

Prior to joining Fulton County Schools, Dr. Rose served for five years as superintendent of Beaverton School District, Oregon's third largest school system located near Portland. During his 21 years in education, Dr. Rose has served as an educational assistant, classroom teacher (taught 4th/5th grades), principal, director of school improvement and the superintendent of schools in Canby School District, also in Oregon. He earned his Doctorate and Master of Education degrees from Lewis and Clark College and holds an undergraduate degree in education from Long Beach State.



Dr. Rose is an instructional leader who believes every student deserves a quality education that prepares him or her for college and/or career. He has built a reputation for establishing focused, collaborative and transparent organizations of learning. He has a proven track record of innovation and an unrelenting focus on student achievement. Jeff has led Beaverton School District through the most difficult financial times in the district's history, helping to focus school and community efforts as an organization.

Dr. Rose and his wife, Lisa, have two school-aged children who will attend Fulton County Schools.

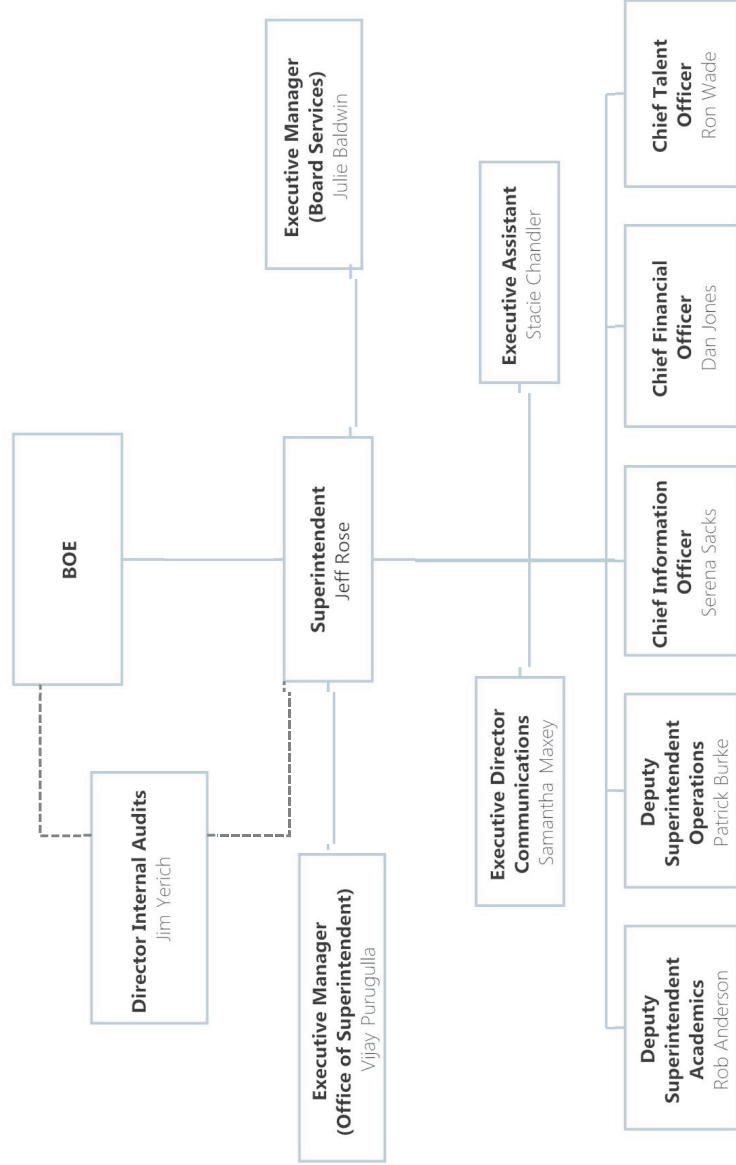
***Fulton County
Board of Education, Georgia***

List of Appointed Principal Officials

June 30, 2016

<u>Name</u>	<u>Position</u>
Dr. Jeff Rose	Superintendent
Dr. Rob Anderson	Deputy Superintendent of Academics
Mr. Patrick Burke	Deputy Superintendent of Operations
Ms. Serena Sacks	Chief Information Officer
Mr. Dan Jones	Chief Financial Officer
Mr. Ron Wade	Chief Talent Officer
Ms. Samantha Evans	Executive Director Communications and Constituent Services
Ms. Julie Baldwin	Board Services Manager

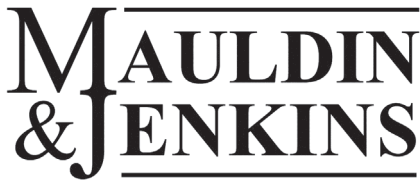
Superintendent



Financial Section



Seaborn Lee ES
Alana Joseph- 2nd Grade



INDEPENDENT AUDITOR'S REPORT

**To the Superintendent and Members of the
Fulton County Board of Education
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 **Fulton County Board of Education** (the "School System") as of and for the fiscal year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the School System's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Fulton County Board of Education as of June 30, 2016, and the respective changes in financial position and the budgetary comparison for the General Fund, for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Schedule of Proportionate Share of the Net Pension Liability – Teachers Retirement System of Georgia, the Schedule of Contributions – Teachers Retirement System of Georgia, the Schedule of Changes in the School System's Net Pension Liability and Related Ratios, and the Schedule of Contributions – Fulton County School System's Retirement Plan (on pages 4 through 16 and 57 through 60, respectively) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Fulton County Board of Education's basic financial statements. The combining and individual fund statements and schedules and 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, statistical, and special reports sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Other Matters (continued)

Other Information (continued)

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2016 on our consideration of the Fulton County Board of Education's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 Fulton County Board of Education's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Atlanta, Georgia
December 20, 2016

**MANAGEMENT'S
DISCUSSION
AND ANALYSIS**

MANAGEMENT'S DISCUSSION AND ANALYSIS

Within this section of Fulton County Board of Education, Georgia's (the "School System") comprehensive annual financial report, the School System's management is pleased to provide this narrative discussion and analysis of the financial activities of the School System for the fiscal year ended June 30, 2016. The School System's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

Financial Highlights

The School System's assets exceeded its liabilities by \$1,397,532,797 (net position) at June 30, 2016.

- Total net position are comprised of the following:
 - (1) Net investment in capital assets, of \$1,854,946,370 include property and equipment, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of capital assets.
 - (2) Net position restricted of \$120,206,567 by constraints imposed from outside the School System such as debt covenants, grantors, laws, or regulations.
 - (3) Unrestricted net position deficit of (\$577,620,140) represent the portion not available to maintain the School System's continuing obligations to citizens and creditors.
- The School System's governmental funds reported total ending fund balance of \$338,538,513 at the end of this fiscal year. This compares to the prior fiscal year ending fund balance of \$371,533,141, a decrease of \$32,994,628 during the current fiscal year.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$58,004,665 or 6.36% of total general fund expenditures. The fiscal year 2016 unassigned fund balance shows a \$9,937,320 increase from the prior fiscal year amount.

The above financial highlights are explained in more detail in the "financial analysis" section of this document.

Overview of the Financial Statements

This Management Discussion and Analysis document introduces the School System's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The School System also includes in this report additional information to supplement the basic financial statements.

Government-wide Financial Statements

The School System's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the School System's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

The first of these government-wide statements is the *Statement of Net Position*. This is the government-wide statement of position presenting information that includes all the School System's assets, deferred outflows of resources, deferred inflows of resources, and liabilities, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of the financial position of the School System. Evaluation of the overall health of the School System would extend to other nonfinancial factors such as diversification of the taxpayer base, in addition to the financial information provided in this report.

The second government-wide statement is the *Statement of Activities*, which reports how the School System's net position changed during the current fiscal year. All current fiscal year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the School System's distinct activities or functions on revenues provided by the School System's taxpayers.

Both government-wide financial statements distinguish governmental activities of the School System that are principally supported by taxes and grants from business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include regular instruction, specialized instruction, and numerous supporting services such as school administration and the operation and maintenance of the schools.

The government-wide financial statements are presented on pages 17 and 18 of this report.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The School System uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the School System's most significant funds rather than the School System as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for nonmajor funds is provided in the form of combining statements in a later section of this report.

The School System has two kinds of funds:

Governmental funds are reported in the fund financial statements and encompass the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the School System's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the fiscal year. Fund financial statements are useful in evaluating annual financing requirements of governmental programs and the commitment of current spendable resources.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the differences between these two perspectives.

The basic governmental fund financial statements, including the general fund's budgetary statement are presented on pages 19-23 of this report.

Individual fund information for nonmajor governmental funds is found in combining and individual statements and schedules in a later section of this report.

The other fund type, *fiduciary funds*, is used to account for the School System's pension trust fund and its school activity accounts. These statements are presented on pages 24 and 25.

Notes to the Basic Financial Statements

The accompanying notes to the basic financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 26 of this report.

As discussed, the School System reports major funds in the basic financial statements.

Required Supplementary Information

This section includes some trend information for its pension trust fund. This information is presented on pages 57 - 60.

Financial Analysis of the School System as a Whole

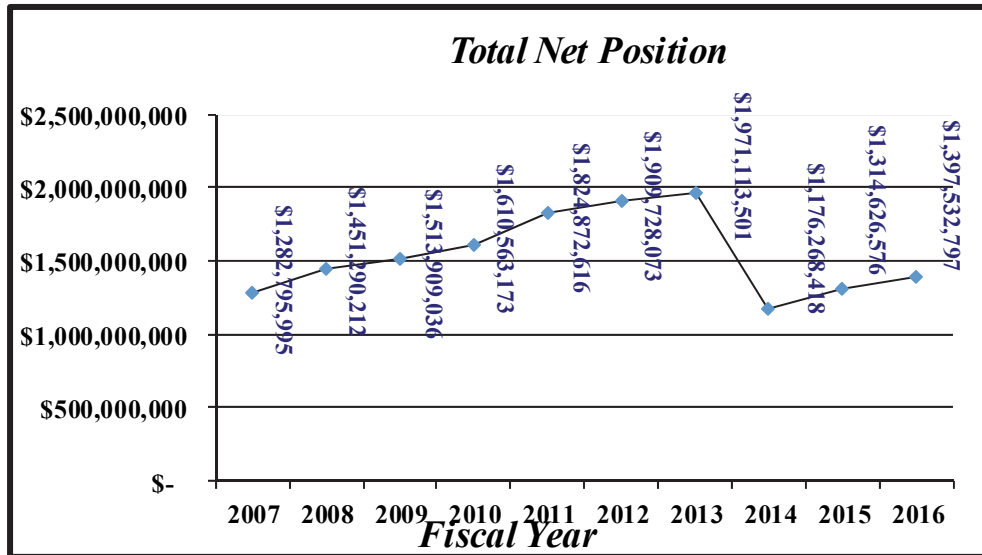
The School System's net position at fiscal year-end is \$1,397,532,797. The following table provides a summary of the School System's net position (*in thousands*):

	2016		2015	
	Governmental Activities	Percentage of Total	Governmental Activities	Percentage of Total
Assets:				
Current assets	\$ 516,569	21%	\$ 567,155	23%
Noncurrent:				
Net pension asset	-	0%	-	0%
Capital assets	1,944,307	79%	1,867,962	77%
Total assets	2,460,876	100%	2,435,117	100%
Deferred outflows	135,389		90,094	
Liabilities:				
Current liabilities	190,542	17%	204,526	20%
Long-term liabilities	938,145	83%	795,841	80%
Total liabilities	1,128,687	100%	1,000,367	100%
Deferred inflows	70,045		210,217	
Net position:				
Net investment in capital assets	1,854,946	133%	1,757,700	134%
Restricted	120,207	8%	160,632	12%
Unrestricted (deficit)	(577,620)	-41%	(603,705)	-46%
Total net position	\$ 1,397,533	100%	\$ 1,314,627	100%

The School System continues to maintain a high current ratio. The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. The current ratio for governmental activities is 2.7 to 1 at June 30, 2016 versus 2.8 to 1 at June 30, 2015.

The School System reported a positive balance in net position for its governmental activities. Net position increased \$82,906,221 for governmental activities.

The following chart reports the total net position balances from fiscal year 2007 - 2016:



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The following table provides a summary of the School System's changes in net position (*in thousands*):

Summary of Changes in Net Position

	2016		2015	
	Governmental Activities	Percentage of Total	Governmental Activities	Percentage of Total
Revenues:				
Program:				
Charges for services	\$ 19,416	1.6%	\$ 19,327	1.7%
Operating grants	403,253	33.6%	408,639	35.4%
Capital grants	15,199	1.3%	31,029	2.7%
General:				
Taxes	756,348	63.0%	690,167	59.8%
Other	6,032	0.5%	4,088	0.4%
Total revenues	<u>1,200,248</u>	<u>100.0%</u>	<u>1,153,250</u>	<u>100.0%</u>
Program Expenses:				
Instruction	\$ 669,586	59.9%	\$ 640,801	63.1%
Pupil services	34,780	3.1%	29,603	2.9%
Improvement of instructional services	43,069	3.9%	39,088	3.9%
Educational media services	16,034	1.4%	15,618	1.5%
Federal grant administration	1,356	0.1%	1,396	0.1%
General administration	5,032	0.5%	3,918	0.4%
School administration	52,171	4.7%	51,121	5.0%
Business administration	20,539	1.8%	18,467	1.8%
Maintenance and operation of plant	141,270	12.6%	87,529	8.6%
Student transportation services	57,790	5.2%	53,211	5.2%
Central services	23,610	2.1%	24,648	2.4%
Other support services	1,821	0.2%	1,824	0.2%
Food service operations	44,894	4.0%	41,361	4.1%
Interest	5,390	0.5%	6,307	0.8%
Total expenses	<u>1,117,342</u>	<u>100.0%</u>	<u>1,014,892</u>	<u>100.0%</u>
Change in net position	82,906		138,358	
Beginning net position	<u>1,314,627</u>		<u>1,176,269</u>	
Ending net position	<u>\$ 1,397,533</u>		<u>\$ 1,314,627</u>	

GOVERNMENTAL REVENUES

The School System's primary revenue sources are property taxes and State aid, primarily the Quality Basic Education aid (QBE). The School System also is reliant on property taxes to support educational operations and capital outlay. Property taxes provided 49.12% of the School System's total governmental revenues as compared to 45.6% in fiscal year 2015.

State and federal aid recognized for operating purposes (excluding capital outlay) total 34.8% of total revenue as compared to 35.4% in fiscal year 2015.

In the State of Georgia, the general State aid, known as Quality Basic Education aid (QBE) is classified as program revenue. The QBE aid is distributed based upon enrollments and a certain amount of this aid must be expended in certain expense functions, as well as an amount on salaries and an amount on operations. In fiscal year 2016, the School System recognized QBE of approximately \$343 million or approximately 28.6% of total revenues as compared to approximately \$328 million or 28.4% in fiscal year 2015. The reason for this change is explained in the governmental activities financial analysis section presented later in this document.

In addition, the School System earned \$937,232 in unrestricted investment earnings to support educational activities. Also, note that program revenues cover approximately 39.2% of governmental operating expenses. This means that the School System's taxpayers, through property taxes and sales taxes, fund almost 61% of the governmental activities revenues.

The School System recorded over \$166.6 million in special purpose local option sales taxes (SPLOST) during the current fiscal year. In November 2011, a new referendum was approved authorizing a 1% special purpose local option sales tax, which commenced July 1, 2012 and expires June 30, 2017. These taxes are used for acquiring school sites, constructing, and equipping new school facilities, and renovating existing facilities.

GOVERNMENTAL FUNCTIONAL EXPENSES

The following table presents the cost of each of the School System's programs, including the net costs (i.e., total cost less revenues generated by the activities). The net costs illustrate the financial burden that was placed on the School System's taxpayers by each of these functions.

The instruction function makes up almost 60.0% of total expenses or almost \$670 million. The School System spends an additional \$94 million on direct instructional support, including pupil services, improvement of instructional services and educational media services. The administration costs of operating our 100 schools are approximately \$52 million. The operation and maintenance of the School System's buildings costs approximately \$141 million.

The school nutrition program gross expenses are over \$44 million and this program gained approximately \$3.8 million after meal charges, State, and Federal aid. Finally, operating approximately 763 buses costs the School System over \$57.7 million.

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The following table compares total cost and net cost for the last two fiscal years (*in thousands*):

	Governmental Activities			
	Total Cost of Services		Net Cost of Services	
	2016	2015	2016	2015
Instruction	\$ 669,586	\$ 640,801	\$ 386,349	\$ 309,720
Pupil services	34,780	29,603	27,983	22,903
Improvement of instructional services	43,069	39,088	20,982	17,230
Educational media services	16,034	15,618	4,355	6,279
Federal grant administration	1,356	1,396	1,356	(35)
General administration	5,032	3,918	(5,109)	2,998
School administration	52,171	51,121	30,840	35,120
Business administration	20,539	18,467	20,446	18,456
Maintenance and operation of plant	141,270	87,529	110,931	67,303
Student transportation services	57,790	53,211	52,246	47,457
Central services	23,610	24,648	23,440	24,222
Other support services	1,821	1,824	(1,136)	77
Food service operations	44,894	41,361	3,753	(577)
Interest	5,390	6,307	3,038	4,743
Total	\$ 1,117,342	\$ 1,014,892	\$ 679,474	\$ 555,896

Although the instruction function makes up 60.0% of total gross costs in fiscal year 2016, it is 56.9% of net costs. This reduction relates to the QBE aid reported as a program-operating grant and State aid capital grants for school construction.

Financial Analysis of the School System's Funds

Governmental Funds

As discussed, governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the fiscal year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of \$338,538,513. Of this fiscal year-end total, \$91,772,001 is legally restricted, \$69,671,474 is for capital outlay, \$4,373,705 is for debt service, and \$13,824,390 is for the school nutrition program. \$179,416,913 is committed, primarily for safeguards set aside to protect the School System against economic recessions.

Finally, \$25,600 is assigned and \$58,000,231 is unassigned and available for future educational purposes.

Major Governmental Funds

General Fund - The general fund is the School System's primary operating fund and the largest source of day-to-day service delivery. The general fund's fund balance increased by \$2,943,920 or 1.2%, over fiscal year 2015 amount.

The property taxes increased approximately \$35.1 million or 6.7% over the fiscal year 2015 amount due to an increase in the tax digest.

In fiscal year 2016, the QBE State aid of approximately \$343 million exceeded the fiscal year 2015 amount by approximately \$15 million or 4.57%. This increase relates to enrollment growth of 662 students to 96,220 with associated additional funding.

Federal revenues were up approximately \$1.9 million from fiscal year 2015. Total revenues increased \$52.0 million or 6.01% over our fiscal year 2015 revenues due to enrollment growth and a strong increase in the property tax digest.

On the expenditure side, total general fund expenditures, increased approximately \$56.7 million or 6.6% in line with salary increases given to employees for fiscal year 2016.

Direct instruction expenditures increased approximately \$38 million or just 6.7%. The improvement of instructional services function costs was approximately \$29.3 million or 16.6% more than the prior fiscal year due to increasing benefit cost related to TRS and Health Insurance and a salary step increase paid to all employees.

Business administration costs were up \$2.7 million or 15.5% more than fiscal year 2015 due to salary increases and \$800,000 increase in the purchase of non-capitalized software. Transportation cost were up \$5.8 million or 13.16% due to salary increases and a change in methodology for allocating Employer local pension contribution. Pupil services costs were up approximately \$4.8 million or 17.61% due to salary increases and the purchase of tests and materials and equipment. Improvement of instruction increased by \$4.1 million or 16.59% as the result of increases in the salary expenditures for additional teachers. General Administration increased \$583 thousand or 19.65% due to an increase in attorney and consulting fees and increased indirect cost charges.

Most other expenditure functions were consistent with the fiscal year 2015 amounts.

The general fund's ending unassigned fund balance is considered adequate, representing the equivalent of approximately 6.4% of annual expenditures. The unassigned fund balance was 5.6% of annual expenditures at June 30, 2015.

2007 SPLOST Capital Projects Fund – On March 20, 2007, the voters approved a special purpose local option sales tax for a period of five years. The District is authorized to use \$802.6 million for building construction and renovation and \$90.2 million for debt service. During fiscal year 2016, this fund expended approximately \$9.7 million on construction. In this fiscal year, this fund recognized no sales taxes. At June 30, 2016, this fund reported a fund balance of approximately \$2.6 million, which will be used for construction.

2012 SPLOST Capital Projects Fund – On November 11, 2011, the voters approved a special purpose local option sales tax for a period of five years. The District is authorized to use \$912.4 million for building construction and renovation and \$57 million for debt service. During fiscal year 2016, this fund expended \$192 million on construction and approximately \$4.1 million on debt service. In this fiscal year, this fund recognized approximately \$166 million in sales tax revenue. At June 30, 2016, this fund reported a fund balance of approximately \$60.7 million, which will be used for future construction and debt service.

Debt Service Fund – The fiscal year 2016, debt service expenditures of approximately \$20 million were funded by the use of restricted fund balance. At June 30, 2016, this fund reported fund balance of approximately \$5.8 million.

General Fund Budgetary Highlights

The revenue budget was amended upward \$7 million or a .78% increase.

The State revenue budget was amended upward by a total of \$7 million or just 2.07%. The final actual was less than the Final Budget by \$3.7 million.

The property taxes revenue exceeded the final budget by \$8.8 million as this budget item was estimated conservatively.

The expenditure side of the original budget for the general fund was revised upward approximately \$24.8 million or 2.7% increase.

The total expenditures for direct instruction performed in line with the final budget. Improvement of Instructional Services and Pupil Services and School both returned positive budget variances along with Central Support and Student Transportation where costs all came in lower than originally anticipated.

The maintenance and operation of the plant budget was amended upward by approximately \$9.3 million or 10.9%. The actual expenditures were approximately \$12.9 million below the final budget due to slower than expected expenditures during the summer months.

Overall, the School System spent 96.5% of the final expenditure budget as compared to 94.5% in fiscal year 2015. Overall, in recognition of the economic environment, administrators, and staff made all efforts to reduce costs where possible in fiscal year 2016.

Capital Assets and Debt Administration

Capital Assets

The School System's net investment in capital assets for governmental activities as of June 30, 2016, was \$1,944,306,667. The total increase was \$76,345,086 in the net investment or 3.93%. See Note 3 for additional information about changes in capital assets during the current fiscal year and balances at the end of the fiscal year.

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The following table provides a summary of capital asset activity:

	Capital Assets Governmental Activities			
	Amounts		Percentage of Total	
	2016	2015	2016	2015
Nondepreciable assets:				
Land	\$ 260,703,517	\$ 257,452,893	66%	52%
Construction in progress	134,307,274	235,315,033	34%	48%
Total nondepreciable	<u>395,010,791</u>	<u>492,767,926</u>	<u>100%</u>	<u>100%</u>
Depreciable assets:				
Buildings and improvements	2,186,934,019	1,968,522,537	95%	95%
Machinery and equipment	111,441,148	104,285,806	5%	5%
Total depreciable assets	<u>2,298,375,167</u>	<u>2,072,808,343</u>	<u>100%</u>	<u>100%</u>
Less accumulated depreciation	<u>749,079,291</u>	<u>697,614,688</u>		
Book value - depreciable assets	<u>1,549,295,876</u>	<u>1,375,193,655</u>		
Percentage depreciated	<u>33%</u>	<u>34%</u>		
Book value - all assets	<u>\$ 1,944,306,667</u>	<u>\$ 1,867,961,581</u>		

At June 30, 2016, the depreciable capital assets for governmental activities were 33% depreciated. This percentage compares slightly lower than the June 30, 2015 percentage. This comparison indicates that the School System is replacing its assets at almost the same rate as they are depreciating which is a positive indicator.

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The major projects added to the construction in progress account in thousands are as follows:

Autrey Mill	\$3.6
Bannaker	\$10
Esther Jackson	\$19.7
Evoline West	\$2.9
Gullatt	\$5.0
Heards Ferry	\$5.1
Hopewell	\$2.6
Love Nolan	\$2.1
McNair	\$10.6
Mountain Park	\$2.7
New South Fulton 1	\$18.3
New South Fulton 5	\$3.1
New South Fulton College Park	\$3.0
Riverwood	\$8.4
Sandy Springs	\$4
Taylor Road	\$5.7

Long-term Debt

At June 30, 2016, there were two general obligation bond issues outstanding, totaling \$55,870,000. The School System retired \$15,970,000 or 22.23% of the outstanding bonds in fiscal year 2016.

The following table presents the outstanding long-term debt and obligation balances at June 30, 2016 and 2015:

Outstanding Borrowings and Obligations

	Governmental Activities		% Change
	2016	2015	
1991 general obligation bonds	\$ 4,045,000	\$ 11,170,000	-63.8%
1998 general obligation bonds	51,825,000	60,670,000	-14.6%
Intergovernmental agreement	26,132,332	28,507,999	-8.3%
Workers' compensation	6,302,000	7,915,014	-20.4%
Other claims and judgments	967,943	981,180	-1.3%
Net pension liabilities	865,029,113	706,863,417	22.4%
Compensated absences	<u>32,038,784</u>	<u>25,706,362</u>	24.6%
Total	<u>\$ 986,340,172</u>	<u>\$ 841,813,972</u>	17.2%

The School System owes to its employees approximately \$32 million for compensated absences. This liability increased 24.6% in fiscal year 2016.

See note 3 for additional details regarding the School System's long-term debt and obligations.

Economic Conditions Affecting the School System

Fiscal Year 2016 Budget – The fiscal year 2016 budget was presented to the public on May 5, 2015 and adopted by the Board of Education at the June 9, 2015 meeting. This budget was developed using an open, transparent, and all-inclusive process, which solicited input at different stages of the budget development process from budget stakeholders. The 2016 budget increased expenditure levels from the final 2015 budget by \$6.1 million or 0.67% to a total of \$920.8 million. The most significant items include:

- TRS Benefit increases from 13.15% to 14.27% for a \$5 million impact;
- Classified Health Insurance increased by \$6 million;
- Growth in enrollment adding \$1 million;
- STEP and salary increases for all employees amounted to \$37.2 million;
- New teacher signing bonus impact was \$1.2 million;
- Risk Management budget of \$2.8 million;
- Expansion of the Virtual Campus program added \$1.2 million;
- Closing of two charter schools caused a reduction of \$6.4 million;

On the revenue side, the millage rate remained constant with a forecasted increase in the property tax digest of 7.5%. QBE revenues are expected to increase by 3.36% to accommodate enrollment growth and the increase of the training and experience rate. Overall, the revenue budget increased \$50.1 million or 5.95% from the Fiscal Year 2015 final budget.

Fiscal Year 2017 Budget – The fiscal year 2017 budget was presented to the public on May 19, 2016 and adopted by the Board of Education at the June 7, 2016 meeting. This budget was developed using an open, transparent, and all-inclusive process, which solicited input at different stages of the budget development process from budget stakeholders. The 2017 budget increased expenditure levels from the final 2016 budget by \$7.4 million or 0.78% to a total of \$952.18 million. The most significant items include:

- TRS Benefit continued to be 14.27% for a \$5 million impact;
- Classified Health Insurance increased by \$2 million;
- Funding for Flex Position at Elementary School for \$5.1 million;
- Special Ed Teacher Supplement \$3.9 million;
- Expansion of Virtual School \$1.9 million;
- Additional Contract Day Counselors, Psychologist, and Social Workers;
- STEP and salary increases for all employees amounted to \$35.8 million;
- New teacher signing bonus impact was \$1.2 million;
- Expansion of the Virtual Campus program added \$ 1.9 million;
- Opening of two charter schools caused a reduction of \$4.5 million;

On the revenue side, the millage rate remained constant with a forecasted increase in the property tax digest. QBE revenues are expected to increase by 3.16% to accommodate enrollment growth and the increase of the training and experience rate. Overall, the revenue budget increased \$39.9 million or 4.37% from the Fiscal Year 2016 final budget.

Contacting the School System's Financial Management

This financial report is designed to provide a general overview of the School System's finances, comply with finance-related laws and regulations, and demonstrate the School System's commitment to public accountability. If you have questions about this report or would like to request additional information, contact the School System's Chief Financial Officer at the Administrative Center, 6201 Powers Ferry Road, NW, Atlanta, GA 30339.

**BASIC FINANCIAL
STATEMENTS**

Fulton County Board of Education, Georgia
Statement of Net Position
June 30, 2016

	Governmental Activities
Assets	
Current Assets	
Cash and cash equivalents	\$ 391,242,382
Receivables (net):	
Accounts	3,484,930
Property taxes	15,009,454
Sales taxes	14,088,139
Intergovernmental	83,423,562
Prepaid items	8,535,790
Inventory	784,717
	516,568,974
Noncurrent Assets	
Capital assets	
Nondepreciable	395,010,791
Depreciable, net	1,549,295,876
	1,944,306,667
Deferred Outflows of Resources	135,389,316
Total Assets and Deferred Outflows of Resources	2,596,264,957
Liabilities	
Current Liabilities	
Accounts payable	47,715,879
Accrued salaries and benefits payable	80,651,881
Intergovernmental payable	4,269,689
Other payables	52,804
Retainage payable	7,357,965
Accrued interest payable	2,298,990
Workers compensation insurance claims payable	3,151,000
Other claims and judgments payable	483,265
Compensated absences payable	28,834,906
Intergovernmental agreement payable	2,375,667
General obligation bonds payable	13,350,000
	190,542,046
Long-Term Liabilities: (net of current portion)	
Workers compensation insurance claims payable	3,151,000
Other claims and judgments payable	484,678
Compensated absences payable	3,203,878
Intergovernmental agreement payable	23,756,665
Net pension liability	865,029,113
General obligation bonds payable	42,520,000
	938,145,334
Deferred Inflows of Resources	70,044,780
Total Liabilities and Deferred Inflows of Resources	1,198,732,160
Net Position	
Net investment in capital assets	1,854,946,370
Restricted for:	
Capital projects	97,318,062
Debt service	4,373,705
School nutrition program	14,609,107
Permanent fund - nonspendable	3,261
Program purposes	3,902,432
Unrestricted (deficit)	(577,620,140)
	\$ 1,397,532,797

See accompanying notes to the basic financial statements

Fulton County Board of Education, Georgia
Statement of Activities
For the Fiscal Year Ended June 30, 2016

Function	Expenses	Charges for Services and Sales	Program Revenues Operating Grants, Contributions and Rest. Interest	Capital Grants Contributions and Rest. Interest	Net (Expense) Revenue and Changes in Net Position
					Governmental Activities
Primary Government					
Governmental Activities					
Instruction	\$ 669,585,761	\$ 6,462,514	262,053,261	14,721,249	\$ (386,348,737)
Support services					
Pupil services	34,780,389	-	6,797,331	-	(27,983,058)
Improvement of instructional services	43,068,851	-	22,086,621	-	(20,982,230)
Educational media services	16,034,123	-	11,679,190	-	(4,354,933)
Federal grant administration	1,356,250	-	-	-	(1,356,250)
General administration	5,032,120	-	10,140,882	-	5,108,762
School administration	52,171,251	-	21,331,271	-	(30,839,980)
Business administration	20,538,600	-	92,109	-	(20,446,491)
Maintenance and operation of plant	141,270,349	1,268,319	28,747,586	323,823	(110,930,621)
Student transportation services	57,789,727	-	5,389,680	154,440	(52,245,607)
Central services	23,609,777	-	169,246	-	(23,440,531)
Other support services	1,821,330	-	2,957,477	-	1,136,147
Food service operations	44,893,769	11,685,030	29,455,895	-	(3,752,844)
Interest and fiscal charges	5,389,876	-	2,352,165	-	(3,037,711)
Total Governmental Activities	\$ 1,117,342,173	\$ 19,415,863	\$ 403,252,714	\$ 15,199,512	(679,474,084)
General Revenues					
Property taxes levied for:					
General purposes 589,675,525					
Debt service 3,417					
Sales taxes 166,669,022					
Unrestricted - investment earnings 937,232					
Miscellaneous 5,095,109					
Total General Revenues 762,380,305					
Change in Net Position 82,906,221					
Net Position Beginning of Fiscal Year 1,314,626,576					
Net Position End of Fiscal Year \$ 1,397,532,797					

See accompanying notes to the basic financial statements

Fulton County Board of Education, Georgia
Balance Sheet
Governmental Funds
June 30, 2016

	General	2007 SPLOST Capital Projects	2012 SPLOST Capital Projects	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
Assets						
Cash and cash equivalents	\$ 272,380,584	\$ 2,745,331	\$ 85,146,824	\$ 4,373,705	\$ 26,595,938	\$ 391,242,382
Receivables (net):						
Accounts	3,357,389	-	-	-	127,541	3,484,930
Property taxes	15,009,454	-	-	-	-	15,009,454
Sales taxes	-	-	14,088,139	-	-	14,088,139
Intergovernmental	48,415,736	-	27,646,588	-	7,361,238	83,423,562
Interfund	3,377,309	-	-	-	-	3,377,309
Prepaid items	6,279,778	-	842,768	1,413,244	-	8,535,790
Inventory	-	-	-	-	784,717	784,717
Total Assets	\$ 348,820,250	\$ 2,745,331	\$ 127,724,319	\$ 5,786,949	\$ 34,869,434	\$ 519,946,283
Liabilities, Deferred Inflow of Resources, and Fund Balances						
Liabilities						
Accounts payable	\$ 13,950,904	\$ 139,586	\$ 32,053,381	\$ -	\$ 1,572,008	\$ 47,715,879
Accrued salaries and benefits payable	76,537,046	-	85	-	4,114,750	80,651,881
Intergovernmental payable	4,269,689	-	-	-	-	4,269,689
Other payables	-	-	32	-	52,772	52,804
Retainage payable	-	50,000	7,307,965	-	-	7,357,965
Interfund payable	-	-	-	-	3,377,309	3,377,309
Total Liabilities	94,757,639	189,586	39,361,463	-	9,116,839	143,425,527
Deferred Inflow of Resources	10,335,655	-	27,646,588	-	-	37,982,243
Total Liabilities and Deferred Inflow of Resources	105,093,294	189,586	67,008,051	-	9,116,839	181,407,770
Fund Balances						
Nonspendable	6,279,778	-	842,768	1,413,244	787,978	9,323,768
Restricted	-	2,555,745	59,873,500	4,373,705	24,969,051	91,772,001
Committed	179,416,913	-	-	-	-	179,416,913
Assigned	25,600	-	-	-	-	25,600
Unassigned (deficit)	58,004,665	-	-	-	(4,434)	58,000,231
Total Fund Balances	243,726,956	2,555,745	60,716,268	5,786,949	25,752,595	338,538,513
Total Liabilities, Deferred Inflow of Resources, and Fund Balances	\$ 348,820,250	\$ 2,745,331	\$ 127,724,319	\$ 5,786,949	\$ 34,869,434	\$ 519,946,283

See accompanying notes to the basic financial statements

Fulton County Board of Education, Georgia
Reconciliation of the Governmental Funds Balance Sheet
to the Government-wide Statement of Net Position
June 30, 2016

Total Governmental Fund Balances \$ 338,538,513

**Amounts Reported for Governmental Activities in the Government-wide
Statement of Net Position is Different Because:**

Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds, but are reported on the government-wide statement of net position.

Cost	\$ 2,693,385,958	
Less accumulated depreciation	<u>(749,079,291)</u>	1,944,306,667

Various receivables not collected within 60 days of fiscal year-end are not considered available and are deferred on the governmental funds' balance sheet but are recognized as revenue on the government-wide statement of net position.

Property taxes	\$ 10,335,655	
Intergovernmental	<u>27,646,588</u>	37,982,243

Deferred outflows for pensions reported on the government-wide statement of position but not reported on the governmental fund balance sheet. 135,389,316

Deferred inflows for pensions reported on the government-wide statement of position but not reported on the governmental fund balance sheet. (70,044,780)

Interfund receivables and payables between governmental funds are reported on the governmental funds' balance sheet but are eliminated on the government-wide statement of net position.

Interfund receivables	\$ (3,377,309)	
Interfund payables	<u>3,377,309</u>	-

Long-term liabilities that are not due and payable in the current period and therefore are not reported in the governmental funds' balance sheet but are reported on the government-wide statement of net position.

Bonds payable	\$ (55,870,000)	
Intergovernmental agreement payable	(26,132,332)	
Accrued interest payable	(2,298,990)	
Workers compensation insurance claims payable	(6,302,000)	
Other claims and judgments payable	(967,943)	
Net pension liability cost sharing plan	(736,880,456)	
Net pension liability-single employer plan	(128,148,657)	
Compensated absences payable	<u>(32,038,784)</u>	<u>(988,639,162)</u>

Net Position of Governmental Activities \$ 1,397,532,797

See accompanying notes to the basic financial statements

Fulton County Board of Education, Georgia
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2016

	2007 SPLOST	2012 SPLOST		Nonmajor	Total
	Capital	Capital	Debt	Governmental	Governmental
	Projects	Projects	Service	Funds	Funds
	General				
Revenues					
Property taxes	\$ 561,556,425	\$ -	\$ -	\$ 3,417	\$ 561,559,842
Sales taxes	-	-	166,669,022	-	166,669,022
Intergovernmental - state	342,625,904	-	16,892,929	6,461,147	365,979,980
Intergovernmental - federal	4,482,248	-	2,352,165	75,096,763	81,931,176
Investment earnings	936,565	17,865	286,408	39,861	1,281,366
Charges for services	5,271,911	-	-	14,143,952	19,415,863
Other	3,509,149	-	-	1,585,960	5,095,109
Total Revenues	918,382,202	17,865	186,200,524	4,084	1,201,932,358
Expenditures					
Current:					
Instruction	604,598,630	-	-	34,219,874	638,818,504
Support services					
Pupil services	31,983,801	-	-	3,267,091	35,250,892
Improvement of instructional services	29,315,743	-	-	13,666,172	42,981,915
Educational media services	13,955,173	-	-	27,928	13,983,101
Federal grant administration	-	-	-	1,398,027	1,398,027
General administration	3,550,901	-	-	1,506,402	5,057,303
School administration	52,543,982	-	-	-	52,543,982
Business administration	20,153,582	-	-	30,308	20,183,890
Maintenance and operation of plant	81,964,886	-	-	1,306	81,966,192
Student transportation services	50,232,170	-	-	560,559	50,792,729
Central support services	23,202,042	-	-	266,816	23,468,858
Other support services	50,709	-	-	1,801,308	1,852,017
Food service operations	-	-	-	40,787,220	40,787,220
Capital Outlay	110,977	9,678,591	192,813,799	-	202,634,541
Debt Service:					
Principal retirement	-	-	2,375,667	15,970,000	18,345,667
Interest and fiscal charges	-	-	1,686,546	4,016,742	5,703,288
Total Expenditures	911,662,596	9,678,591	196,876,012	19,986,742	1,235,768,126
Excess (Deficiency) of Revenues					
Over (Under) Expenditures	6,719,606	(9,660,726)	(10,675,488)	(19,982,658)	(236,502)
Other Financing Sources (Uses)					
Proceeds from the sale of capital assets	397,617	-	-	-	397,617
Insurance proceeds	443,523	-	-	-	443,523
Transfers in	-	-	3,771,727	21,397,238	26,014,064
Transfers out	(4,616,826)	-	(21,397,238)	-	(26,014,064)
Total Other Financing Sources (Uses)	(3,775,686)	-	(17,625,511)	21,397,238	845,099
Net Change in Fund Balances	2,943,920	(9,660,726)	(28,300,999)	1,414,580	608,597
Fund Balances Beginning of Fiscal Year	240,783,036	12,216,471	89,017,267	4,372,369	371,533,141
Fund Balances End of Fiscal Year	\$ 243,726,956	\$ 2,555,745	\$ 60,716,268	\$ 5,786,949	\$ 338,538,513

See accompanying notes to the basic financial statements

Fulton County Board of Education, Georgia
Reconciliation of the 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, 2016

Net Changes In Fund Balances - Total Governmental Funds	\$	(32,994,628)
 Amounts Reported for Governmental Activities in the Statement of Activities are Different Because		
Governmental funds report capital outlays as expenditures on the governmental fund type operating statement, however, in the government-wide 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 outlays exceeded depreciation expense in the current period.		
Depreciation expense	\$ (66,837,213)	
Capital outlay	<u>145,855,382</u>	79,018,169
The book value of capital assets sold are reported on the government-wide statement of activities but not reported in the governmental funds' operating statement.		
		(2,673,083)
Certain property taxes that are reported in the government-wide statement of activities do not provide current financial resources, therefore are not reported as revenues in the governmental funds' operating statement.		
Deferred @ 6/30/16	\$ 10,335,655	
Deferred @ 6/30/15	<u>(9,863,143)</u>	472,512
Certain state capital outlay grants are reported in the government-wide statement of activities do not provide current financial resources, therefore, are not reported as revenues in the governmental funds' operating statement.		
Deferred @ 6/30/16	\$ 27,646,588	
Deferred @ 6/30/15	<u>(29,818,268)</u>	(2,171,680)
Transfers between governmental funds are reported in the governmental funds' operating statement but are eliminated on the government-wide statement of activities:		
Transfers in	\$ (26,014,064)	
Transfers out	<u>26,014,064</u>	-
The difference between pension contributions reported on the government-wide statement of activities and the governmental fund operating statement.		
		20,535,988
The excess of pension contributions over pension expense on the single employer plan is reported on the government-wide statement of activities but not on the governmental funds operating statement.		
		6,766,035
Accrued interest is reported in the government-wide statement of activities, but does not require the use of current financial resources and therefore is not reported as an expenditure in governmental funds.		
Liability @ 6/30/16	\$ (2,298,990)	
Liability @ 6/30/15	<u>2,612,402</u>	313,412
Repayment of long-term debt principal is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the government-wide statement of net position.		
		18,345,667
Compensated absences are reported in the government-wide statement of activities, but do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Liability @ 6/30/16	\$ (32,038,784)	
Liability @ 6/30/15	<u>25,706,362</u>	(6,332,422)
Workers compensation claims are reported in the government-wide statement of activities, but do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Liability @ 6/30/16	\$ (6,302,000)	
Liability @ 6/30/15	<u>7,915,014</u>	1,613,014
Claims and judgments are reported in the government-wide statement of activities, but do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Liability @ 6/30/16	\$ (967,943)	
Liability @ 6/30/15	<u>981,180</u>	13,237
Change In Net Position of Governmental Activities	\$	<u>82,906,221</u>

See accompanying notes to the basic financial statements

Fulton County Board of Education, Georgia
General Fund
Statement of Revenues, Expenditures and Changes
In Fund Balances - Budget and Actual (GAAP Budgetary Basis)
For the Fiscal Year Ended June 30, 2016

	2016			Variance With Final Budget
	Original Budget	Final Budget	Actual	
Revenues				
Intergovernmental - state	\$ 339,335,061	\$ 346,370,862	\$ 342,625,904	\$ (3,744,958)
Intergovernmental - federal	4,357,324	4,357,324	4,482,248	124,924
Local sources:				
Property taxes	552,722,210	552,722,210	561,556,425	8,834,215
Investment earnings	169,344	169,344	936,565	767,221
Other	8,594,491	8,604,685	8,781,060	176,375
Total Revenues	905,178,430	912,224,425	918,382,202	6,157,777
Expenditures				
Current:				
Instruction	614,353,920	605,336,504	604,598,630	737,874
Support services				
Pupil services	32,982,871	35,883,643	31,983,801	3,899,842
Improvement of instructional services	24,594,664	33,740,634	29,315,743	4,424,891
Educational media services	13,456,379	14,436,253	13,955,173	481,080
General administration	2,365,801	2,368,413	3,550,901	(1,182,488)
School administration	51,399,776	54,063,869	52,543,982	1,519,887
Business administration	13,385,944	21,443,540	20,153,582	1,289,958
Maintenance and operation of plant	85,541,737	94,828,565	81,964,886	12,863,679
Student transportation services	52,101,617	51,971,041	50,232,170	1,738,871
Central support services	29,670,548	30,621,512	23,202,042	7,419,470
Other support services	40,035	40,035	40,073	(38)
Food services	-	-	10,636	(10,636)
Capital outlay	-	-	110,977	(110,977)
Total Expenditures	919,893,292	944,734,009	911,662,596	33,071,413
Excess (Deficiency) of Revenues Over (Under) Expenditures	(14,714,862)	(32,509,584)	6,719,606	39,229,190
Other Financing Sources (Uses)				
Proceeds from the sale of capital assets	132,633	132,633	397,617	264,984
Insurance proceeds	150,000	150,000	443,523	293,523
Transfers out	(920,600)	(4,692,327)	(4,616,826)	75,501
Total Other Financing Sources (Uses)	(637,967)	(4,409,694)	(3,775,686)	634,008
Net Change in Fund Balances	\$ (15,352,829)	\$ (36,919,278)	\$ 2,943,920	\$ 39,863,198

See accompanying notes to the basic financial statements

Fulton County Board of Education, Georgia
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2016

	Pension Trust	Agency Club and Athletics
Assets		
Cash and cash equivalents	\$ 1,280,306	\$ 5,119,426
Investments, at fair value:		
Certificates of deposit	-	12,508
Mutual funds invested in domestic equities	163,896,214	-
Mutual funds invested in foreign equities	84,325,547	-
Mutual funds invested in fixed income securities	107,013,698	-
Limited partnerships equities	2,532,081	-
Receivables:		
Other	131,838	138,788
Prepaid items	-	178,721
Total Assets	359,179,684	5,449,443
Liabilities		
Accounts payable	1,108,270	90,348
Due to student organizations	-	5,359,095
Unearned revenue	2,676,026	-
Total Liabilities	3,784,296	\$ 5,449,443
Net Position Held in Trust for Pensions	\$ 355,395,388	

See accompanying notes to the basic financial statements

Fulton County Board of Education, Georgia
Comparative Statement of Changes in Fiduciary Net Position
Pension Trust Fund
For the Fiscal Year Ended June 30, 2016

	2016
Additions	
Contributions:	
Employer	\$ 26,319,000
Plan members	2,684,487
Total contributions	29,003,487
Investment earnings (expenses):	
Interest	5,483,262
Net decrease in the fair value of investments	(14,065,036)
Less investment expense	675,544
Net investment expense	(9,257,318)
Total Additions	19,746,169
Deductions	
Administrative expenses	962,392
Benefits	30,094,194
Refunds	1,599,940
Total Deductions	32,656,526
Decrease in Net Position	(12,910,357)
Net Position Restricted for Pensions	
Beginning of Fiscal Year	368,305,745
End of Fiscal Year	\$ 355,395,388

See accompanying notes to the basic financial statements.

**NOTES TO BASIC FINANCIAL
STATEMENTS**

Fulton County Board of Education, Georgia
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

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Fulton County Board of Education, Georgia
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

The Fulton County Board of Education, Georgia (the “School System”) was established under the laws of the State of Georgia and is governed by an elected seven-member board (the “Board”). Board members are elected by the public. The School System provides public education throughout Fulton County, Georgia, excluding the City of Atlanta, Georgia.

Note 1 - 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 (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting.

The most significant of the School System’s accounting policies are described below.

1-A. Reporting Entity

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the School System consists of all funds, departments, boards, and agencies that are not legally separate from the School System. More specifically, the Board has the authority to make decisions, the power to approve selection of management personnel, the ability to significantly influence operations, and the primary accountability for fiscal matters.

Component units are legally separate organizations for which the School System is financially accountable. The School System is financially accountable for an organization if the School System appoints a voting majority of the organization's governing board and (1) the School System is able to significantly influence the programs or services performed or provided by the organizations; or (2) the School System is legally entitled to or can otherwise access the organization's resources; the School System is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the School System is obligated for the debt of the organization. Component units also may include organizations that are fiscally dependent on the School System in that the School System approves the budget, levies their taxes or issues their debt and also has a financial benefit or burden relationship with the School System.

The School System reports one blended component unit as follows:

Fulton County School Employees’ Pension Fund (the “Pension Trust Fund”) – The pension trust fund is governed by a committee of the Board of Education, known as the “Pension Board.” Although the pension trust fund is legally separate from the School System, the pension trust fund is reported as a part of the primary government because its primary purpose is to provide retirement benefits to the employees of the School System and because the pension trust fund is fiscally dependent on the School System. Separate financial statements of the pension trust fund can be obtained at 6201 Powers Ferry Road NW, Atlanta, Georgia 30339.

The School System is not considered a component unit of any other governmental reporting entity.

1-B. Basis of Presentation

The School System’s basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities and fund financial statements, which provide a more detailed level of financial information.

Government-wide Financial Statements - The government-wide financial statements include the statement of net position and the statement of activities. These statements report financial information for the School System as a whole. Fiduciary funds are not presented in the government-wide financial statements.

The statement of net position presents the financial position of the governmental activities of the School System.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the School System’s governmental activities. Direct expenses are those that are specifically associated with a function and therefore clearly identifiable to that particular function. The School System does not allocate indirect expenses to functions in the statement of activities.

Fulton County Board of Education, Georgia
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 1 - Summary of Significant Accounting Policies (Continued)

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report tuition, fees and other charges to users of the School System's services; (2) operating grants and contributions which finance annual operating activities including restricted investment income; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions to these program uses. For identifying to which function program revenue pertains, the determining factor for *charges for services* is which function *generates* the revenue. For *grants and contributions*, the determining factor is to which function the revenues are *restricted*.

Other revenue sources not properly included with program revenues are reported as general revenues of the School System. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the School System.

Fund Financial Statements - During the fiscal year, the School System segregates transactions related to certain School System functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the School System at this more detailed level. Fund financial statements are provided for governmental and fiduciary funds.

Major individual governmental funds are reported in separate columns.

Fund Accounting - The School System uses funds to maintain its financial records during the fiscal year. A fund is a fiscal and accounting entity with a self-balancing set of accounts. The School System uses two categories of funds: governmental and fiduciary.

Governmental Funds - Government funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Fund liabilities are assigned to the fund from which they will be liquidated. The School System reports the difference between governmental fund assets and liabilities and deferred inflows of resources as fund balance. The School System reports the following major governmental funds:

The General Fund – The general fund accounts for all financial resources except those required to be accounted for in another fund. The general fund's fund balance is available to the School System for any purpose provided it is expended or transferred according to the general laws of the State of Georgia.

The 2007 SPLOST Capital Projects Fund – This fund accounts for the special purpose local option sales tax as authorized in 2007 and is being used primarily for acquiring school sites, constructing and equipping new school facilities, and renovating existing facilities.

The 2012 SPLOST Capital Projects Fund – This fund accounts for the special purpose local option sales tax as authorized in 2012 and is being used primarily for acquiring school sites, constructing and equipping new school facilities, and renovating existing facilities.

Debt Service Fund – This fund accounts for and reports financial resources that are restricted, committed or assigned to expenditures for general long-term debt principal and interest on the School District's 1991 and 1998 general obligation bonds.

Fiduciary Funds - The School System reports the following fiduciary fund types:

Pension Trust Fund – This fund accounts for pension benefits within a defined benefit pension plan, for School System employees not covered by the Teachers Retirement System of Georgia as well as some employees who were employed prior to July 1, 1988, who transferred to the Teachers Retirement System of Georgia, but retained certain benefit guarantees in the local plan.

Fulton County Board of Education, Georgia
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 1 - Summary of Significant Accounting Policies (Continued)

Agency Funds – These funds account for assets held by the School System as an agent for various school clubs or individuals.

1-C. Measurement Focus

Government-wide Financial Statements - The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the School System are included on the statement of net position. The statement of activities reports revenues and expenses.

Fund Financial Statements - All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities, along with deferred inflow of resources, generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared.

Governmental fund financial statements therefore include reconciliation with brief explanations to better identify the relationship between the government-wide statements and the governmental fund statements.

The pension trust fund type is accounted for on a flow of economic resources measurement focus on the fund financial reporting level. All assets and all liabilities associated with the operation of these funds are included on the statements of net position. The statements of changes in fund net position present increases (i.e., additions) and decreases (i.e., deductions) in net total assets. The agency funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations.

1-D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. At the fund reporting level, the governmental funds use the modified accrual basis of accounting. Fiduciary funds are reported on the accrual basis at the fund reporting level. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of unavailable revenue, and in the presentation of expenses versus expenditures.

Revenues – Exchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded when the exchange takes place and in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the School System, the phrase “available for exchange transactions” means expected to be collected within 60 days of fiscal year-end.

Revenues - Non-exchange Transactions - Non-exchange transactions in which the School System receives value without directly giving equal value in return, include sales taxes, property taxes, grants and donations. On an accrual basis, revenue from sales taxes is recognized in the period in which the taxable sale takes place. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied (Note 3-C). Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the fiscal year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the School System must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School System on a reimbursement basis.

Fulton County Board of Education, Georgia
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 1 - Summary of Significant Accounting Policies (Continued)

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 school year (July 1 – June 30) and paid over a twelve month contract period, generally September 1 through August 31. In accordance with the requirements of the enabling legislation of the QBE program, the State 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 fiscal 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 Government Accounting Standards Board (GASB) Statement No. 33, paragraph 74, the State of Georgia recognizes its QBE liability for the July and August salaries at June 30, and the School System recognizes the same QBE as a receivable and revenue, consistent with symmetrical recognition.

On a modified accrual basis, revenue from non-exchange transactions also must be available (i.e., collected within 60 days of fiscal year-end).

Under the modified accrual basis, the following revenue sources are considered to be susceptible to accrual: property taxes, sales taxes, state Quality Basic Education (QBE) revenue, and federal and state grants. All other revenue items are considered to be measurable and available only when the School System receives cash.

Unearned Revenue - Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred. On the modified accrual basis, expenditures generally are recognized in the accounting period in which the related fund liability is incurred and due, if measurable.

1-E. Assets, Liabilities, and Fund Equity

1-E-1 Cash, Cash Equivalents, and Investments

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the School System. Time deposits are classified as cash and cash equivalent without regard to maturity date. Official Code of Georgia Annotated (OCGA) Section 45-8-14 authorizes the School District to deposit its funds in one or more solvent banks, insured Federal savings and loan associations or insured chartered building and loan associations.

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 principle (\$1 per share value). The asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participants' shares sold and redeemed based on \$1 per share. The pool also adjusts the value of its investments to fair market value as of year-end and the School System's investment in the Georgia Fund 1 is reported at fair value. The School System considers amounts held in Georgia Fund 1 as cash equivalents for financial statement presentation. Increases or decreases in fair value during the year are recognized as a component of interest income.

Fulton County Board of Education, Georgia
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 1 - Summary of Significant Accounting Policies (Continued)

The School System operates a cash and investment pool which generally all funds utilize, the principal's account fund and the pension trust fund. The School System pools money from the funds to facilitate disbursement and investment and to maximize investment earnings. Therefore, all cash and investments are essentially demand deposits and are considered cash and cash equivalents.

1-E-2 Receivables

All trade and property tax receivables are reported net of an allowance for uncollectibles, where applicable (Note 3-B).

1-E-3 Interfund Balances

On the fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/interfund payables." These amounts are eliminated in the governmental activities column of the statement of net position (Note 3-E).

1-E-4 Consumable Inventories

On the government-wide financial statements and at the fund financial reporting level, inventories are presented at cost using the weighted average cost method and are expensed when used (i.e., the consumption method). Donated food commodities are presented at fair value.

1-E-5 Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2016, are recorded as prepaid items using the consumption method by recording an asset for the prepaid amount and reflecting the expenditure/expense in the fiscal year in which services are consumed. At the fund reporting level, an equal amount of fund balance is reported as nonspendable, as this amount is not available for general appropriation.

1-E-6 Capital Assets

General capital assets are those assets that generally result from expenditures in governmental funds. The School System reports these assets in the governmental activities column of the government-wide statement of net position but does not report these assets in the government fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the fiscal year. Donated capital assets are recorded at their fair market values as of the date received. Improvements to capital assets are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed.

All reported capital assets are depreciated except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets (Note 3-D).

Depreciation is computed using the straight-line method over the following useful lives:

Asset Class	Governmental Activities Estimated Lives	Capitalization Threshold
Buildings and improvements	15 - 50 Years	\$5,000
Furniture, equipment and vehicles	5 - 15 Years	\$5,000

Fulton County Board of Education, Georgia
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 1 - Summary of Significant Accounting Policies (Continued)

At the inception of capital leases at the governmental fund reporting level, expenditures and an “other financing sources” of an equal amount are reported at the net present value of future minimum lease payments.

1-E-7 Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means.

All compensated absence liabilities include salary-related payments, where applicable.

The total compensated absence liability is reported on the government-wide financial statements. Governmental funds report the compensated absence liability at the fund reporting level only “when due.”

1-E-8 Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of these funds. However, compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are “due for payment” during the current fiscal year. General obligation bonds are recognized as a liability in the governmental fund financial statements when due.

1-E-9 Fund Equity (Note 3-K)

Fund equity at the governmental fund financial reporting level is classified as “fund balance.” Fund equity at the government-wide financial reporting level is classified as “net position.”

Fund Balance – Generally, fund balance represents the difference between the current assets and current liabilities and deferred inflows of resources. In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the School System is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balances are classified as follows:

- **Nonspendable** – Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.
- **Restricted** – Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School System or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.
- **Committed** – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the School System Board of Education through the approval of a formal motion and passage of a resolution. Only, the School System Board of Education also may modify or rescind the commitment through approval of a formal motion.
- **Assigned** – Fund balances 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. Through resolution, the School System Board of Education has authorized the School System’s superintendent or designee to assign fund balances.

Fulton County Board of Education, Georgia
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 1 - Summary of Significant Accounting Policies (Continued)

- **Unassigned** - Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The School System reports positive unassigned fund balance only in the general fund. Negative unassigned fund balances may be reported in all funds.

Flow Assumptions – When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the School System’s policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the School System’s policy to use fund balance in the following order:

- Committed
- Assigned
- Unassigned

Net position - Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources 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 long-term borrowing used for the acquisition, construction or improvement of those assets. This net position amount also is adjusted by any bond related amounts (such as premiums, discounts, or deferred gains or losses on refundings). Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School System or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net position is reported as unrestricted.

1-E-10 Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular expenditures to the funds that initially paid for them are not presented on the financial statements (i.e., they are netted) (Note 3-E).

Transfers between funds reported in the governmental activities column are eliminated on the government-wide statement of activities.

1-E-11 Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

1-E-12 Implementation of New GASB Standards

In fiscal year 2016, the School System implemented the following GASB Standards:

GASB Statement No. 72, *Fair Value Measurement and Application*. This Statement addresses accounting and financial reporting issues related to fair value measurements. The definition of *fair value* is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This statement also provide guidance for determining fair value measurement for financial reporting purposes. This Statement has had an impact on the School System’s footnote disclosures related to its investments as well as the investments held in the Pension Trust Fund.

Fulton County Board of Education, Georgia
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 2 – Stewardship, Compliance and Accountability

2-A. Budgetary Information – The School System adopts an annual budget for its general fund, all special revenue funds (excluding the principals' accounts), and the debt service fund. The budget is prepared in accordance with provisions of the Quality Basic Education Act, OCGA Section 20-2-167. The School System adopts a project budget for its capital projects funds. Budgets are adopted on a basis consistent with GAAP.

The legal level of budgetary control (the level at which expenditures may not legally exceed appropriations) for the adopted annual operating budget for the general fund, school nutrition program, special revenue funds and the debt service fund is the function level within fund. For budgeted special revenue funds (excluding the school nutrition program), the legal level of budgetary control is the function level within the aggregate of the total of all special revenue funds with budgets. The School System's management is authorized to transfer appropriations between functions within the same fund totaling less than \$100,000. The School Board approves all transfers of appropriations between functions of \$100,000 or more and all transfers of appropriations between funds, except as described below.

The budget is allocated to schools (i.e., cost centers) and cost center managers may transfer appropriations between functions as long as the transfer to one function can be offset by unused budget dollars in another function.

The original 2016 budget was amended during the fiscal year. All unexpended annual appropriations lapse at fiscal year-end.

2-B. Excess of Expenditures over Appropriations

The following functions were overspent in the final 2016 annual budget:

General fund:	
General administration	\$ 1,182,488
Other support services	38
Food services	10,636
Capital outlay	110,977

Note 3 – Detailed Notes on All Funds

3-A. Deposits and Investments

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 Depositary Insurance Corporation (FDIC) coverage and/or bank pledges. State statutes require banks holding public funds to secure these 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.

Custodial Credit Risk – Deposits – The custodial credit risk for deposits is the risk that, in the event of a bank failure, the School System's deposits may not be recovered or may not be able to recover collateralized securities that are in the possession of an outside party.

Funds included in the Georgia Fund 1, administered by the Office of the State Treasurer, are not required to be collateralized.

Fulton County Board of Education, Georgia
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 3 – Detailed Notes on All Funds (Continued)

The fair value of the School System’s position in the pool approximates the value of the School System’s pool shares. Credit risk, value, and interest risk at June 30, 2016 are as follows:

Credit Risk	Value	Interest Risk
AAAF rated	\$ 332,386,563	42 day WAM

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 its investment in the Georgia Fund 1 within the fair value hierarchy established by GASB Statement No. 72.

Investments (Governmental Funds)

Interest Rate Risk – Interest rate risk is the risk that changes in interest rates of debt investments will adversely affect the fair value of an investment. The School System’s surplus funds management policy does not formally limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Quality Risk – Credit quality risk is that an issuer or other counterparty to an investment will not fulfill its obligations.

Custodial Credit Risk - Custodial credit risk is the risk that, in the event of a bank failure, the School System’s investments may not be recovered. Because of the collateralization requirements, the School System has no custodial credit risk for its investments.

Concentration of Credit Risk – Concentration of credit risk is the risk of loss attributed to the magnitude of the School System’s investment in a single issuer. The School System does not have a formally adopted investment policy for managing concentration of credit risk.

Deposits (Pension Trust Fund)

Custodial Credit Risk – Deposits – As of June 30, 2016, all of the Pension Trust Fund’s deposits were covered either by FDIC coverage or collateralized by the financial institution or a combination of the two.

Investments (Pension Trust Fund)

Pension Trust Fund investments are managed by a separate investment policy adopted by the Pension Trust Fund Board in compliance with State law, particularly O.C.G.A. §47-20-10 and O.C.G.A. §47-20-80. The Pension Trust Fund assets are invested in United States Government securities, domestic common stocks, international stocks, and domestic bonds based on asset allocation ranges and performance benchmarks.

Interest Rate Risk -The Pension Trust Fund investment policy adopts the following asset mix to achieve the lowest level of risk for the plan:

- Equity Securities between 45% and 75%.
- Fixed Income Securities between 15% and 48%.
- Alternative Investments between 0% and 5%.

Fulton County Board of Education, Georgia
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 3 – Detailed Notes on All Funds (Continued)

At June 30, 2016, the Pension Trust Fund had the following investments and maturities:

Investment Type	Fair Value	Maturity Range (Time to Maturity)	
		Low	High
Mutual Funds, Invested in Fixed Income Securities	\$ 107,013,698	3.05	8.83
Mutual Funds, Invested in Domestic Equities	163,896,214	n/a	n/a
Mutual Funds, Invested in International Equities	84,325,547	n/a	n/a
Limited Partnerships	<u>2,532,081</u>	n/a	n/a
Total	<u>\$ 357,767,540</u>		

Credit Quality Risk – The Pension Trust Fund policy prohibits investments in direct real estate, and no more than 75% (at cost) of Pension Trust Fund assets shall be invested in equities. It is the Pension Trust Fund’s policy to limit investments in common or preferred stock of a corporation to those corporations listed on one or more of the recognized national stock exchanges in the United States, or those traded on the NASDAQ National Market as required by Georgia law. Domestic bonds are limited to those with ratings that meet or exceed Standard and Poor’s BBB or Moody’s Baa ratings.

The Pension Trust Fund’s investments at June 30, 2016 are comprised of only mutual funds and limited partnership holdings that are not rated by any of the major ratings agencies.

Concentration of Credit Risk – Concentration of credit risk is the risk of loss attributed to the magnitude of the Pension Trust Fund’s investment in a single issuer. The only investments in excess of 5% of the School System’s investment portfolio are federal securities and mutual funds, both of which are not subject to this risk.

Foreign Currency Risk - As of June 30, 2016, \$84,325,547 or 24% of the Pension Trust Fund’s assets had exposure of foreign currency risk through investments in foreign companies. These investments had the form of US dollars invested in mutual funds with only international equity holdings.

Rate of Return - For the fiscal year ended June 30, 2016, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was -2.86%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Long-range Expected Rate of Return – The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The long-range expected rate of return as of June 30, 2016 is 7%.

The cash and cash equivalents reconciliation follows:

	Cash and Cash Equivalents	Investments	Total
Primary Government - Fund Reporting Level:			
Governmental Funds - Balance Sheet	\$ 391,242,382	\$ -	\$ 391,242,382
Statement of Fiduciary Net Position	<u>6,399,732</u>	<u>357,780,048</u>	<u>364,179,780</u>
Total	<u>\$ 397,642,114</u>	<u>\$ 357,780,048</u>	<u>\$ 755,422,162</u>

Fulton County Board of Education, Georgia
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 3 – Detailed Notes on All Funds (Continued)

Fair Value Measurements – The Pension Trust Fund 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 Pension Trust Fund has the following recurring fair value measurements as of June 30, 2016:

<u>Investment</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Fair Value</u>
Investments by Fair Value Level				
Mutual funds invested in:				
Domestic equities	\$ 163,896,214	\$ -	\$ -	\$ 163,896,214
International equities	84,325,547	-	-	84,325,547
Fixed income securities	107,013,698	-	-	107,013,698
Total investments by fair value level	<u>\$ 355,235,459</u>	<u>\$ -</u>	<u>\$ -</u>	<u>355,235,459</u>
Investments Measured at Net Asset Value (NAV)				
Private investment fund (limited partnership)				<u>2,532,081</u>
Total investments measured at NAV				<u>2,532,081</u>
Total investments measured at fair value				<u>\$ 357,767,540</u>

The investments classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. This includes the mutual funds invested in both equity and fixed income securities.

The private investment fund measured at the net asset value invests primarily in venture capital investments, leveraged buyouts (LBOs), and distressed debt and equity. As of June 30, 2016, the fund is invested in complex structures in underlying holdings, alternative investments, and items that fall within Level 3 of the fair value hierarchy. The limited partnership will continue until the dissolution of the last underlying fund or termination at the General Partner’s discretion. Withdrawals, redemptions, or transfers are not permitted during the life of the partnership.

3-B. Receivables

Receivables at June 30, 2016, consisted of property taxes, sales taxes, accounts (billings for user charges), and intergovernmental receivables arising from grants.

Receivables and payables are recorded on the School System’s financial statements to the extent that the amounts are determined to be material and substantiated not only by supporting documentation, but also by a reasonable, systematic method of determining their existence, completeness, valuation, and in the case of receivables, collectibility.

The allowances for uncollectibles are as follows:

- General fund \$430,548

3-C. Property Taxes

Property taxes for June 30, 2016 fiscal year were levied and billed on July 15, 2015, based on the property values assessed as of January 1, 2015, and are payable on or before October 15, 2015. An interest penalty of 10% per annum is charged on property taxes not paid within 90 days of the due date. Property taxes become an enforceable lien on January 31, 2016.

Fulton County Board of Education, Georgia
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 3 – Detailed Notes on All Funds (Continued)

3-D. Capital Assets

Capital asset activity for the fiscal year ended June 30, 2016, was as follows:

	Balance 6/30/2015	Additions	Deductions	Balance 6/30/2016
Governmental activities:				
Nondepreciable capital assets:				
Land	\$ 257,452,893	\$ 3,361,355	\$ 110,731	\$ 260,703,517
Construction in progress	235,315,033	132,540,402	233,548,161	134,307,274
Total nondepreciable capital assets	<u>492,767,926</u>	<u>135,901,757</u>	<u>233,658,892</u>	<u>395,010,791</u>
Depreciable capital assets:				
Buildings and improvements	1,968,522,537	233,579,261	15,167,779	2,186,934,019
Machinery and equipment	39,098,418	6,421,222	2,601,052	42,918,588
Vehicles	65,187,388	3,501,303	166,131	68,522,560
Total depreciable capital assets	<u>2,072,808,343</u>	<u>243,501,786</u>	<u>17,934,962</u>	<u>2,298,375,167</u>
Total capital assets	<u>2,565,576,269</u>	<u>379,403,543</u>	<u>251,593,854</u>	<u>2,693,385,958</u>
Accumulated depreciation:				
Buildings and improvements	635,152,228	60,611,405	13,018,486	682,745,147
Machinery and equipment	27,749,344	2,237,448	2,287,136	27,699,656
Vehicles	34,713,116	3,988,360	66,988	38,634,488
Total accumulated depreciation	<u>697,614,688</u>	<u>66,837,213</u>	<u>15,372,610</u>	<u>749,079,291</u>
Governmental activities capital assets, net	<u>\$ 1,867,961,581</u>	<u>\$ 312,566,330</u>	<u>\$ 236,221,244</u>	<u>\$ 1,944,306,667</u>

Governmental activities depreciation expense:

Instruction	\$ 47,577,680
Pupil services	247,050
Improvement of instructional services	1,014,690
Educational media services	2,421,660
General administration	32,160
School administration	1,452,015
Business administration	613,905
Maintenance and operation of plant	1,293,820
Student transportation services	7,226,420
Central services	601,398
Other support services	16,085
Food service	<u>4,340,330</u>

Total governmental activities depreciation expense \$ 66,837,213

Fulton County Board of Education, Georgia
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 3 – Detailed Notes on All Funds (Continued)

3-E. Interfund Balances and Transfers

Interfund Balances - Interfund receivables and payables relate to cash overdrafts in the cash and investment pool.

Payable to:	Payable from:
	Nonmajor governmental fund
General fund	\$ 3,377,309

Interfund Transfers –The transfer between the general fund and nonmajor governmental funds are for a miscellaneous item.

Transfers to:	Transfers from:		
	General fund	2012 SPLOST fund	Total
2012 SPLOST fund	\$ 3,771,727	\$ -	\$ 3,771,727
Debt service fund	-	21,397,238	21,397,238
Nonmajor governmental funds	845,099	-	845,099
Total	\$ 4,616,826	\$ 21,397,238	\$ 26,014,064

3-F. Deferred Inflows/Outflows of Resources

Fund Financial Reporting Level - In addition to liabilities, the Statement of Net Position and the governmental funds balance sheet report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflow of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The School System reports one of these items. This item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues for both property taxes (\$10,335,655) and state grants for construction (\$27,646,588). These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Government-wide Financial Reporting Level - In addition to assets, the Statement of Net Position reports a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The School System has one type of transaction that relates to the School System’s retirement plans. This transaction qualifies as deferred outflows of resources and are reported on the government-wide Statement of Net Position. It includes experience gains or losses which result from periodic studies by the pension plans actuaries, which adjust the net pension liability for actual experience for certain trend information that was previously assumed and are amortized into pension expense over the expected remaining service lives of the plan members.

As indicated above, the Statement of Net Position reports a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. These inflows relate to the School System’s retirement plans and are reported on the government-wide Statement of Net Position. They include the net difference between projected investment return on pension investments and actual return on those investments and is deferred and amortized against pension expense over a five year period.

Fulton County Board of Education, Georgia
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 3 - Detailed Notes on All Funds (Continued)

3-G. Compensated Absences

School System employees can earn annual vacation leave based on length of service, up to a maximum of 20 days after 10 years of service. Annual vacation leave may be accumulated up to a maximum of 60 days. Sick and personal leave is accrued at 1.25 to 2 days per month, and may be accumulated, up to 20 days per year, with a maximum accumulation of 120 days. If an employee retires from the School System with a minimum of 10 years of service, the School System will pay the employee for one-half of their accumulated sick and personal leave, up to 40 days (a total of 80 days of accumulated leave).

3-H. Long-term Debt

Governmental Activities - The School System has the following long-term debt payable at June 30, 2016.

1991 Series General Obligation Bonds – On November 1, 1991, the School System issued \$133,960,000 of general obligation refunding bonds, Series 1991, with interest payments due semiannually on May 1 and November 1 and principal payments due on May 1 of each fiscal year. Interest rates vary from 4.75% to 6.375%. This debt refunded general obligation bonds, Series 1987 in the amount of \$118,000,000. The estimated amount of refunded debt related to this issue still outstanding at June 30, 2016 is \$3,563,079.

Annual debt service requirements to maturity as of June 30, 2016 are as follows:

Fiscal Year Ending	Principal	Interest	Total
2017	\$ 4,045,000	\$ 257,044	\$ 4,302,864

1998 Series General Obligation Bonds - On June 15, 1998, the School System issued \$135,150,000 of general obligation refunding bonds, Series 1998, with interest payments due semiannually on January 1 and July 1 and principal payments due on January 1 of each fiscal year. Interest rates vary from 4.0% to 5.5%. This debt refunded general obligation bonds, Series 1993 in the amount of \$160,710,000. The estimated amount of refunded debt related to this issue still outstanding at June 30, 2016 is \$70,160,000.

Annual debt service requirements to maturity as of June 30, 2016 are as follows:

Fiscal Year Ending	Principal	Interest	Total
2017	\$9,305,000	\$2,826,488	\$ 12,131,488
2018	9,805,000	2,326,344	12,131,344
2019	10,330,000	1,799,325	12,129,325
2020	10,890,000	1,231,175	12,121,175
2021	11,495,000	632,225	12,127,225
Total	\$ 51,825,000	\$ 8,815,557	\$ 60,640,557

Fulton County Board of Education, Georgia
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 3 – Detailed Notes on All Funds (Continued)

2011 Intergovernmental Agreement – City of Union City, Georgia - On August 1, 2011, the School System entered into an intergovernmental agreement with the City of Union City, Georgia to pay the City installments sufficient for the City to pay their debt service on bonds. The bonds, issued in the amount of \$35,635,000, are special limited obligation revenue term bonds (federally taxable qualified school construction bonds – direct payment) of the City. The bonds carry an interest rate of 4.730% and are due January 1, 2027. Under the agreement, the School System will pay the City installment payments sufficient to pay the debt service on the bonds. The School System’s obligation to make payments is absolute and unconditional. The bonds are being issued for the purpose of paying a portion of the cost of constructing and equipping a replacement high school for the existing Banneker High School.

Annual debt service requirements to maturity as of June 30, 2016 are as follows:

Fiscal Year Ending	Principal	Interest	Total
2017	\$2,375,667	\$1,685,535	\$ 4,061,202
2018	2,375,666	1,685,536	4,061,202
2019	2,375,667	1,685,535	4,061,202
2020	2,375,666	1,685,536	4,061,202
2021	2,375,667	1,685,535	4,061,202
2022-2026	11,878,334	8,427,678	20,306,012
2027	<u>2,375,665</u>	<u>1,685,535</u>	<u>4,061,200</u>
Total	<u>\$ 26,132,332</u>	<u>\$ 18,540,890</u>	<u>\$ 44,673,222</u>

Changes in Long-term Debt - Changes in the School System’s long-term obligations consisted of the following for the fiscal year ended June 30, 2016:

	Outstanding 6/30/2015	Additions	Reductions	Outstanding 6/30/2016	Amounts Due in One Year
Governmental Activities					
1991 general obligation bonds	\$ 11,170,000	\$ -	\$ 7,125,000	\$ 4,045,000	\$ 9,305,000
1998 general obligation bonds	60,670,000	-	8,845,000	51,825,000	4,045,000
2011 intergovernmental agreement	28,507,999	-	2,375,667	26,132,332	2,375,667
Workers' compensation insurance claims	7,915,014	7,120,340	8,733,354	6,302,000	3,151,000
Other claims and judgments	981,180	425,000	438,237	967,943	483,265
Net pension liabilities	706,863,417	261,601,519	103,435,823	865,029,113	-
Compensated absences	<u>25,706,362</u>	<u>35,469,821</u>	<u>29,137,399</u>	<u>32,038,784</u>	<u>28,834,906</u>
Total Governmental Activities	<u>\$ 841,813,972</u>	<u>\$ 304,616,680</u>	<u>\$ 160,090,480</u>	<u>\$ 986,340,172</u>	<u>\$ 48,194,838</u>

The debt service fund retires the general obligation bonds. The 2012 SPLOST capital projects fund will retire the intergovernmental agreement. If future special purpose local option sales taxes are not approved, the general fund will retire this obligation. Primarily the general fund retires the workers’ compensation insurance claims, other claims and judgments and compensated absences.

Fulton County Board of Education, Georgia
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 3 – Detailed Notes on All Funds (Continued)

3-I. Pensions

The School System's employees either belong to the Teachers' Retirement System of Georgia (TRS), which is a cost-sharing multiple employer public employees' retirement system or the Fulton County School Employees Pension Plan, a single employer defined benefit pension plan.

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 the Fulton County School Employees Pension Plan and additions to/deductions from these plans fiduciary net position have been determined on the same basis as they are reported by these plans. 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.

Teachers' Retirement System of Georgia (TRS)

Plan Description - Substantially all teachers, administrators, and clerical personnel employed by the School System are members of TRS. TRS provides retirement and disability benefits, and death benefits to plan members and beneficiaries. Title 47, Chapter 3 of the Official Code of Georgia Annotated, assigns the authority to establish and amend benefit provisions to the TRS Board of Trustees. TRS, is a cost-sharing multiple-employer defined benefit pension plan, and is administered by the TRS Board of Trustees (TRS Board). Title 47 of the O.C.G.A. which 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.

Plan Benefits - A member is eligible for retirement after 30 years of creditable service, regardless of age, or after 10 years of creditable service and attainment of age 60. A member is eligible for early retirement after 25 years of creditable service. If an employee retires under this provision, the benefit will be permanently reduced by the lesser of one-twelfth of 7% for each month below age 60, or 7% for each year or fraction of a year less than 30 years of creditable service. Retirement benefits paid to members are equal to 2% of the average of the member's two consecutive highest paid years of service multiplied by the number of years of creditable service up to 40 years. The normal retirement pension is payable monthly for life. Options are available for distribution of the member's monthly pension at a reduced rate to a designated beneficiary on the member's death.

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

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

Funding Policy – 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 2016. The school district's contractually required contribution rate for the year ended June 30, 2016 was 14.27 % of annual school district payroll. District contributions to TRS were \$73,312,006 for the fiscal year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2016, 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.

Fulton County Board of Education, Georgia
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 3 - Detailed Notes on All Funds (Continued)

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 District were as follows:

District's proportionate share of the net pension liability	\$ 736,880,456
State of Georgia's proportionate share of the net pension liability associated with the School System	<u>733,949</u>
Total	<u><u>\$ 737,614,405</u></u>

The net pension liability was measured as of June 30, 2015. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of June 30, 2014. An expected total pension liability as of June 30, 2015 was determined using standard roll-forward techniques. The District's proportion of the net pension liability was based on contributions to TRS during the fiscal year ended June 30, 2015. At June 30 2015, the District's proportion was 4.840253%, which was an increase of 0.118927% from its proportion measured as of June 30, 2014.

For the fiscal year ended June 30, 2016, the District recognized pension expense of \$53,151,471 and revenue of \$15,204 for support provided by the State of Georgia for certain support personnel . At June 30, 2016, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes in proportion and differences between School System contributions and proportionate share of contributions	\$ 20,567,023	\$ -
Differences between expected and actual experience	-	6,481,244
Contributions made by the School System subsequent to the measurement date	73,312,006	-
Net difference between projected and actual earnings on pension plan investments	<u>-</u>	<u>62,156,641</u>
Total	<u><u>\$ 93,879,029</u></u>	<u><u>\$ 68,637,885</u></u>

District contributions subsequent to the measurement date are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the next fiscal year. 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,	<u>Amount</u>
2017	\$ (25,273,974)
2018	(25,273,974)
2019	(25,274,023)
2020	27,280,333
2021	470,776
Total	<u><u>\$ (48,070,862)</u></u>

Fulton County Board of Education, Georgia
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 3 - Detailed Notes on All Funds (Continued)

Actuarial assumptions: The total pension liability as of June 30, 2015 was determined by an actuarial valuation as of June 30, 2014 using the following actuarial assumptions, applied to all periods included in the measurement:

- Inflation 3.00%
- Salary increases 3.75 – 7.00%, average, including inflation
- Investment rate of return 7.50%, net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2000 Combined Mortality Table for Males or Females set back two years for males and set back three years for females.

The actuarial assumptions used in the June 30, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2004 – June 30, 2009.

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>Expected Real Rate of Return*</u>
Fixed Income	30.00%	3.00%
Domestic large equities	39.70%	6.50%
Domestic mid equities	3.70%	10.00%
Domestic small equities	1.60%	13.00%
International developed market equities	18.90%	6.50%
International emerging market equities	6.10%	11.00%
Total	<u>100.00%</u>	

*Rates are reported net of the 3.00% assumed rate of inflation

Discount Rate – The discount rate used to measure the total pension liability was 7.50 %. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer and State of Georgia contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Fulton County Board of Education, Georgia
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 3 - Detailed Notes on All Funds (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate – The following presents the School System proportionate share of the net pension liability calculated using the discount rate of 7.50%, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50 %) or 1-percentage-point higher (8.50 %) than the current rate:

	1% Decrease or 6.5%	Current Discount Rate 7.5%	1% Increase or 8.5%
District's proportionate share of the net pension liability	\$ 1,266,273,350	\$ 736,880,456	\$ 300,534,745

Fulton County School Employees Pension Plan

Plan Description - All full-time School System employees who are not members of TRS are required to participate in the Fulton County School Employees’ Pension Fund (the "Fund"), a mandatory, single-employer defined benefit pension plan established by state statute. All full-time School System personnel employed prior to June 30, 1988 and who were transferred to TRS on July 1, 1988, retained membership in the Fund, as well as potential benefits from the Fund, although primary benefits will be from TRS. All Plan participant, actuarial and fund data include these employees as members.

The Fulton County School Employees’ Pension Fund board administers the Fund. The Pension Board consists of seven voting members and one non-voting member. The school superintendent is the non-voting member. The voting members of the board include:

- The chief financial officer
- The executive director of fiscal services
- Two members nominated by the Pension Board and appointed by the School Board for four year terms who shall be former teachers or employees of the School System and participants in the Plan.
- Two members nominated by the Pension Board and appointed by the School Board for four year terms who shall be active teachers or employees of the School System and participants in the Plan.
- One member nominated by the Pension Board and appointed by the School Board for four year terms who shall be a school administrator of the School System and a participant in the Plan.

The School System issues a publicly available financial report that includes financial statements and required supplementary information for the Fund. The financial reports may be obtained by writing to Fulton County School Employees’ Pension Fund, at 6201 Powers Ferry Road NW, Atlanta, Georgia 30339.

Fund Membership - At June 30, 2015, the date of the most recent actuarial valuation, there were 5,402 participants respectively, consisting of the following:

	June 30, 2015
Active plan participants	2,058
Inactive plan members entitled to but not yet receiving benefits	349
Inactive plan members or beneficiaries currently receiving benefits	2,995
Total participants	5,402

Plan Benefits – Benefits for members covered under the 1978 Pension Law are 2% of the participant’s final average monthly earnings multiplied by the years of creditable service. For members covered under the 1962 Pension Law, benefits are 1.76% of the participant’s final average monthly earnings multiplied by years of creditable service. The maximum monthly benefit is equal to 75% of final average monthly earnings. The Fund awards a 3% cost of living increase annually.

Fulton County Board of Education, Georgia
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 3 - Detailed Notes on All Funds (Continued)

Benefits vest after 10 years of service. Most participants are eligible to receive benefits at 65 and 55 years old with 25 and 30 years of creditable service, respectively, at the time of disability and at death. Benefits vary based on certain benefit elections made by members.

Funding Policy - The contribution requirements of Plan members and the School System are established in accordance with the applicable pension law. Fund members covered under the 1978 law contribute 6.6% of gross salary if beneficiary coverage is elected and 5.6% of gross salary if beneficiary is not elected. Members covered under the 1962 law contribute 6% of gross salary if beneficiary coverage is elected and 5% of gross salary if beneficiary coverage was not elected. Members covered under laws prior to 1962 contribute amounts prescribed in those laws.

Net Pension Liability - The School System's net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

The components of the net pension liability of the School System at June 30, 2016 were as follows:

Total pension liability	\$	483,544,045
Plan fiduciary net position		355,395,388
Net pension liability	\$	128,148,657
Plan fiduciary net position as a percentage of the total pension liability		73.50%

Actuarial Assumptions – The total pension liability was determined by an actuarial valuation as of July 1, 2015 with update procedures performed by the actuary to roll forward to the total pension liability measured as of June 30, 2016. The following actuarial assumptions apply to all periods included in the measurement:

Inflation		2.75%
Salary increases		Age graded rates
Mortality		RP-2000 mortality set forward
Investment rate of return	7% net of expenses, including expenses	
Cost of living adjustments		3%

The actuarial assumptions used in the June 30, 2015 valuation were based on the results of an actuarial experience study for the period of July 1, 2006 – June 30, 2011.

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

Fulton County Board of Education, Georgia
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 3 - Detailed Notes on All Funds (Continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Arithmetic Real Rate of Return</u>	<u>Long-term Expected Geometric Real Rate of Return</u>
Core Fixed Income	20%	2.69%	2.55%
Intermediate-Term Bonds	5%	2.23%	2.12%
Inflation-Indexed Bonds	5%	1.94%	1.80%
Broad US Equities	5%	5.40%	4.06%
Large Cap US Equities	25%	5.11%	3.86%
Mid Cap US Equities	15%	5.66%	4.01%
Small Cap US Equities	15%	6.26%	4.25%
Developed Foreign Equities	10%	6.04%	4.35%
Assumed Inflation - Mean		2.75%	2.75%
Assumed Inflation - Standard Deviation		1.89%	1.89%
Assumed Investment Management Fees		-0.10%	-0.10%
Portfolio Nominal Mean Return		7.35%	6.67%
Portfolio Real Mean Return		4.68%	3.93%
Portfolio Standard Deviation			12.20%
Long-term Expected Rate of Return			7.00%

Discount Rate – The discount rate used to measure the total pension liability was 7%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that the School System’s contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee 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 active and inactive employees. 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 Net Pension Liability to Changes in the Discount Rate – The following presents the net pension liability of the School System, calculated using the discount rate of 7%, as well as the School System’s net pension liability would be if it were calculated using a discount rate that is 1% lower (i.e., 6%) or 1% higher (i.e., 8%) than the current rate.

	<u>1% Decrease or 6%</u>	<u>Current Discount Rate 7%</u>	<u>1% Increase or 8%</u>
Total Pension Liability	\$ 538,685,376	\$ 483,544,045	\$ 437,199,642
Fiduciary Net Position	355,395,388	355,395,388	355,395,388
Net Pension Liability	<u>\$ 183,289,988</u>	<u>\$ 128,148,657</u>	<u>\$ 81,804,254</u>

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

Fulton County Board of Education, Georgia
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 3 - Detailed Notes on All Funds (Continued)

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, 2016, were as follows:

	(a)	(b)	(a) - (b)
	Total	Increase	Net
	Pension	(Decrease) in	Pension
	Liability	Plan Fiduciary	Liability
	<u> </u>	<u> </u>	<u> </u>
Balances @ June 30, 2015	\$ 478,691,896	\$ 368,305,745	\$ 110,386,151
Changes for the Fiscal Year:			
Service cost	4,623,790	-	4,623,790
Interest on total pension liability	32,687,981	-	32,687,981
Differences between expected and actual experience	(765,488)	-	(765,488)
Benefit payments	(31,694,134)	(31,694,134)	-
Employer contributions	-	26,319,000	(26,319,000)
Member contributions	-	2,684,487	(2,684,487)
Net investment expense	-	(9,257,318)	9,257,318
Administration expenses	-	(962,392)	962,392
	<u> </u>	<u> </u>	<u> </u>
Total Changes for the Fiscal Year	4,852,149	(12,910,357)	17,762,506
	<u> </u>	<u> </u>	<u> </u>
Balances @ June 30, 2016	\$ 483,544,045	\$ 355,395,388	\$ 128,148,657
	<u> </u>	<u> </u>	<u> </u>

For the fiscal year ended June 30, 2016, the School System recognized pension expense of \$19,552,964. Also at June 30, 2016, the School System reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred	Deferred
	Outflows of	Inflows of
	Resources	Resources
	<u> </u>	<u> </u>
Differences between expected and actual experience	\$ -	\$ 1,406,895
Net difference between projected and actual earnings on pension plan investments	41,510,287	-
	<u> </u>	<u> </u>
Total	\$ 41,510,287	\$ 1,406,895
	<u> </u>	<u> </u>

Fulton County Board of Education, Georgia
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 3 - Detailed Notes on All Funds (Continued)

Amounts currently reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending June 30,	<u>Amount</u>
2017	\$ 10,229,175
2018	11,268,786
2019	11,443,096
2020	<u>7,162,335</u>
Total	<u>\$ 40,103,392</u>

3-J. Other Postemployment Employment Benefits

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

Funding Policy. The contribution requirements of plan members and participating employers are established by the Board in accordance with the current Appropriations Act and may be amended by the Board. Contributions of plan members or beneficiaries receiving benefits vary based on plan election, dependent coverage, and Medicare eligibility and election.

For members with fewer than five years of service as of January 1, 2012, contributions also vary based on years of service. On average, members with five years or more of service as of January 1, 2012, pay approximately 25 percent of the cost of the health insurance coverage. In accordance with the Board resolution dated December 8, 2011, for members with fewer than five years of service as of January 1, 2012, the State provides a premium subsidy in retirement that ranges from 0% for fewer than 10 years of service to 75% (but no greater than the subsidy percentage offered to active employees) for 30 or more years of service. The subsidy for eligible dependents ranges from 0% to 55% (but no greater than the subsidy percentage offered to dependents of active employees minus 20%). No subsidy is available to Medicare eligible members not enrolled in a Medicare Advantage Option.

The Board of Community Health sets all member premiums by resolution and in accordance with the law and applicable revenue and expense projections. Any subsidy policy adopted by the Board may be changed at any time by Board resolution and does not constitute a contract or promise of any amount of subsidy.

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

Fulton County Board of Education, Georgia
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 3 - Detailed Notes on All Funds (Continued)

Restricted – The following fund balances are legally restricted to specified purposes:

2007 SPLOST Capital Projects Fund:	
Capital projects	<u>\$ 2,555,745</u>
2012 SPLOST Capital Projects Fund:	
Capital projects	<u>\$ 59,873,500</u>
Debt Service Fund:	
Principal and interest on long-term bonds	<u>\$ 4,373,705</u>
Nonmajor Governmental Funds:	
School nutrition program	\$ 13,824,390
Capital projects	7,242,229
Principals' funds	3,341,781
Program purposes	<u>560,651</u>
Total Nonmajor Governmental Funds:	<u>\$ 24,969,051</u>

- **Committed** – The following fund balances are committed to specific purposes:

General Fund:	
Working capital reserve	\$ 47,606,733
Catastrophic event reserve	47,606,733
Revenue stabilization reserve	47,606,733
Textbooks	19,177,945
Risk management	4,000,000
Charter school	5,552,289
Data warehouse	1,140,000
Proficiency scales	1,261,480
Musical instruments	2,000,000
Student information system	3,275,000
Strategic compensation	<u>190,000</u>
Total General Fund	<u>\$ 179,416,913</u>

- **Assigned** – The following fund balances are assigned to specific purposes:

General Fund:	
Cabinet reimbursement	<u>\$ 25,600</u>

Fulton County Board of Education, Georgia
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 3 - Detailed Notes on All Funds (Continued)

Net Investment in Capital Assets – The net investment in capital assets reported on the government-wide statement of net position as of June 30, 2016 are as follows:

	Governmental Activities
Net investment in capital assets:	
Cost of capital assets	\$ 2,693,385,958
Less accumulated depreciation	749,079,291
Book value	1,944,306,667
Less capital related debt	82,002,332
Less retainage payable	7,357,965
Net investment in capital assets	\$ 1,854,946,370

3-L. Operating Leases

Lessor Agreement - The School System leases certain parcels of land for use by others (cell towers) for varying terms. The leases are accounted for as operating leases and revenues are recorded when earned. Revenue derived from these leases during fiscal year 2016 was \$1,391,330 and is reported as local revenue in the School System’s general fund.

The following is a schedule of minimum future rentals to be received under these operating leases at June 30, 2016:

Fiscal Year Ending June 30,	Amount
2017	\$ 323,873
2018	152,137
2019	141,995
2020	93,970
2021	63,230
2022-2026	342,143
2027-2028	38,101
Total	\$ 1,155,449

3-M. On-behalf Payments for Fringe Benefits

The School System has recognized revenue and expenditures of \$66,330 for teachers’ pension cost paid by the Georgia Department of Education on the School System’s behalf to the Georgia Department of Community Health for non-certified personnel.

Fulton County Board of Education, Georgia
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 4 – Other Notes

4-A. Risk Management

The School System is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets (property, plant and equipment); Management Liability (School Board Legal); Workers Compensation (job related injuries or illnesses to employees); Fleet accidents (vehicle(s)); theft of funds (money, securities, etc.); Acts of God and Unemployment Compensation.

The School System has in place commercial insurance for risk of loss exposures associated with assets (property, plant and equipment) and theft of funds (money, securities, etc.). Effective July 1, 2009 the School System began self-insuring the following exposures under a Defense and Indemnity Agreement: Fleet (all District owned vehicles), School Children in Transit; Employment Related Incidents, excluding Workers Compensation, Management Liability, and General Liability. The School System also relies on the protection of Sovereign Immunity under the Georgia Constitution.

Workers' Compensation Claims – The School System has elected to self-insure its Workers' Compensation exposure. The School System has established a Risk Management Program to include Workers' Compensation administration and claims. In connection with this program, a Self-Insurance Reserve Fund has been established within the General Fund by the School System. The School System accounts for claims within the General Fund with expenses/expenditures and liabilities being reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated.

Changes in the Workers' Compensation claims liability during the last three fiscal years are as follows:

Fiscal Year Ended June 30,	Beginning of Fiscal Year Liability	Current Fiscal Year Claims and Changes in Estimates	Claim Payments	End of Fiscal Year Liability
2014	\$ 10,699,724	\$ 8,265,434	\$ 8,061,347	\$10,903,811
2015	10,903,811	4,299,151	7,287,948	7,915,014
2016	7,915,014	7,120,340	8,733,354	6,302,000

The School System has purchased surety bonds to provide additional insurance coverage as follows:

<u>Position Covered</u>	<u>Amount</u>
Superintendent	\$100,000

4-B. Contingent Liabilities

The School System has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designee. These audits could result in a request for reimbursement to the grantor agency for costs disallowed under terms of the grant. Based on prior experience, the School System believes such disallowances, if any, will be immaterial.

The School System was a defendant in several lawsuits at June 30, 2016. In the opinion of School System management, the outcome of these contingencies will not have a material effect on the financial position of the School System.

Fulton County Board of Education, Georgia
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 4 – Other Notes (Continued)

4-C. Commitments

Construction Commitments - As of June 30, 2016, the School System has made the following significant construction commitments:

<u>Contractor</u>	<u>Total Contract</u>	<u>Remaining Commitments</u>
Amacher Brothers Construction Co.	\$ 6,858,700	\$ 3,833,495
Balfour Beatty Construction	23,769,024	19,677,920
Carroll Daniel Construction	26,887,740	769,840
Cooper & Company General Contractors	20,151,455	310,755
Diversified Construction of Georgia	2,183,650	1,237,430
Evergreen Construction	32,067,495	902,180
Hogan Construction Group LLC	9,146,755	7,222,760
Merit Construction	5,566,835	3,353,365
Parrish Construction Group, Inc.	15,804,115	344,115
R.K. Redding Construction	9,983,710	37,885
Southcore Construction	2,788,625	830,100
Swofford Construction Inc.	4,199,090	987,870
Triad Construction Company	7,316,390	1,361,925
Turner Construction Company	15,470,010	7,460,790
	<u>182,193,594</u>	<u>48,330,430</u>
Total	\$ 182,193,594	\$ 48,330,430

Encumbrance Commitments - As of June 30, 2016, the School System has encumbered amounts that they intend to honor in the subsequent fiscal year for the following major governmental funds:

Major Governmental Funds:	
General Fund	\$ 14,970,021
2007 SPLOST Capital Projects Fund	1,025,123
2012 SPLOST Capital Projects Fund	<u>78,204,146</u>
Total Major Governmental Funds:	\$ 94,199,290
Total Nonmajor Governmental Funds	\$ 1,457,311

The majority of the construction commitments also are encumbered and included in the above amounts.

4-D. Pollution Remediation Obligations

The School System has been named as the potentially responsible party for remediation of the petroleum contamination at two of our facilities - Old South Fulton Transportation Facility located at 71 Heath Street, Fairburn and Old North Fulton Transportation Facility located at 1540 Warsaw Road, Roswell. After meeting the obligation of the \$10,000 deductible for each site, the Georgia Underground Storage Tank (GUST) Trust Fund began reimbursing the School System for funds spent on remedial activities. There is no liability reported since all costs will be reimbursed.

Fulton County Board of Education, Georgia
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 4 – Other Notes (Continued)

4-E. Change in Reporting Entity

The School System's financial statements previously included the information related to Charter Schools. During the fiscal year ended June 30, 2016, management of the School System concluded that these Charter Schools were no longer required to be included in the School System's financial statements as discretely presented component units as they were deemed to not be material to the School System. It is the opinion of management that the financial information of these Charter Schools are not material to the users of the financial statements and their exclusion does not render these financial statements as incomplete or misleading.

**REQUIRED SUPPLEMENTARY
INFORMATION**

Fulton County Board of Education
Required Supplementary Information
Schedule of the School System's Proportionate Share of Net Pension Liability
Teachers Retirement System of Georgia
For the Fiscal Years Ended June 30

	<u>2016</u>	<u>2015</u>
School System's proportion of the net pension liability	4.840253%	4.721326%
School System's proportionate share of the net pension liability	\$ 736,880,456	\$ 596,477,266
State of Georgia's proportionate share of the net pension liability associated with the District	<u>733,949</u>	<u>321,780</u>
Total	<u>\$ 737,614,405</u>	<u>\$ 596,799,046</u>
School System's covered-employee payroll	\$ 508,061,985	\$ 480,206,823
School System's proportionate share of the net pension liability as a percentage of its covered-employee payroll	145.04%	124.21%
Plan fiduciary net position as a percentage of the total pension liability	81.44%	84.03%

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

Fulton County Board of Education
Required Supplementary Information
Schedule of School System's Contributions During Measurement Period
Teachers Retirement System of Georgia
For the Fiscal Years Ended June 30

	<u>2016</u>	<u>2015</u>
Contractually required contributions	\$ 73,312,006	\$ 66,810,151
Contributions in relation to the contractually required contributions	<u>73,312,006</u>	<u>66,810,151</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
School System's covered-employee payroll	513,749,166	508,061,985
Contributions as a percentage of covered-employee payroll	14.27%	13.15%

Notes to the Schedule:

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

(2) Method and assumptions used in calculations of actuarially determined contributions: The actuarially determined contribution rates in the schedule of contributions are calculated as of June 30, three (3) years prior to the end of the fiscal year in which contributions are reported. The following actuarial methods and assumptions were used to determine the contractually required contributions for the fiscal year June 30, 2016 reported in that schedule:

Valuation date	June 30, 2013
Actuarial cost method	Entry age
Amortization method	Level percentage of payroll, open
Remaining amortization period	30 years
Asset valuation method	7-year smoothed market
Inflation rate	3%
Salary increases	3.75 - 7.00%, including inflation.
Investment Rate of Return	7.5%, net of pension plan investment expense including inflation.
Post-Retirement Benefit Increases	1.50% semi-annually

(3) Schedule is intended to show ten (10) years of information; additional years will be added as they are available.

Fulton County Board of Education
Required Supplementary Information
Schedule of Changes in the School System's Net Pension Liability and Related Ratios
Fulton County School Employees' Pension Fund
For the Fiscal Years Ended June 30

Total Pension Liability	2016	2015	2014
Service cost	\$ 4,623,790	\$ 5,625,193	\$ 5,091,739
Interest on total pension liability	32,687,981	32,346,582	31,987,391
Differences between expected and actual experience	(765,488)	(3,609,613)	1,959,567
Benefit payments, including refunds of employee contributions	(31,694,134)	(30,973,571)	(30,693,628)
Net Change in Total Pension Liability	4,852,149	3,388,591	8,345,069
Total Pension Liability - Beginning of Fiscal Year	478,691,896	475,303,305	466,958,236
Total Pension Liability - End of Fiscal Year	\$ 483,544,045	\$ 478,691,896	\$ 475,303,305
Plan Fiduciary Net Position			
Employer contributions	\$ 26,319,000	\$ 29,385,000	\$ 29,179,000
Employee contributions	2,684,487	2,998,844	2,700,403
Net investment income (expense)	(9,257,318)	3,277,028	61,848,328
Benefit payments, including refunds of employee contributions	(31,694,134)	(30,973,571)	(30,788,335)
Administrative expenses	(962,392)	(960,758)	(924,980)
Net Change in Plan Fiduciary Net Position	(12,910,357)	3,726,543	62,014,416
Total Plan Fiduciary Net Position - Beginning of Fiscal Year	368,305,745	364,579,202	302,564,786
Total Plan Fiduciary Net Position - End of Fiscal Year	\$ 355,395,388	\$ 368,305,745	\$ 364,579,202
School System's Net Pension Liability - End of Fiscal Year	\$ 128,148,657	\$ 110,386,151	\$ 110,724,103
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	73.50%	76.94%	76.70%
Covered Employee Payroll	\$ 65,643,933	\$ 67,286,403	\$ 73,331,881
Net Pension Liability as a Percentage of Covered Employee Payroll	195.22%	164.05%	150.99%

Notes to this Schedule:

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

Schedule of Investment Returns

Annual money-weighted rate of return, net of investment expensed	-2.86%	1.07%	20.49%
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Notes to this Schedule:

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

Fulton County Board of Education
Required Supplementary Information
Schedule of School System's Contributions
Fulton County School Employees' Pension Fund
For the Last Ten Fiscal Years

<i>Fiscal Year Ended June 30,</i>	<i>Actuarially Determined Contribution</i>	<i>Actual Employer Contribution</i>	<i>Contribution Deficiency (Excess)</i>	<i>Covered Payroll</i>	<i>Contributions as a % of Covered Payroll</i>
2007	\$ 23,592,000	\$ 23,609,000	\$ (17,000)	\$ 118,891,388	19.86%
2008	23,592,000	24,370,000	(778,000)	118,891,388	20.50%
2009	27,035,000	26,234,000	801,000	120,527,736	21.77%
2010 *	27,525,000	27,525,000	-	-	-
2011	29,258,000	29,258,000	-	110,563,251	26.46%
2012	29,534,000	29,534,000	-	95,551,169	30.91%
2013	29,758,000	29,758,000	-	79,060,187	37.64%
2014	29,179,000	29,179,000	-	73,331,881	39.79%
2015	29,385,000	29,385,000	-	67,286,403	43.67%
2016	26,319,000	26,319,000	-	65,643,933	40.09%

Notes to The Schedule:

*A full valuation was not performed for this fiscal year.

Methods and Assumptions Used to Determine Contribution Rates:

Valuation Timing	Actuarially determined contribution rates are calculated as
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar Layered
Remaining Amortization Period	Generally 30 Years
Asset Valuation Method	5 Year Smoothed Market
Inflation Rate	2.75%
Salary Increases	Age graded rates
Investment Rate of Return	7%
Cost of Living Adjustments	3%
Retirement Age	Rates Based on Age
Turnover	Rates vary by group and age
Mortality	RP-2000 mortality set forward 2 years for employees and healthy Annuitants with generational projection per Scale AA, RP-2000 Disabled Mortality for Disabled Annuitants

**SUPPLEMENTARY
INFORMATION**

Nonmajor Governmental Funds

Special Revenue Funds

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The following funds are included in the special revenue funds category:

Title I: This fund is established to account for Title I grants which are provided as part of the “*No Child Left Behind Act of 2001.*” This act provides federal funds through the Georgia Department of Education to local school districts to help disadvantaged children meet high standards.

Title II: This fund is established to account for federal funded grants flowing through the Georgia Department of Education to our school district. The funds are used to advance teacher quality through professional learning, preparation, recruitment and retention as well as upgrading teachers’ skills in science and math through training.

Title III: This fund is established to account for federally funded grants flowing through the Georgia Department of Education for the purpose of providing supplemental services to improve academic achievement of students who have English as a second language.

Part B Special Education:

This fund is established to account for federally funded grants flowing through the Georgia Department of Education for the purpose of providing special education programs for handicapped children.

Education for the Homeless:

This fund is established to account for federally funded grants flowing through the Georgia Department of Education to provide educational services to homeless children.

School Nutrition Programs:

This fund is established to account for the United States Department of Agriculture approved school nutrition program. The intent of the school system is that the cost of the School Nutrition fund be financed or recovered primarily through federal resources and users’ charges.

Lottery:

This fund is established to account for state funding for the purpose of implementing a Pre-K program.

Other Federal Grants:

This fund is established to account for federally funded grants which includes Vocational Education, Professional Development Schools, Safety Street, Beat the Traffic and Career Development.

Other Local Grants:

This fund is established to account for locally funded grants which include DFACS-Childcare, Read to Succeed, Science Literacy and Academic Bowl.

Principal’s Accounts:

This fund is established to account for various revenues (e.g., commission earned by schools for school pictures and vending machines, locker rental) which may be expended for general school use, primarily to supplement instruction and school administration.

Capital Project Fund

Capital project funds are used to account for the acquisition and construction of major capital outlays other than those financed by proprietary funds. The following fund is included in the capital project funds category:

2002 SPLOST Capital Projects Fund

This fund is established to account for the special purpose local option sales tax as authorized in 2002 and is being used primarily for acquiring school sites, constructing and equipping new school facilities, and renovating existing facilities, and renovating existing facilities.

Permanent Fund

The permanent fund is established to account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the school boards programs—that is, for the benefit of the school board or its citizenry.

J.C. Day:

This fund is established to account for the bequest of the will of Mr. J.C. Day to be used for the purchase of textbooks in the Alpharetta attendance zone.

Fulton County Board of Education, Georgia
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2016

	Nonmajor Special Revenue Funds	2002 SPLOST Capital Projects Fund	J.C. Day Permanent Fund	Total Nonmajor Governmental Funds
Assets				
Cash and cash equivalents	\$ 19,350,448	\$ 7,242,229	\$ 3,261	\$ 26,595,938
Receivables:				
Accounts	127,541	-	-	127,541
Intergovernmental	7,361,238	-	-	7,361,238
Inventory	784,717	-	-	784,717
Total Assets	\$ 27,623,944	\$ 7,242,229	\$ 3,261	\$ 34,869,434
Liabilities and Fund Balances				
Liabilities				
Accounts payable	\$ 1,572,008	\$ -	\$ -	\$ 1,572,008
Accrued salaries and wages payable	4,114,750	-	-	4,114,750
Other payables	52,772	-	-	52,772
Interfund payable	3,377,309	-	-	3,377,309
Total Liabilities	9,116,839	-	-	9,116,839
Fund Balances				
Nonspendable	784,717	-	3,261	787,978
Restricted	17,726,822	7,242,229	-	24,969,051
Unassigned (Deficit)	(4,434)	-	-	(4,434)
Total Fund Balances	18,507,105	7,242,229	3,261	25,752,595
Total Liabilities and Fund Balances	\$ 27,623,944	\$ 7,242,229	\$ 3,261	\$ 34,869,434

Fulton County Board of Education, Georgia
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2016

	Nonmajor Special Revenue Funds	2002 SPLOST Capital Project Fund	J.C. Day Permanent Fund	Total Nonmajor Governmental Funds
Revenues				
Intergovernmental - state	\$ 6,461,147	\$ -	\$ -	\$ 6,461,147
Intergovernmental - federal	75,096,763	-	-	75,096,763
Investment earnings	20,309	19,550	2	39,861
Charges for services	14,143,952	-	-	14,143,952
Other	1,585,960	-	-	1,585,960
Total Revenues	97,308,131	19,550	2	97,327,683
Expenditures				
Current:				
Instruction	34,219,874	-	-	34,219,874
Support services				
Pupil services	3,267,091	-	-	3,267,091
Improvement of instructional services	13,666,172	-	-	13,666,172
Educational media services	27,928	-	-	27,928
Federal grant administration	1,398,027	-	-	1,398,027
General administration	1,506,402	-	-	1,506,402
Business administration	30,308	-	-	30,308
Maintenance and operation of plant	1,306	-	-	1,306
Student transportation services	560,559	-	-	560,559
Central support services	266,816	-	-	266,816
Other supporting services	1,801,308	-	-	1,801,308
Food service operations	40,787,220	-	-	40,787,220
Capital	-	31,174	-	31,174
Total Expenditures	97,533,011	31,174	-	97,564,185
Excess (Deficiency) of Revenues Over (Under) Expenditures	(224,880)	(11,624)	2	(236,502)
Other Financing Sources				
Transfers in	845,099	-	-	845,099
Total Other Financing Sources	845,099	-	-	845,099
Net Change in Fund Balances	620,219	(11,624)	2	608,597
Fund Balances, Beginning of Fiscal Year	17,886,886	7,253,853	3,259	25,143,998
Fund Balances, End of Fiscal Year	\$ 18,507,105	\$ 7,242,229	\$ 3,261	\$ 25,752,595

Fulton County Board of Education, Georgia
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2016

	Title I	Title II	Title III	Part B Special Education	Education for the Homeless	School Nutrition Programs
Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,629,723
Receivables:						
Accounts	-	-	-	-	-	92,807
Intergovernmental	3,174,046	305,728	129,616	3,188,768	11,382	225,129
Inventories	-	-	-	-	-	784,717
Total Assets	\$ 3,174,046	\$ 305,728	\$ 129,616	\$ 3,188,768	\$ 11,382	\$ 15,732,376
Liabilities and Fund Balances						
Liabilities						
Accounts payable	\$ 634,286	\$ 473	\$ 18,180	\$ 466,942	\$ -	\$ 188,668
Accrued salaries and wages payable	1,407,405	-	23,172	1,192,347	-	932,816
Other payables	43,060	4,764	-	283	-	1,785
Interfund payable	1,079,543	300,491	88,264	1,530,249	11,382	-
Total Liabilities	3,164,294	305,728	129,616	3,189,821	11,382	1,123,269
Fund Balances						
Nonspendable	-	-	-	-	-	784,717
Restricted	9,752	-	-	-	-	13,824,390
Unassigned (Deficit)	-	-	-	(1,053)	-	-
Total Fund Balances (deficits)	9,752	-	-	(1,053)	-	14,609,107
Total Liabilities and Fund Balances	\$ 3,174,046	\$ 305,728	\$ 129,616	\$ 3,188,768	\$ 11,382	\$ 15,732,376

(Continued)

Fulton County Board of Education, Georgia
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2016

(Continued)

	<u>Lottery</u>	<u>Other Federal Grants</u>	<u>Other Local Grants</u>	<u>Principals' Accounts</u>	<u>Nonmajor Special Revenue Funds</u>
Assets					
Cash and cash equivalents	\$ 90,100	\$ -	\$ 1,303,807	\$ 3,326,818	\$ 19,350,448
Receivables:					
Accounts	-	-	14,377	20,357	127,541
Intergovernmental	43	326,526	-	-	7,361,238
Inventories	-	-	-	-	784,717
Total Assets	<u>\$ 90,143</u>	<u>\$ 326,526</u>	<u>\$ 1,318,184</u>	<u>\$ 3,347,175</u>	<u>\$ 27,623,944</u>
Liabilities and Fund Balances					
Liabilities					
Accounts payable	\$ 92,331	\$ 76,757	\$ 88,977	\$ 5,394	1,572,008
Accrued salaries and wages payable	1,043	6,130	551,837	-	4,114,750
Other payables	150	2,730	-	-	52,772
Interfund payable	-	240,909	126,471	-	3,377,309
Total Liabilities	<u>93,524</u>	<u>326,526</u>	<u>767,285</u>	<u>5,394</u>	<u>9,116,839</u>
Fund Balances					
Nonspendable	-	-	-	-	784,717
Restricted	-	-	550,899	3,341,781	17,726,822
Unassigned (Deficit)	(3,381)	-	-	-	(4,434)
Total Fund Balances (Deficits)	<u>(3,381)</u>	<u>-</u>	<u>550,899</u>	<u>3,341,781</u>	<u>18,507,105</u>
Total Liabilities and Fund Balances	<u>\$ 90,143</u>	<u>\$ 326,526</u>	<u>\$ 1,318,184</u>	<u>\$ 3,347,175</u>	<u>\$ 27,623,944</u>

Fulton County Board of Education, Georgia
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2016

	Title I	Title II	Title III	Part B Special Education	Education for the Homeless	School Nutrition Programs
Revenues						
Intergovernmental - state	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 834,066
Intergovernmental - federal	24,166,193	1,886,168	888,082	18,253,430	57,158	28,050,024
Investment earnings	-	-	-	-	-	20,309
Charges for services	-	-	-	-	-	11,641,897
Other	-	-	-	-	-	863
Total Revenues	24,166,193	1,886,168	888,082	18,253,430	57,158	40,547,159
Expenditures						
Current:						
Instruction	11,888,614	-	468,870	11,546,848	-	-
Support services						
Pupil services	68,322	-	-	3,123,747	23,588	-
Improvement of instructional services	8,382,670	1,718,069	369,640	2,403,950	-	-
Educational media services	27,928	-	-	-	-	-
Federal grant administration	1,106,022	102,094	11,858	163,158	13,343	-
General administration	806,598	65,363	6,041	603,228	1,773	-
Business administration	-	-	-	-	-	-
School administration	-	-	-	-	-	-
Maintenance and operation of plant	496	642	-	-	-	-
Student transportation services	172,685	-	-	361,020	18,454	-
Central support services	-	-	-	-	-	-
Other support services	1,713,158	-	31,673	52,532	-	-
Food service operations	-	-	-	-	-	40,219,724
Total Expenditures	24,166,493	1,886,168	888,082	18,254,483	57,158	40,219,724
Excess (Deficiency) of Revenues Over (Under) Expenditures	(300)	-	-	(1,053)	-	327,435
Fund Balances Beginning of Fiscal Year	10,052	-	-	-	-	14,281,672
Fund Balances (Deficits) End of Fiscal Year	\$ 9,752	\$ -	\$ -	\$ (1,053)	\$ -	\$ 14,609,107

(continued)

Fulton County Board of Education, Georgia
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2016

(continued)

	Lottery	Other Federal Grants	Other Local Grants	Principals' Accounts	Total Nonmajor Special Revenue Funds
Revenues					
Intergovernmental - state	\$ 5,627,081	\$ -	\$ -	\$ -	\$ 6,461,147
Intergovernmental - federal	-	1,795,708	-	-	75,096,763
Investment earnings	-	-	-	-	20,309
Charges for services	-	-	-	2,502,055	14,143,952
Other	-	-	1,585,097	-	1,585,960
Total Revenues	<u>5,627,081</u>	<u>1,795,708</u>	<u>1,585,097</u>	<u>2,502,055</u>	<u>97,308,131</u>
Expenditures					
Current:					
Instruction	6,158,657	1,054,419	850,360	2,252,106	34,219,874
Support services					
Pupil services	51,434	-	-	-	3,267,091
Improvement of instructional services	232,223	162,545	397,075	-	13,666,172
Educational media services	-	-	-	-	27,928
Federal grant administration	-	1,552	-	-	1,398,027
General administration	-	21,679	1,720	-	1,506,402
Business administration	-	-	30,308	-	30,308
Maintenance and operation of plant	-	-	168	-	1,306
Student transportation services	8,400	-	-	-	560,559
Central support services	70,226	4,017	192,573	-	266,816
Other support services	2,699	-	1,246	-	1,801,308
Food service operations	-	551,496	16,000	-	40,787,220
Total Expenditures	<u>6,523,639</u>	<u>1,795,708</u>	<u>1,489,450</u>	<u>2,252,106</u>	<u>97,533,011</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(896,558)	-	95,647	249,949	(224,880)
Other Financing Sources					
Transfers in	845,099	-	-	-	845,099
Total Other Financing Sources	<u>845,099</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>845,099</u>
Net Change in Fund Balances	(51,459)	-	95,647	249,949	620,219
Fund Balances Beginning of Fiscal Year	<u>48,078</u>	<u>-</u>	<u>455,252</u>	<u>3,091,832</u>	<u>17,886,886</u>
Fund Balances (Deficits) End of Fiscal Year	<u>\$ (3,381)</u>	<u>\$ -</u>	<u>\$ 550,899</u>	<u>\$ 3,341,781</u>	<u>\$ 18,507,105</u>

Fulton County Board of Education, Georgia
All Budgeted Special Revenue Funds
Schedule of Revenues, Expenditures and Changes
In Fund Balances - Budget and Actual (Budgetary Basis)
For the Fiscal Year Ended June 30, 2016

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Intergovernmental - state	\$ 7,375,165	\$ 6,541,457	\$ 6,461,147	\$ (80,310)
Intergovernmental - federal	73,040,202	95,318,760	75,096,763	(20,221,997)
Local sources:				
Other	12,425,776	13,973,882	13,248,166	(725,716)
Total Revenues	92,841,143	115,834,099	94,806,076	(21,028,023)
Expenditures				
Current:				
Instruction	31,874,931	46,133,916	31,967,768	14,166,148
Support services				
Pupil services	2,475,955	3,679,215	3,267,091	412,124
Improvement of instructional services	13,729,500	21,258,115	13,666,172	7,591,943
Educational media services	53,512	29,377	27,928	1,449
Federal grant administration	1,552,274	2,055,695	1,398,027	657,668
General administration	1,131,615	2,437,876	1,506,402	931,474
Business administration	32,066	30,308	30,308	-
School administration	-	4,820	-	4,820
Maintenance and operation of plant	7,869	16,546	1,306	15,240
Student transportation services	431,241	909,238	560,559	348,679
Central support services	71,223	346,284	266,816	79,468
Other support services	1,950,099	2,548,977	1,801,308	747,669
Food service operations	41,578,757	42,949,219	40,787,220	2,161,999
Total Expenditures	94,889,042	122,399,586	95,280,905	27,118,681
Net Change in Fund Balances - Budgetary Basis	\$ (2,047,899)	\$ (6,565,487)	(474,829)	\$ 6,090,658
Add Principals' Account Fund Excluded Above			249,949	
Net Change in Fund Balances - GAAP Basis			\$ (224,880)	

Fulton County Board of Education, Georgia
Title I Fund
Schedule of Revenues, Expenditures and Changes
In Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2016

	2016			Variance With Final Budget
	Original Budget	Final Budget	Actual	
Revenues				
Intergovernmental - federal	\$ 24,482,212	\$ 39,517,983	\$ 24,166,193	\$ (15,351,790)
Expenditures				
<i>Current:</i>				
Instruction	11,536,544	20,356,278	11,888,614	8,467,664
Support services				
Pupil services	36,347	85,685	68,322	17,363
Improvement of instructional services	8,677,943	13,169,327	8,382,670	4,786,657
Educational media services	53,512	29,377	27,928	1,449
Federal grant administration	1,158,922	1,712,052	1,106,022	606,030
General administration	776,294	1,594,523	806,598	787,925
School administration	-	7	-	7
Maintenance and operation of plant	4,869	14,001	496	13,505
Student transportation services	358,298	461,131	172,685	288,446
Other support services	1,879,483	2,433,884	1,713,158	720,726
Total Expenditures	24,482,212	39,856,265	24,166,493	15,689,772
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -	\$ (338,282)	(300)	\$ 337,982
Fund Balances Beginning of Fiscal Year			<u>10,052</u>	
Fund Balances End of Fiscal Year			<u>\$ 9,752</u>	

Fulton County Board of Education, Georgia
Title II Fund
Schedule of Revenues, Expenditures and Changes
In Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2016

	2016			Variance With Final Budget
	Original Budget	Final Budget	Actual	
Revenues				
Intergovernmental - federal	\$ 1,806,361	\$ 2,745,183	\$ 1,886,168	\$ (859,015)
Expenditures				
Current:				
Support services				
Improvement of instructional services	1,617,454	2,516,947	1,718,069	798,878
Federal grant administration	132,337	134,882	102,094	32,788
General administration	53,570	91,030	65,363	25,667
Maintenance and operation of plant	3,000	2,324	642	1,682
Total Expenditures	1,806,361	2,745,183	1,886,168	859,015
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -	\$ -	-	\$ -
Fund Balances Beginning of Fiscal Year			-	
Fund Balances End of Fiscal Year			\$ -	

Fulton County Board of Education, Georgia
Title III Fund
Schedule of Revenues, Expenditures and Changes
In Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2016

	2016			Variance With Final Budget
	Original Budget	Final Budget	Actual	
Revenues				
Intergovernmental - federal	\$ 799,293	\$ 1,121,720	\$ 888,082	\$ (233,638)
Other	-	42,042	-	(42,042)
Total Revenues	799,293	1,163,762	888,082	(275,680)
Expenditures				
<i>Current:</i>				
Instruction	256,337	624,880	468,870	156,010
Support services				
Pupil services	59,296	10,284	-	10,284
Improvement of instructional services	466,793	450,223	369,640	80,583
Federal grant administration	11,635	11,173	11,858	(685)
General administration	5,232	6,041	6,041	-
Other Support Services	-	57,563	31,673	25,890
Total Expenditures	799,293	1,160,164	888,082	272,082
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -	\$ 3,598	-	\$ (3,598)
Fund Balances Beginning of Fiscal Year			-	
Fund Balances End of Fiscal Year			\$ -	

Fulton County Board of Education, Georgia
Part B - Special Education Fund
Schedule of Revenues, Expenditures and Changes
In Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2016

	2016			Variance With Final Budget
	Original Budget	Final Budget	Actual	
Revenues				
Intergovernmental - federal	\$ 16,433,723	\$ 20,814,441	18,253,430	\$ (2,561,011)
Expenditures				
<i>Current:</i>				
Instruction	11,271,191	12,400,972	11,546,848	854,124
Support services				
Pupil services	2,304,673	3,504,143	3,123,747	380,396
Improvement of instructional services	2,256,178	3,798,922	2,403,950	1,394,972
Federal grant administration	201,608	179,267	163,158	16,109
General administration	280,264	680,270	603,228	77,042
Student transportation services	53,193	420,024	361,020	59,004
Other support services	66,616	53,530	52,532	998
Total Expenditures	<u>16,433,723</u>	<u>21,037,128</u>	<u>18,254,483</u>	<u>2,782,645</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ (222,687)</u>	(1,053)	<u>\$ 221,634</u>
Fund Balances Beginning of Fiscal Year			<u>-</u>	
Fund Balances (Deficits) End of Fiscal Year			<u>\$ (1,053)</u>	

Fulton County Board of Education, Georgia
Education for the Homeless Fund
Schedule of Revenues, Expenditures and Changes
In Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2016

	2016			Variance With Final Budget
	Original Budget	Final Budget	Actual	
Revenues				
Intergovernmental - federal	\$ 109,684	\$ 59,310	\$ 57,158	\$ (2,152)
Expenditures				
<i>Current:</i>				
Support services				
Pupil services	16,740	23,254	23,588	(334)
Federal grant administration	16,713	14,321	13,343	978
General administration	1,639	2,052	1,773	279
Student transportation services	19,750	19,683	18,454	1,229
Total Expenditures	<u>54,842</u>	<u>59,310</u>	<u>57,158</u>	<u>2,152</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 54,842</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund Balances Beginning of Fiscal Year			<u>-</u>	
Fund Balances End of Fiscal Year			<u>\$ -</u>	

Fulton County Board of Education, Georgia
School Nutrition Program Fund
Schedule of Revenues, Expenditures and Changes
In Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2016

	2016			Variance With Final Budget
	Original Budget	Final Budget	Actual	
Revenues				
Intergovernmental - state	\$ 851,846	\$ 851,846	\$ 834,066	\$ (17,780)
Intergovernmental - federal	26,835,574	26,835,574	26,120,196	(715,378)
USDA commodities	1,687,145	1,687,145	1,929,828	242,683
Investment earnings	10,000	10,000	20,309	10,309
Charges for services	12,363,557	12,363,557	11,641,897	(721,660)
Other	-	-	863	863
Total Revenues	41,748,122	41,748,122	40,547,159	(1,200,963)
Expenditures				
Current:				
Food service operations	41,578,757	42,365,619	40,219,724	2,145,895
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 169,365</u>	<u>\$ (617,497)</u>	327,435	<u>\$ 944,932</u>
Fund Balances Beginning of Fiscal Year			<u>14,281,672</u>	
Fund Balances End of Fiscal Year			<u>\$ 14,609,107</u>	

Fulton County Board of Education, Georgia
Lottery Fund
Schedule of Revenues, Expenditures and Changes
In Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2016

	2016			Variance With Final Budget
	Original Budget	Final Budget	Actual	
Revenues				
Intergovernmental - state	\$ 6,523,319	\$ 5,689,611	\$ 5,627,081	\$ (62,530)
Expenditures				
<i>Current:</i>				
Instruction	6,155,003	6,186,213	6,158,657	27,556
Support services				
Pupil services	58,746	55,849	51,434	4,415
Improvement of instructional services	234,347	237,245	232,223	5,022
Student transportation	-	8,400	8,400	-
Central support services	71,223	71,223	70,226	997
Other support services	4,000	4,000	2,699	1,301
Total Expenditures	6,523,319	6,562,930	6,523,639	39,291
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(873,319)	(896,558)	(23,239)
Other Financing Sources				
Traansfers in	-	873,319	845,099	(28,220)
Net Change in Fund Balance	\$ -	\$ -	(51,459)	\$ (51,459)
Fund Balances Beginning of Fiscal Year			48,078	
Fund Balances (Deficits) End of Fiscal Year			\$ (3,381)	

Fulton County Board of Education, Georgia
Other Federal Grants Fund
Schedule of Revenues, Expenditures and Changes
In Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2016

	2016			Variance With Final Budget
	Original Budget	Final Budget	Actual	
Revenues				
Intergovernmental - federal	\$ 886,210	\$ 2,537,402	\$ 1,795,708	\$ (741,694)
Local Sources:				
Other	-	42,042	-	(42,042)
Total Revenues	<u>886,210</u>	<u>2,579,444</u>	<u>1,795,708</u>	<u>(783,736)</u>
Expenditures				
Current:				
Instruction	363,750	1,791,410	1,054,419	736,991
Support services				
Improvement of instructional services	476,785	204,602	162,545	42,057
Federal grant administration	31,059	4,000	1,552	2,448
General administration	14,616	60,520	21,679	38,841
School administration	-	4,813	4,017	796
Food service operations	-	551,600	551,496	104
Total Expenditures	<u>886,210</u>	<u>2,616,945</u>	<u>1,795,708</u>	<u>821,237</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ (37,501)</u>	-	<u>\$ 37,501</u>
Fund Balances Beginning of Fiscal Year			-	
Fund Balances End of Fiscal Year			<u>\$ -</u>	

Fulton County Board of Education, Georgia
Other Local Grants Fund
Schedule of Revenues, Expenditures and Changes
In Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2016

	2016			Variance With Final Budget
	Original Budget	Final Budget	Actual	
Revenues				
Local	\$ 52,219	\$ 1,600,325	\$ 1,585,097	\$ (15,228)
Expenditures				
<i>Current</i>				
Instruction	20,000	1,088,362	850,360	238,002
Support services:				
Pupil services	153	-	-	-
Improvement of instructional services	-	511,392	397,075	114,317
General administration	-	1,720	1,720	-
Business Administration	32,066	30,308	30,308	-
Maintenance and operation of plant	-	168	168	-
Central support services	-	166,736	192,573	(25,837)
Other support services	-	-	1,246	(1,246)
Food service	-	16,000	16,000	-
Total Expenditures	52,219	1,814,686	1,489,450	325,236
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -	\$ (214,361)	95,647	\$ 310,008
Fund Balances Beginning of Fiscal Year			455,252	
Fund Balances End of Fiscal Year			\$ 550,899	

Fulton County Board of Education, Georgia
Debt Service Fund
Schedule of Revenues, Expenditures and Changes
In Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2016

	2016			Variance With Final Budget
	Original Budget	Final Budget	Actual	
Revenues				
Property taxes	\$ -	\$ -	\$ 3,417	\$ 3,417
Investment earnings	6,540	6,540	667	(5,873)
Total Revenues	<u>6,540</u>	<u>6,540</u>	<u>4,084</u>	<u>(2,456)</u>
Expenditures				
<i>Debt Service:</i>				
Principal retirement	15,970,000	15,970,000	15,970,000	-
Interest and fiscal charges	4,016,472	4,016,472	4,016,742	(270)
Total Expenditures	<u>19,986,472</u>	<u>19,986,472</u>	<u>19,986,742</u>	<u>(270)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(19,979,932)	(19,979,932)	(19,982,658)	(2,726)
Other Financing Sources				
Transfers in	19,983,994	19,983,994	21,397,238	1,413,244
Net Changes in Fund Balances	<u>\$ 4,062</u>	<u>\$ 4,062</u>	1,414,580	<u>\$ 1,410,518</u>
Fund Balances Beginning of Fiscal Year			<u>4,372,369</u>	
Fund Balances End of Fiscal Year			<u>\$ 5,786,949</u>	

Fulton County Board of Education, Georgia
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Fiscal Year Ended June 30, 2016

	Balance June 30, 2015	Additions	Deductions	Balance June 30, 2016
Assets				
Cash and cash equivalents	\$ 4,867,869	16,454,247	16,202,690	\$ 5,119,426
Investments	12,487	21	-	12,508
Other receivables	49,390	138,788	49,390	138,788
Prepaid items	137,553	178,721	137,553	178,721
Total Assets	\$ 5,067,299	\$ 16,771,777	\$ 16,389,633	\$ 5,449,443
Liabilities				
Accounts payable	\$ 43,721	\$ 90,348	\$ 43,721	\$ 90,348
Due to student organizations	5,023,578	16,681,429	16,345,912	5,359,095
Total Liabilities	\$ 5,067,299	\$ 16,771,777	\$ 16,389,633	\$ 5,449,443

Statistical Section



Sweet Apple ES
Sara Kate Coyne- 2nd

Fulton County Board of Education, Georgia
Introduction to the Statistical Section
(Unaudited)

This part of Fulton County Board of Education's (School System) comprehensive annual financial report presents detailed information as a context for understanding this fiscal year's financial statements, note disclosures, and supplementary information. This information is unaudited.

Contents	Exhibit
Financial Trends	I - VII-A
<p>These tables contain financial statement trend information that may assist the reader in assessing the School System's current financial performance by placing it in a historical perspective. In fiscal year 2009, the School System blended its charter schools as special revenue funds. In fiscal year 2011 the charter schools were reclassified as discretely presented component units. Fiscal years 2005 - 2008 have not been restated to reflect these changes in the reporting entity.</p>	
Revenue Capacity	VIII - XIV
<p>These tables contain information that may assist the reader in assessing the viability of the School System's two most significant "own-source" revenue sources: property taxes and sales taxes.</p>	
Debt Capacity	XV - XVII
<p>These tables present information that may assist the reader in analyzing the affordability of the School System's current levels of outstanding debt and the School System's ability to issue additional debt in the future.</p>	
Demographic and Economic Information	XVIII - XIX
<p>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 and among school systems.</p>	
Operating Information	XX - XXV
<p>These tables contain service indicators that can inform one's understanding how the information in the School System's financial statements relates to the services the School System provides and the activities it performs.</p>	

Data Source:

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

Fulton County Board of Education, Georgia
Government-wide Net Position by Component (Unaudited) ¹
Last Ten Fiscal Years
(accrual basis of accounting)

	At June 30, ³									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
	Amounts									
Governmental Activities										
Net investment in capital assets ²	\$ 1,127,331,004	\$ 1,280,537,226	\$ 1,448,516,461	\$ 1,480,029,373	\$ 1,506,586,721	\$ 1,501,664,110	\$ 1,509,929,724	\$ 1,590,806,537	\$ 1,757,699,907	\$ 1,854,946,370
Restricted	42,057,682	32,955,902	57,540,467	63,636,096	66,393,409	177,124,388	244,391,190	247,960,557	160,631,973	120,206,567
Unrestricted	111,809,620	130,241,063	16,771,499	66,897,704	247,513,274	230,939,575	216,792,587	(662,498,676)	(603,705,304)	(577,620,140)
Total	\$ 1,281,198,306	\$ 1,443,734,191	\$ 1,522,828,427	\$ 1,610,563,173	\$ 1,820,493,404	\$ 1,909,728,073	\$ 1,971,113,501	\$ 1,176,268,418	\$ 1,314,626,576	\$ 1,397,532,797
Total Percentage Increase or Decrease From Prior Fiscal Year	11.0%	12.7%	5.5%	5.8%	13.0%	4.9%	3.2%	-40.3%	11.8%	6.3%
	Percentage of Total									
Governmental Activities										
Net investment in capital assets ²	87.99%	88.70%	95.12%	91.90%	82.76%	78.63%	76.60%	135.24%	133.70%	132.73%
Restricted	3.28%	2.28%	3.78%	3.95%	3.65%	9.27%	12.40%	21.08%	12.22%	8.60%
Unrestricted	8.73%	9.02%	1.10%	4.15%	13.60%	12.10%	11.00%	-56.32%	-45.92%	-41.33%
Total	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Notes:

¹ Accounting standards require that net position be reported in three components in the financial statements: net investment in capital assets; restricted; and unrestricted. Net position are considered restricted only when (1) an external party, such as the Georgia Department of Education or the Federal government, places a restriction on how the resources may be used, or (2) enabling legislation is enacted by the School District.

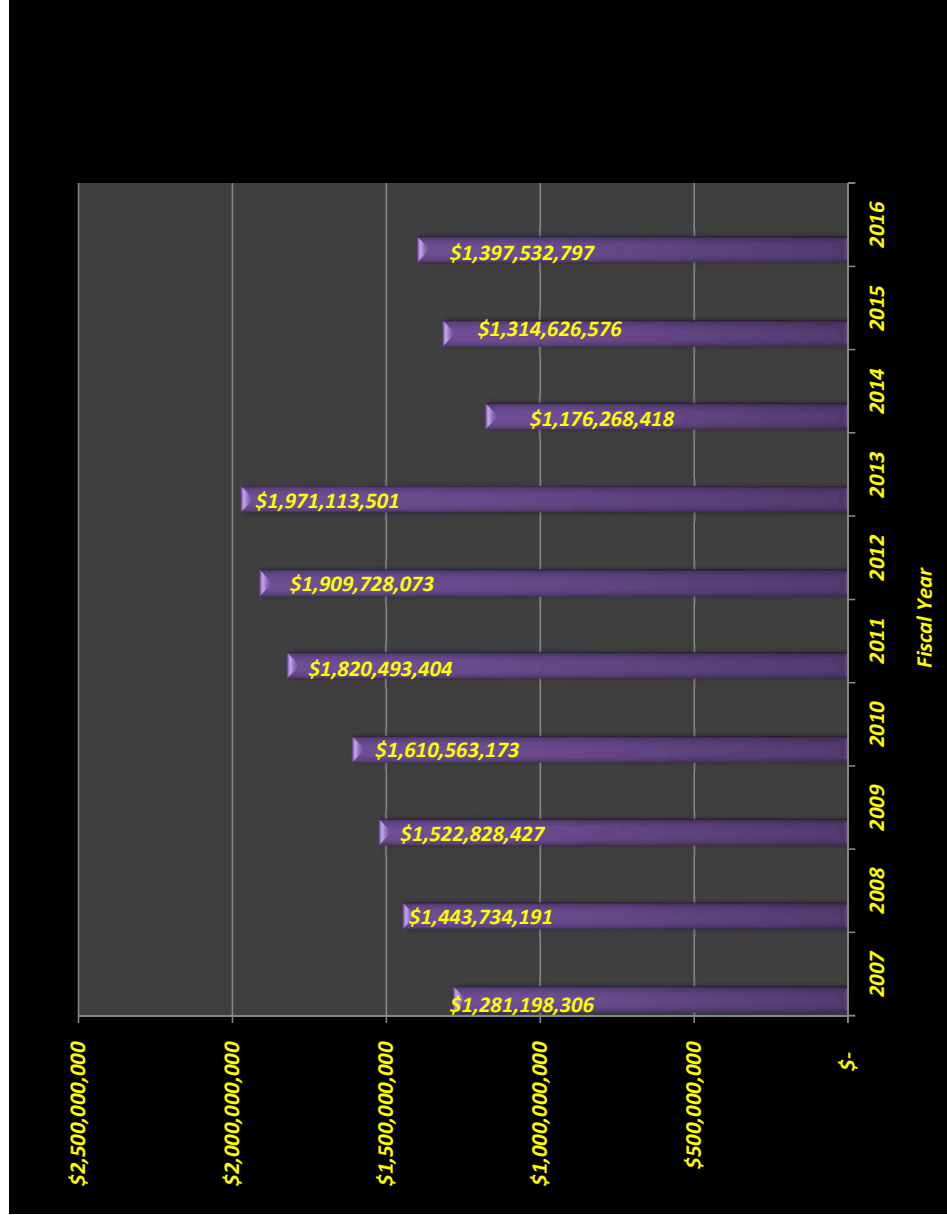
² The large increases in these amounts represent the construction of school buildings funded by the special purpose local option sales tax.

³ In this fiscal year the School District implemented GASB Statement No. 68 which required a restatement of the 6/30/2014 net position. The School System now is recording a net pension liability and other related pension deferred inflows and outflows. accounts.

Data Source:

Applicable fiscal years' annual financial report (2007), applicable fiscal years' Comprehensive Annual Financial Report (2008-2016).

Fulton County Board of Education, Georgia
Chart-Total Government-wide Net Position (Unaudited)
Last Ten Fiscal Years
(accrual basis of accounting)



Fulton County Board of Education, Georgia
 Changes in Net Position - Governmental Activities (Unaudited)
 Last Ten Fiscal Years¹
 (accrual basis of accounting)

	For the Fiscal Year Ended June 30,									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Expenses:										
Instruction	\$ 588,083,848	\$ 599,839,821	\$ 603,715,767	\$ 607,908,299	\$ 575,719,921	\$ 622,927,662	\$ 646,578,930	\$ 643,368,439	\$ 640,800,645	\$ 669,385,761
Support services:										
Pupil services	29,753,549	29,332,132	31,046,229	33,129,857	27,110,229	28,113,941	28,676,862	31,090,523	29,603,137	34,780,389
Improvement of instructional services	18,220,348	23,324,242	29,608,386	32,286,966	25,630,739	28,379,748	31,873,336	31,722,555	39,088,558	43,068,851
Educational media services	17,065,322	16,559,808	15,557,947	15,990,694	14,856,550	15,166,609	17,168,409	16,146,792	15,617,962	16,034,123
Federal grant administration ²	1,610,905	2,617,039	5,590,463	5,602,305	4,428,698	4,270,482	1,146,400	1,113,189	1,396,338	1,356,250
General administration	3,183,642	49,854,490	52,833,081	52,755,746	50,080,091	52,175,510	55,640,395	55,250,956	51,121,296	52,171,251
Business administration	9,526,093	17,445,832	19,205,282	14,105,649	14,983,776	18,180,382	17,302,522	21,078,330	18,467,134	20,338,600
Maintenance and operation of plant	62,758,203	71,059,595	74,683,642	73,507,681	68,072,052	74,921,752	78,230,257	80,725,198	87,528,702	141,270,349
Student transportation services	41,083,584	41,682,475	42,432,881	43,543,478	47,829,619	53,058,056	50,920,384	54,851,939	53,211,111	57,789,727
Central services	13,176,003	13,659,289	13,790,408	14,923,748	12,959,544	14,085,183	16,691,751	20,886,687	24,647,649	23,609,777
Other support services	1,275,932	12,480,937	1,678,505	18,561,607	28,739,711	3,053,210	2,014,868	1,792,070	1,823,535	1,821,330
Food service operations	40,244,440	42,104,877	43,522,417	41,183,297	40,202,714	43,741,358	44,379,674	44,098,195	41,361,110	44,893,769
Facilities acquisition and construction ²	-	16,181,580	34,031,758	-	-	9,280,753	8,149,775	7,200,538	-	-
Interest and fiscal charges	13,488,712	15,736,903	13,165,594	10,979,707	8,730,975	9,280,753	8,149,775	7,200,538	6,306,792	5,389,876
Total Expenses	868,093,581	951,879,020	980,862,360	964,479,034	919,344,619	968,381,612	1,001,277,140	1,011,422,664	1,014,891,500	1,117,342,173
Program Revenues:										
Charges for services:										
Instruction	3,468,686	5,206,129	8,748,730	8,369,438	8,332,257	8,679,645	6,900,925	6,560,735	6,945,749	6,462,514
Pupil services	21,062	30,210	30,200	24,700	14,500	15,400	8,750	-	10,720	-
Improvement of instructional services	-	-	-	-	-	-	-	-	-	-
General administration	-	-	-	-	-	-	-	-	47	-
Business administration	206,402	162,000	194,280	292,455	451,135	674,864	526,825	617,119	562,701	1,268,319
Maintenance and operation of plant	964,385	-	-	-	-	-	-	-	4,876	-
Student transportation services	-	-	-	-	-	-	-	-	-	-
Central services	15,462,665	15,155,602	15,252,989	16,039,644	15,120,170	15,437,420	15,202,932	14,623,761	11,800,482	11,685,030
Food service operations	310,743,571	353,221,056	335,880,044	358,798,120	384,231,616	364,309,659	380,137,289	389,218,493	408,639,076	403,252,714
Operating grants and contributions ³	19,003,664	50,852,260	21,306,736	14,705,047	21,155,178	11,832,914	5,667,676	13,784,277	31,028,815	15,199,512
Capital grants and contributions	349,870,435	424,627,257	381,412,979	398,229,404	429,304,856	400,969,902	408,444,397	424,815,635	458,994,909	437,868,089
Total Program Revenues	(518,223,146)	(527,251,763)	(599,449,381)	(566,249,630)	(490,039,763)	(567,411,710)	(592,832,743)	(586,607,029)	(555,896,591)	(679,474,084)
Net (Expense) Revenue										
General Revenues:										
Taxes:										
Property	487,337,478	530,780,913	539,907,942	538,903,112	536,268,832	506,341,396	501,695,443	508,920,788	525,767,151	589,678,942
Sales	138,017,291	139,512,745	121,393,868	121,565,471	159,635,995	145,000,549	150,788,659	156,944,090	164,399,931	166,669,022
Gain on disposition of capital assets	94,798	15,570,952	4,637,341	651,310	727,234	683,096	696,076	73,060	-	-
Investment earnings	-	2,525,349	5,048,445	1,783,874	3,337,933	4,621,338	1,057,993	4,362,097	3,690,973	5,095,109
Miscellaneous	645,001,526	688,189,959	670,987,596	662,903,767	699,969,994	656,646,379	654,218,171	670,707,291	694,254,749	762,380,305
Total General Revenues	\$ 126,778,380	\$ 160,938,196	\$ 71,538,215	\$ 96,654,137	\$ 209,930,231	\$ 89,234,669	\$ 61,385,428	\$ 84,100,262	\$ 138,358,158	\$ 82,906,221
Change in Net Position										

Notes:

- ¹ Includes non-capitalized charges to the facilities acquisition and construction function. Beginning in fiscal year 2010, this amount has been allocated to other functions.
- ² In the State of Georgia, the use of the "Basic Quality Education" aid is restricted to certain functions; therefore, it is reported as program revenue, rather than as general revenue.
- ³ The State of Georgia added a requirement that the administration of Federal Grants be reported separately during the current and future fiscal years.

Data Source:

Applicable fiscal years' annual financial report (2007), applicable fiscal years' Comprehensive Annual Financial Report (2008-2016).

Fulton County Board of Education, Georgia
 Changes in Net Position - Governmental Activities - Percentage of Total (Unaudited)
 Last Ten Fiscal Years
 (accrual basis of accounting)

	For the Fiscal Year Ended June 30,									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Expenses:										
Instruction	67.74%	63.02%	61.55%	63.03%	62.62%	64.33%	64.58%	63.61%	63.14%	59.93%
Support services:										
Pupil services:										
Improvement of instructional services	3.43%	3.08%	3.17%	3.44%	2.95%	2.90%	2.86%	3.07%	2.92%	3.11%
Educational media services	2.10%	2.45%	3.02%	3.35%	2.79%	2.93%	3.18%	3.14%	3.85%	3.85%
Federal grant administration	1.97%	1.74%	1.59%	1.66%	1.62%	1.57%	1.71%	1.60%	1.54%	1.44%
General administration	0.00%	0.00%	0.00%	0.00%	0.00%	0.13%	0.11%	0.11%	0.14%	0.12%
School administration	0.19%	0.27%	0.57%	0.58%	0.48%	0.42%	0.45%	0.41%	0.39%	0.45%
Business administration	3.67%	5.24%	5.39%	5.47%	5.45%	5.39%	5.36%	5.26%	5.04%	4.67%
Maintenance and operation of plant	1.10%	1.83%	1.96%	1.46%	1.63%	1.88%	1.73%	2.08%	1.82%	1.84%
Student transportation services	7.23%	7.47%	7.61%	7.62%	7.40%	7.74%	7.81%	7.98%	8.62%	12.64%
Central services	4.73%	4.38%	4.33%	4.51%	5.20%	5.48%	5.09%	5.42%	5.24%	5.17%
Other support services	1.52%	1.43%	1.41%	1.55%	1.41%	1.45%	1.67%	2.07%	2.43%	2.11%
Food service operations	0.15%	1.31%	0.17%	1.92%	3.13%	0.32%	0.20%	0.18%	0.18%	0.16%
Facilities acquisition and construction	4.64%	4.42%	4.44%	4.27%	4.37%	4.52%	4.43%	4.36%	4.08%	4.02%
Interest and fiscal changes	0.00%	1.70%	3.47%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total	1.55%	1.66%	1.35%	1.14%	0.95%	0.96%	0.81%	0.71%	0.62%	0.48%
Total Expenses	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Program Revenues:										
Charges for services:										
Instruction	0.99%	1.23%	2.29%	2.10%	1.94%	2.16%	1.69%	1.54%	1.51%	1.48%
Pupil services	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Improvement of instructional services	0.01%	0.01%	0.01%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
General administration	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Maintenance and operation of plant	0.06%	0.04%	0.05%	0.07%	0.11%	0.17%	0.13%	0.15%	0.12%	0.29%
Student transportation services	0.28%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Food service operations	4.42%	3.57%	4.00%	4.03%	3.52%	3.86%	3.72%	3.44%	2.57%	2.67%
Operating grants and contributions ¹	88.82%	83.18%	88.06%	90.10%	89.50%	90.86%	93.07%	91.62%	89.03%	92.09%
Capital grants and contributions	5.42%	11.97%	5.59%	3.69%	4.93%	2.95%	1.39%	3.25%	6.76%	3.47%
Total Program Revenues	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
General Revenues:										
Taxes:										
Property	75.56%	77.13%	80.46%	81.29%	76.61%	77.11%	76.69%	75.88%	75.73%	77.35%
Sales	21.40%	20.27%	18.09%	18.34%	22.81%	22.08%	23.05%	23.40%	23.68%	21.86%
Gain on disposition of capital assets	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.01%	0.00%	0.00%
Investment earnings	3.03%	2.23%	0.69%	0.10%	0.10%	0.10%	0.11%	0.06%	0.06%	0.12%
Miscellaneous	0.00%	0.37%	0.76%	0.27%	0.48%	0.70%	0.16%	0.65%	0.53%	0.67%
Total General Revenues	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Notes:
¹ In the State of Georgia, the use of the "Basic Quality Education" aid is restricted to certain functions; therefore, it is reported as program revenue, rather than as general revenue.

Data Source:
 Applicable fiscal years' annual financial report (2007), applicable fiscal years' Comprehensive Annual Financial Report (2008-2016).

Fulton County Board of Education, Georgia
 Changes in Net Position - Governmental Activities - Annual Percentage Change (Unaudited)
 Last Ten Years ¹
 (accrual basis of accounting)

	For the Fiscal Year Ended June 30,									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Expenses:										
Instruction	8.19%	2.00%	0.65%	0.69%	-5.29%	8.20%	3.80%	-0.50%	-0.40%	4.49%
Support services:										
Pupil services	-1.71%	-1.42%	5.84%	6.71%	-18.17%	3.70%	2.00%	8.42%	-4.78%	17.49%
Improvement of instructional services	7.43%	28.01%	26.94%	9.05%	-20.62%	10.73%	12.31%	-0.47%	23.22%	10.18%
Educational media services	2.71%	-2.96%	-6.05%	2.78%	-7.09%	2.09%	13.20%	-5.95%	-3.28%	2.66%
Federal grant administration ⁴	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%	-9.77%	-2.90%	25.44%	-2.87%
General administration	-24.22%	62.46%	113.62%	0.21%	-20.95%	-9.07%	11.84%	-9.02%	-4.39%	28.45%
School administration	11.04%	56.59%	5.97%	-0.15%	-5.07%	4.18%	2.81%	-0.73%	-4.00%	2.05%
Business administration	-4.92%	83.14%	10.09%	-26.55%	6.23%	21.33%	-4.83%	21.82%	-12.39%	11.22%
Maintenance and operation of plant	8.98%	13.23%	5.10%	-1.57%	-7.39%	10.06%	4.42%	3.19%	8.43%	61.40%
Student transportation services	11.52%	1.46%	1.80%	2.62%	9.84%	10.93%	-4.03%	7.72%	-2.99%	8.60%
Central services	9.55%	3.67%	0.96%	8.22%	-13.16%	8.69%	18.51%	25.13%	18.01%	-4.21%
Other support services	-5.20%	878.18%	-86.55%	1005.84%	54.83%	-89.38%	-34.01%	-11.06%	1.76%	-0.12%
Food service operations	16.15%	4.62%	3.37%	-5.37%	-2.38%	8.80%	1.46%	-0.63%	-6.21%	8.54%
Facilities acquisition and construction ¹	0.00%	0.00%	110.31%	-100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Interest and fiscal changes	-4.23%	16.93%	-16.34%	-16.60%	-20.48%	6.30%	-12.19%	-11.65%	-12.41%	-14.54%
Total Expenses	7.87%	9.65%	3.04%	-1.67%	-4.68%	5.33%	3.40%	1.01%	0.34%	10.09%
Program Revenues:										
Charges for services:										
Instruction	15.74%	50.09%	68.05%	-4.34%	-0.44%	4.17%	-20.49%	-4.93%	5.87%	-6.96%
Pupil services	0.00%	0.00%	0.00%	0.00%	100.00%	6.21%	-43.18%	-100.00%	0.00%	0.00%
Improvement of instructional services	-6.29%	43.43%	-0.03%	-18.21%	-100.00%	0.00%	0.00%	100.00%	100.00%	100.00%
General administration	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Maintenance and operation of plant	97.92%	-21.51%	19.93%	50.53%	54.26%	49.59%	-21.94%	17.14%	-8.82%	125.40%
Student transportation services	-79.96%	-100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Food service operations	0.64%	-1.99%	0.64%	5.16%	-5.73%	2.23%	-1.65%	-3.81%	-19.31%	-0.98%
Operating grants and contributions ²	7.84%	13.67%	-4.91%	6.82%	7.09%	-5.18%	4.34%	2.39%	4.99%	-1.32%
Capital grants and contributions	177.49%	167.59%	-58.10%	-30.98%	43.86%	-44.07%	-52.10%	143.21%	125.10%	-51.01%
Total Program Revenues	9.92%	21.37%	-10.18%	4.41%	7.80%	-6.60%	1.86%	4.01%	8.05%	-4.60%
General Revenues:										
Taxes:										
Property	8.96%	8.91%	1.72%	1.72%	1.72%	-5.58%	-0.92%	1.44%	3.31%	12.16%
Sales	5.52%	1.08%	-12.99%	-12.99%	-12.99%	-9.17%	3.99%	4.08%	4.75%	1.38%
Gain on disposition of capital assets	69.90%	-100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%	100.00%	100.00%
Investment earnings	41.23%	-21.38%	-69.83%	-69.83%	-69.83%	-6.07%	1.90%	-41.49%	-2.60%	136.26%
Miscellaneous	0.00%	0.00%	99.91%	99.91%	99.91%	38.45%	-77.54%	320.24%	-15.39%	38.04%
Total General Revenues	8.96%	6.70%	-2.50%	-1.20%	5.59%	-6.19%	-0.37%	2.52%	3.51%	13.67%

¹ Includes non-capitalized charges to the facilities acquisition and construction function.

² In the State of Georgia, the use of the "Basic Quality Education" aid is restricted to certain functions; therefore, it is reported as program revenue, rather than as general revenue.

Data Source: Applicable fiscal years' annual financial report (2007), applicable fiscal years' Comprehensive Annual Financial Report (2008-2016).

Fulton County Board of Education, Georgia
Fund Balances - Governmental Funds (Unaudited)
June 30, 2006-2010
(modified accrual basis of accounting)

	At June 30,			
	2007	2008	2009	2010
General Fund				
Reserved	\$ 22,865,017	\$ 14,383,774	\$ 9,516,073	\$ 4,894,559
Unreserved 2	140,317,556	111,697,821	81,060,538	109,384,335
Subtotal General Fund	163,182,573	126,081,595	90,576,611	114,278,894
General Fund Percentage Change	21.3%	-22.7%	-28.2%	26.2%
All Other Governmental Funds 1				
Reserved	118,398,623	198,689,890	108,229,147	125,151,090
Unreserved	13,042,653	5,998,281	4,216,475	3,424,967
Special Revenue Funds	-	-	-	-
Debt Service Fund	(99,283,919)	(171,735,509)	(155,772,039)	(116,414,717)
Capital Projects Funds	3,234	3,241	3,245	3,250
Subtotal All Other Governmental Funds	32,160,591	32,955,903	(43,323,172)	12,164,590
All Other Governmental Funds Percentage Change	-71.9%	2.5%	-231.5%	-128.1%
Total Governmental Funds				
Reserved	141,263,640	213,073,664	117,745,220	130,045,649
Unreserved	54,079,524	(54,036,166)	(70,491,781)	(3,602,165)
Total Governmental Funds	\$ 195,343,164	\$ 159,037,498	\$ 47,253,439	\$ 126,443,484
All Governmental Funds Percentage Change	-21.5%	-18.6%	-70.3%	167.6%

Notes:

¹ For consistency, certain amounts have been reclassified between reserved and unreserved fund balances.

² In fiscal year 2008, the School System retired early a long-term pension note payable of \$38,015,118, resulting in a reduction of the unreserved fund balance.

Data Source:

Applicable fiscal years' annual financial report (2007), applicable fiscal years' Comprehensive Annual Financial Report (2008-2015).

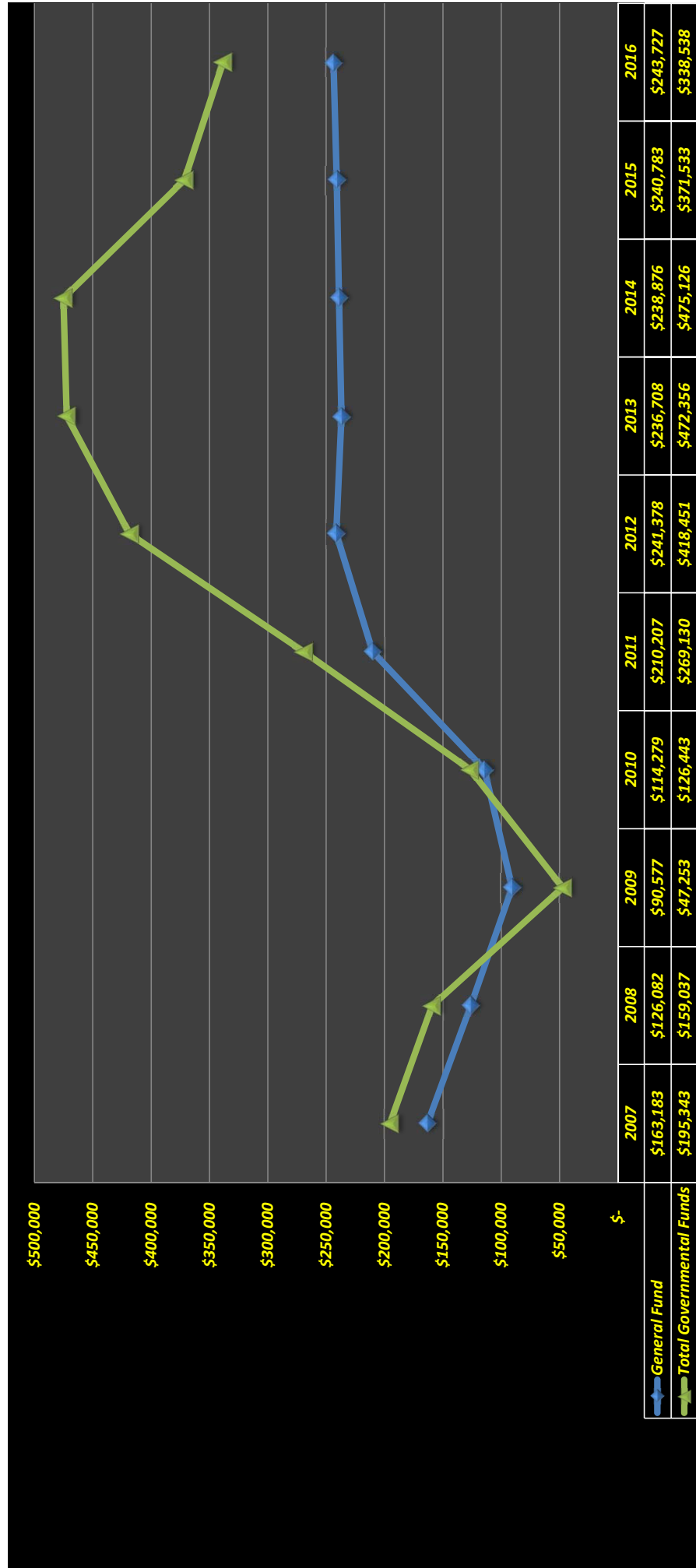
Fulton County Board of Education, Georgia
Fund Balances - Governmental Funds (Unaudited)
June 30, 2011-2016
(modified accrual basis of accounting)

	2011	2012	2013	2014	2015	2016
General Fund						
Nonspendable	\$ 466,468	\$ 466,468	\$ 466,468	\$ 466,468	\$ 466,468	\$ 6,279,178
Restricted	2,387,000	2,387,000	-	-	-	-
Committed	122,927,608	137,713,740	138,773,258	151,649,185	176,870,793	179,416,913
Assigned	43,302,590	19,581,128	32,973,811	42,448,878	15,378,430	25,600
Unassigned	41,122,880	81,229,927	64,493,975	44,311,932	48,067,345	58,004,665
Subtotal General Fund	210,206,546	241,378,263	236,707,512	238,876,463	240,783,036	243,726,956
General Fund Percentage Change	14.8%	14.8%	-1.9%	0.9%	2%	2%
All Other Governmental Funds						
Nonspendable	799,998	794,758	1,640,485	1,997,108	2,005,970	3,043,990
Restricted						
Special Revenue Funds	8,734,602	10,476,174	12,421,277	13,952,681	16,726,943	17,726,822
Debt Service Fund	47,747,552	47,975,600	25,390,779	4,356,254	4,372,369	4,373,705
Capital Projects Funds	9,111,797	117,877,856	196,195,731	215,943,538	107,644,823	69,671,474
Unassigned (deficit)	(7,470,376)	(51,480)	-	-	-	(4,434)
Subtotal All Other Governmental Funds	58,923,573	177,072,908	235,648,272	236,249,581	130,750,105	94,811,557
All Other Governmental Funds Percentage Change	384.4%	200.5%	33.1%	0.3%	-45%	-60%
Total Governmental Funds						
Nonspendable	1,266,466	1,261,226	2,106,953	2,463,576	2,472,438	9,323,768
Restricted	67,980,951	178,716,630	234,007,787	234,252,473	128,744,135	91,772,001
Committed	122,927,608	137,713,740	138,773,258	151,649,185	176,870,793	179,416,913
Assigned	43,302,590	19,581,128	32,973,811	42,448,878	15,378,430	25,600
Unassigned	33,652,504	81,178,447	64,493,975	44,311,932	48,067,345	58,000,231
Total Governmental Funds	\$ 269,130,119	\$ 418,451,171	\$ 472,355,784	\$ 475,126,044	\$ 371,533,141	\$ 338,538,513
All Governmental Funds Percentage Change	112.9%	55.5%	12.9%	0.6%	-21.8%	-28.7%

Notes:
1 This increase relates to the reduction in the 2007 SPLOST capital projects fund. The Fund Balance is being spent down as the five year program is in the first two years.

Data Source:
June 30, 2011 - 2016 Comprehensive Annual Financial Report.

Fulton County Board of Education, Georgia
 Chart - Fund Balances - Governmental Funds
 Last Ten Fiscal Years
 (in \$1,000)



Fulton County Board of Education, Georgia
 General Governmental Revenues by Source (Unaudited) ¹
 Last Ten Fiscal Years
 (modified accrual basis of accounting)

Revenue Source	For the Fiscal Year Ended June 30,									
	2007	2008 ⁴	2009	2010	2011	2012	2013	2014	2015	2016
Local: ²										
Property taxes	\$ 656,505,399	\$ 527,988,327	\$ 535,295,012	\$ 548,924,443	\$ 535,547,654	\$ 509,727,699	\$ 502,441,099	\$ 510,144,714	\$ 526,475,642	\$ 561,559,842
Sales taxes	-	139,512,745	118,046,779	123,055,820	130,265,771	176,227,513	150,788,659	156,944,090	164,399,931	166,669,022
Other	-	43,711,822	33,911,987	29,203,248	27,126,441	31,222,059	27,880,909	28,766,279	25,246,953	25,792,338
State: ³	295,154,098	351,741,479	284,499,986	268,522,061	301,108,813	316,548,891	303,328,605	325,213,199	346,920,247	365,979,980
Federal	45,318,910	47,070,257	66,720,098	111,571,264	97,208,388	76,874,643	75,457,622	72,231,439	72,350,213	81,931,176
Total Revenues	\$ 996,978,407	\$ 1,110,024,630	\$ 1,038,473,862	\$ 1,081,276,536	\$ 1,091,257,067	\$ 1,110,600,805	\$ 1,059,896,894	\$ 1,093,299,721	\$ 1,135,392,986	\$ 1,201,932,358
% Change From Prior Fiscal Year	8.5%	11.3%	-6.4%	4.1%	0.9%	1.8%	-4.6%	3.2%	7%	10%
	Percentage of Total									
Local:										
Property taxes	65.8%	47.6%	51.5%	50.8%	49.1%	45.9%	47.4%	46.7%	46%	47%
Sales taxes	-	12.6%	11.4%	11.4%	11.9%	15.9%	14.2%	14.4%	14%	14%
Other	-	3.9%	3.3%	2.7%	2.5%	2.8%	2.6%	2.6%	2%	2%
State: ³	29.6%	31.7%	27.4%	24.8%	27.6%	28.5%	28.6%	29.7%	31%	30%
Federal	4.6%	4.2%	6.4%	10.3%	8.9%	6.9%	7.2%	6.6%	6%	7%
Total Revenues	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Notes:

- ¹ Includes all governmental fund types.
- ² The details of local revenues are not readily available for fiscal year 2007.
- ³ Includes on-behalf payments made by the State of Georgia that previously were reported separately.
- ⁴ Fiscal year 2008 has not been restated.

Data Source:

Applicable fiscal years' annual financial report (2007), applicable fiscal years' Comprehensive Annual Financial Report (2008-2016).

Fulton County Board of Education, Georgia
 General Governmental Expenditures by Function (Unaudited) ¹
 Last Ten Fiscal Years
 (modified accrual basis of accounting)

Function	For the Fiscal Year Ended June 30,									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Current:										
Instruction	\$ 543,451,814	\$ 575,588,085	\$ 573,471,451	\$ 563,445,530	\$ 552,593,377	\$ 561,904,171	\$ 585,213,360	\$ 585,102,294	\$ 597,282,656	\$ 638,818,504
Support services:										
Pupil services:	29,520,684	29,268,201	30,689,617	32,370,220	26,537,001	26,854,503	27,493,780	30,066,079	29,193,488	35,250,892
Improvement of instructional services	17,269,106	23,030,610	29,034,897	31,030,192	24,941,220	26,595,855	30,027,958	29,970,884	37,929,168	42,981,915
Educational media services	14,799,418	15,327,095	14,120,626	14,203,037	12,923,434	12,707,842	14,641,714	13,632,238	13,383,328	13,983,101
Federal grant administration							1,146,400	1,113,189	1,430,903	1,398,027
General administration	1,580,899	2,600,032	5,549,527	5,453,414	4,339,130	3,875,887	4,331,536	3,939,100	3,785,883	5,057,303
School administration	30,476,374	49,128,844	51,745,298	50,600,690	48,358,288	48,852,080	50,565,833	50,483,119	50,115,002	52,543,982
Business administration	8,949,064	17,290,413	18,761,543	13,265,477	14,356,686	17,120,611	16,189,417	20,065,998	17,474,678	20,183,890
Maintenance and operation of plant	61,543,428	70,562,892	73,586,243	71,003,912	66,229,037	71,019,509	74,523,586	77,519,407	84,153,141	81,966,192
Student transportation services	34,321,075	39,488,799	39,428,457	38,159,608	41,840,321	45,543,186	47,140,124	47,376,221	45,194,130	50,792,729
Central services	12,612,802	13,474,730	13,392,095	14,215,363	12,325,925	13,067,630	15,742,285	19,898,700	23,832,305	23,468,858
On-behalf payments ²	11,267,103	-	-	-	-	-	-	-	-	-
Other support services	1,260,790	12,475,276	1,605,955	18,682,904	28,630,437	1,810,020	1,891,205	1,747,337	1,798,697	1,852,017
Food service operations	36,181,849	39,889,853	41,015,193	37,421,798	36,540,865	38,736,561	39,373,292	39,321,479	36,857,390	40,787,220
Total Current	803,234,406	888,124,830	892,395,902	889,852,145	849,615,721	869,358,337	908,380,490	920,226,045	942,430,769	1,009,084,630
% Change From Prior Fiscal Year	7.8%	10.6%	0.5%	-0.3%	-4.5%	2.3%	4.5%	1.3%	3.8%	9.7%
Capital Outlay ³	216,039,578	190,521,757	221,781,964	83,785,468	74,603,666	103,440,578	71,538,284	145,757,911	272,433,766	202,634,541
% Change From Prior Fiscal Year	140.2%	-11.8%	16.4%	-62.2%	-11.0%	38.7%	-30.8%	103.7%	280.8%	39.0%
Debt Service										
Principal ⁴	15,492,058	50,620,118	14,102,360	15,130,000	15,390,000	15,670,000	18,335,667	17,655,667	17,995,667	18,345,667
Interest and fees	13,658,234	15,956,722	13,410,722	11,243,198	9,002,306	8,717,761	8,438,333	7,488,045	6,604,317	5,703,288
Total Debt Service	29,150,292	66,576,840	27,513,082	26,373,198	24,392,306	24,387,761	26,774,000	25,143,712	24,599,984	24,048,955
% Change From Prior Fiscal Year	-1.3%	128.4%	-58.7%	-4.1%	-7.5%	0.0%	9.8%	-6.1%	-8%	-4%
Total Expenditures	\$ 1,048,424,276	\$ 1,145,223,427	\$ 1,141,690,948	\$ 1,000,010,811	\$ 948,611,693	\$ 997,186,676	\$ 1,006,592,774	\$ 1,091,127,668	\$ 1,239,464,519	\$ 1,235,768,126
% Change From Prior Fiscal Year	21.3%	9.2%	-0.3%	-12.4%	-5.1%	5.1%	0.9%	8.4%	23%	13%
Debt Service as a % of Noncapital Expenditures	3.5%	6.9%	3.0%	2.9%	2.8%	2.7%	2.9%	2.7%	3%	2%

Notes:
¹ Includes all governmental fund types.
² In fiscal years 2008 - 2010, on-behalf payments are reported in the appropriate functions.
³ Includes non-capitalized charges to the facilities acquisition and
⁴ In fiscal year 2008, the School System retired early a long-term pension note payable of \$38,015,118.
 Data Source:
 Applicable fiscal years' annual financial report (2007), applicable fiscal years' Comprehensive Annual Financial Report (2008-2016).

Fulton County Board of Education, Georgia
General Governmental Expenditures by Function - Percentage of Total (Unaudited) ¹
Last Ten Fiscal Years
(modified accrual basis of accounting)

Function	For the Fiscal Year Ended June 30,									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2015
Current:										
Instruction	51.8%	50.3%	50.2%	56.3%	56.1%	56.3%	58.1%	55.6%	48.19%	51.69%
Support services:										
Pupil services	2.8%	2.6%	2.7%	3.2%	2.8%	2.7%	2.7%	2.8%	2.36%	2.85%
Improvement of instructional services	1.6%	2.0%	2.5%	3.1%	2.6%	2.7%	3.0%	2.7%	3.06%	3.48%
Educational media services	1.4%	1.3%	1.2%	1.4%	1.4%	1.3%	1.4%	1.2%	1.08%	1.13%
Federal grant administration	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.1%	0.1%	0.12%	0.11%
General administration	0.2%	0.2%	0.5%	0.5%	0.5%	0.4%	0.4%	0.4%	0.31%	0.41%
School administration	2.9%	4.3%	4.5%	5.1%	5.1%	4.9%	5.0%	4.6%	4.04%	4.25%
Business administration	0.9%	1.5%	1.6%	1.3%	1.5%	1.7%	1.6%	1.8%	1.41%	1.63%
Maintenance and operation of plant	5.9%	6.2%	6.4%	7.1%	7.0%	7.1%	7.4%	7.1%	6.79%	6.63%
Student transportation services	3.3%	3.4%	3.5%	3.8%	4.4%	4.6%	4.7%	4.3%	3.65%	4.11%
Central services	1.2%	1.2%	1.2%	1.4%	1.3%	1.3%	1.6%	1.8%	1.92%	1.90%
On-behalf payments ²	1.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.00%	0.00%
Other support services	0.1%	1.1%	0.1%	1.9%	3.0%	0.2%	0.2%	0.2%	0.15%	0.15%
Food service operations	3.5%	3.5%	3.6%	3.7%	3.9%	3.9%	3.9%	3.6%	2.97%	3.30%
Total Current	76.6%	77.6%	78.2%	89.0%	89.6%	87.2%	90.2%	84.3%	76.04%	81.66%
Capital Outlay ³	20.6%	16.6%	19.4%	8.4%	7.9%	10.4%	7.1%	13.4%	21.98%	16.40%
Debt Service										
Principal ⁴	1.5%	4.4%	1.2%	1.5%	1.6%	1.6%	1.8%	1.6%	1.45%	1.48%
Interest and fees	1.3%	1.4%	1.2%	1.1%	0.9%	0.9%	0.8%	0.7%	0.53%	0.46%
Total Debt Service	2.8%	5.8%	2.4%	2.6%	2.6%	2.4%	2.7%	2.3%	1.98%	1.95%
Total Expenditures	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.00%	100.00%

¹ Includes all governmental fund types.

² Beginning in fiscal years 2008, on-behalf payments are reported in the appropriate functions.

³ Includes non-capitalized charges to the facilities

⁴ In fiscal year 2008, the School System retired early a long-term pension note payable of \$38,015,118.

Data Source:

Applicable fiscal years' annual financial report (2007), applicable fiscal years' Comprehensive Annual Financial Report (2008-2016).

Fulton County Board of Education, Georgia
 General Governmental Current Expenditures by Function (Unaudited) ¹
 Last Ten Fiscal Years
 (modified accrual basis of accounting)

Function	For the Fiscal Year Ended June 30,									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Current:	\$ 543,451,814	\$ 575,588,085	\$ 573,471,451	\$ 563,445,530	\$ 552,593,377	\$ 561,904,171	\$ 585,213,360	\$ 585,102,294	\$ 597,282,656	\$ 638,818,504
Instruction	29,520,684	29,268,201	30,689,617	32,370,220	26,537,001	26,854,503	27,493,780	30,056,079	29,193,488	35,250,892
Support services:										
Pupil services	17,269,106	23,030,610	29,034,897	31,030,192	24,941,220	26,595,855	30,027,958	29,970,884	37,929,168	42,981,915
Improvement of instructional services	14,799,418	15,327,095	14,120,626	14,203,037	12,923,434	12,707,842	14,641,714	13,652,238	13,383,328	13,983,101
Educational media services	1,580,899	2,600,032	5,549,527	5,453,414	4,339,130	3,875,887	1,146,400	1,113,189	1,430,903	1,398,027
Federal grant administration	30,476,374	49,128,844	51,745,298	50,600,690	48,358,288	48,852,080	50,565,833	50,483,119	50,115,002	52,543,982
General administration	8,949,064	17,290,413	18,761,543	13,265,477	14,356,686	17,120,611	16,189,417	20,065,998	17,474,678	20,183,890
School administration	61,543,428	70,562,892	73,586,243	71,003,912	66,229,037	71,019,509	74,523,586	77,519,407	84,153,141	81,966,192
Business administration	34,321,075	39,488,799	39,425,457	38,159,608	41,840,321	45,543,186	47,140,124	47,376,221	45,194,130	50,972,729
Maintenance and operation of plant	12,612,802	13,474,730	13,392,095	14,215,363	12,325,925	13,067,630	15,742,285	19,898,700	23,832,305	23,468,858
Student transportation services	11,267,103	-	-	-	-	-	-	-	-	-
Central services	1,260,790	12,475,276	1,603,955	18,682,904	28,630,437	1,891,205	1,747,337	1,798,697	1,852,017	1,852,017
On-behalf payments ²	361,818,849	39,889,853	41,015,193	37,421,798	36,540,865	38,736,561	39,373,292	39,321,479	36,857,390	40,787,220
Other support services	\$ 803,234,406	\$ 888,124,830	\$ 892,395,902	\$ 889,852,145	\$ 849,615,721	\$ 869,358,337	\$ 908,280,490	\$ 920,226,045	\$ 942,430,769	\$ 1,009,264,630
Food service operations										
Total Current	67.7%	64.8%	64.3%	63.3%	62.7%	64.6%	64.4%	63.6%	63.4%	63.3%
Current:	3.7%	3.3%	3.4%	3.6%	3.1%	3.1%	3.0%	3.3%	3.1%	3.5%
Instruction	2.1%	2.6%	3.3%	3.5%	2.9%	3.1%	3.3%	3.3%	4.0%	4.3%
Support services:	1.8%	1.7%	1.6%	1.6%	1.5%	1.5%	1.6%	1.5%	1.4%	1.4%
Pupil services	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.1%	0.1%	0.2%	0.1%
Improvement of instructional services	0.2%	0.3%	0.6%	0.6%	0.5%	0.4%	0.5%	0.4%	0.4%	0.5%
Educational media services	3.8%	5.3%	5.8%	5.7%	5.7%	5.6%	5.6%	5.5%	5.3%	5.2%
Federal grant administration	1.1%	1.9%	2.1%	1.5%	1.7%	2.0%	1.8%	2.2%	1.9%	2.0%
General administration	7.7%	7.9%	8.2%	8.0%	7.8%	8.2%	8.2%	8.4%	8.9%	8.1%
School administration	4.3%	4.4%	4.4%	4.3%	4.9%	5.2%	5.2%	5.1%	4.8%	5.1%
Business administration	1.6%	1.5%	1.5%	1.6%	1.7%	1.5%	2.2%	2.2%	2.5%	2.3%
Maintenance and operation of plant	1.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Student transportation services	0.2%	1.4%	0.2%	2.1%	3.4%	0.2%	0.2%	0.2%	0.2%	0.2%
Central services	4.4%	4.7%	4.6%	4.2%	4.3%	4.5%	4.3%	4.3%	3.9%	4.0%
On-behalf payments ²	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Other support services										
Food service operations										
Total Current	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

¹ Includes all governmental fund types.
² Beginning in fiscal years 2008, on-behalf payments are reported in the appropriate functions.

Data Source: Applicable fiscal years' annual financial report (2007), applicable fiscal years' Comprehensive Annual Financial Report (2008-2016).

Exhibit VII

Summary of Changes in Fund Balances - (Unaudited) ¹
Last Ten Fiscal Years
(modified accrual basis of accounting)

	For the Fiscal Year Ended June 30,										
Source	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Total Revenues	\$ 918,509,517	\$ 996,978,407	\$ 1,110,024,630	\$ 1,038,473,862	\$ 1,081,276,836	\$ 1,091,257,067	\$ 1,110,600,805	\$ 1,059,896,894	\$ 1,093,299,721	\$ 1,135,392,986	\$ 1,201,932,358
Total Expenditures	864,600,437	1,048,424,276	1,145,223,427	1,141,690,948	1,000,010,811	948,611,693	997,186,676	1,006,592,774	1,091,127,668	1,239,464,519	1,235,768,126
Excess (Deficiency) of Revenues Over (Under) Expenditures	53,909,080	(51,445,869)	(35,198,797)	(103,217,086)	81,266,025	142,645,374	113,414,129	53,304,120	2,172,053	(104,071,533)	(33,835,768)
Other Financing Sources (Uses)											
Proceeds from the disposition of capital assets	67,040	179,078	5,001	9,706	6,889	9,568	25,088	378,076	216,659	171,907	397,617
Insurance proceeds	-	-	-	-	-	31,153	247,375	222,417	381,548	306,723	443,523
Inception of Intergovernmental agreement	-	-	-	-	-	-	35,635,000	-	-	-	-
Transfers in	25,722,059	26,190,388	2,513,869	48,511,578	45,486,549	23,942,779	23,400,865	14,148	134,926	30,485,044	26,014,064
Transfers out	(25,722,059)	(26,190,388)	(2,513,869)	(48,511,578)	(45,486,549)	(23,942,779)	(23,400,865)	(14,148)	(134,926)	(30,485,044)	(26,014,064)
Total Other Financing Sources (Uses)	67,040	179,078	5,001	9,706	6,889	40,721	35,907,463	600,493	598,207	478,630	841,140
Net Change in Fund Balances	\$ 53,976,120	\$ (51,266,791)	\$ (35,193,796)	\$ (103,207,380)	\$ 81,272,914	\$ 142,686,095	\$ 149,321,592	\$ 53,904,613	\$ 2,770,260	\$ (103,592,903)	\$ (32,994,628)

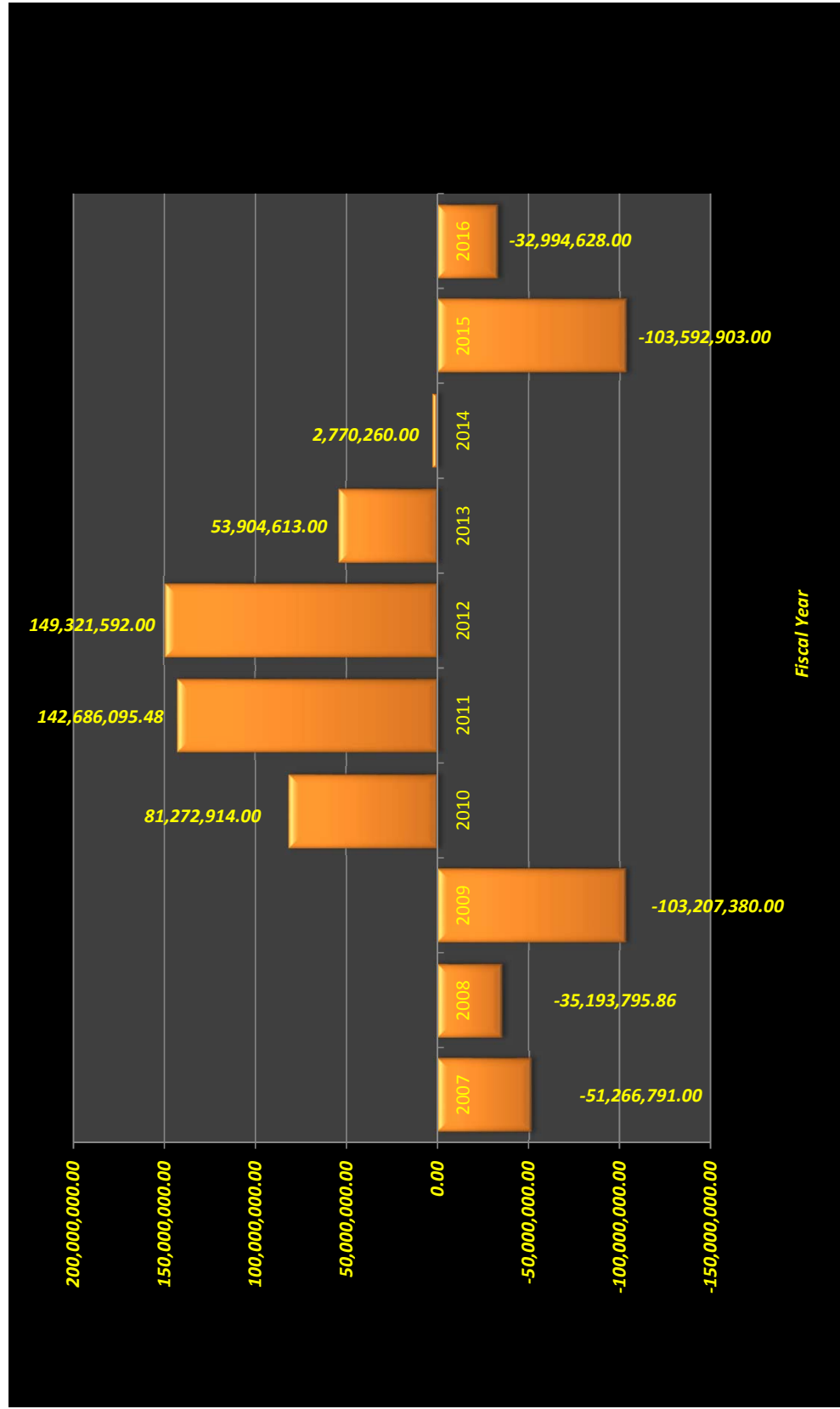
Notes:

¹ Includes all governmental fund types.

Data Source:

Applicable fiscal years' annual financial report (2007), applicable fiscal years' Comprehensive Annual Financial Report (2008-2016).

Fulton County, Georgia
 Chart-Summary of Net Changes in Total Fund Balances (Unaudited)
 Last Ten Fiscal Years
 (modified accrual basis of accounting)



Fulton County Board of Education, Georgia
Taxable Assessed Value¹ and Estimated Actual Value of Property By Type (Unaudited)²
 Last Ten Fiscal Years

Fiscal Year Ended June 30, ³	Amounts											Total Direct Tax Rate ⁵	Estimated Actual Value	Annual Percentage Change
	Residential Property	Commercial Property	Industrial Property	Agricultural Property	Conservation Use Property	Motor Vehicles and Mobile Homes	Other Property ⁴	Less: Tax Exempt Property	Total Taxable Assessed Value ⁷	Total				
2007	15,796,141,610	8,825,568,290	1,201,007,130	20,912,840	40,922,510	392,693,298	1,274,865,870	572,078	1,352,566,150	26,200,117,476	18,107	65,500,293,690	8.8%	
2008	17,513,264,850	9,788,853,510	1,259,678,540	16,157,830	65,098,050	525,765,686	1,364,774,717	1,010,442	1,396,004,224	29,138,599,401	18,091	72,846,498,503	11.2%	
2009 ⁶	18,112,063,960	11,055,945,170	1,256,646,990	26,836,460	79,328,680	488,178,467	1,468,421,628	975,677	1,426,795,675	31,061,601,357	17,502	77,654,003,393	6.6%	
2010	17,794,790,080	11,224,357,540	1,224,821,770	26,006,350	93,884,570	393,603,352	1,555,358,080	1,635,569	1,519,555,370	30,794,901,941	17,502	76,987,254,853	-0.9%	
2011	16,758,715,890	10,878,449,420	1,102,564,230	27,989,820	95,628,190	441,258,358	1,393,710,275	959,706	1,464,826,410	29,234,449,479	18,502	73,086,123,698	-5.1%	
2012	15,700,034,770	10,768,109,350	1,173,143,670	26,659,930	84,885,180	441,258,358	1,582,514,292	672,109	1,469,424,399	28,307,853,260	18,502	70,769,633,150	-3.2%	
2013	15,238,256,780	10,522,668,040	1,180,184,160	26,465,240	85,914,600	453,328,194	1,625,373,782	4,136	1,548,721,694	27,583,473,238	18,502	68,958,683,095	-2.6%	
2014	15,054,489,000	10,600,600,040	1,151,964,530	21,145,580	93,237,650	412,790,424	1,770,446,868	72,162	1,592,197,410	27,512,543,844	18,502	68,781,359,610	-0.3%	
2015	15,655,302,030	10,617,563,140	1,161,287,190	18,939,790	68,867,030	414,057,510	1,490,221,318	158,580	1,654,994,596	27,771,401,992	18,502	69,428,504,980	0.9%	
2016	17,113,275,850	11,449,783,210	1,375,068,230	15,925,190	109,316,720	450,398,531	981,445,326	499,386	1,823,080,459	29,672,631,984	18,502	74,181,579,960	6.8%	
* \$	16,473,633,482	\$ 10,573,189,771	\$ 1,208,636,644	\$ 22,316,406	\$ 81,707,818	\$ 441,333,218	\$ 1,450,713,216	\$ 655,985	\$ 1,524,816,639	\$ 28,727,757,397		\$ 71,819,393,493		
**	8.3%	29.7%	14.5%	-23.8%	167.1%	14.7%	-23.0%	-12.7%	34.8%	13.3%	2.2%	13.3%		

* Dollar average for ten years.
 ** Percentage change in dollars over ten years.

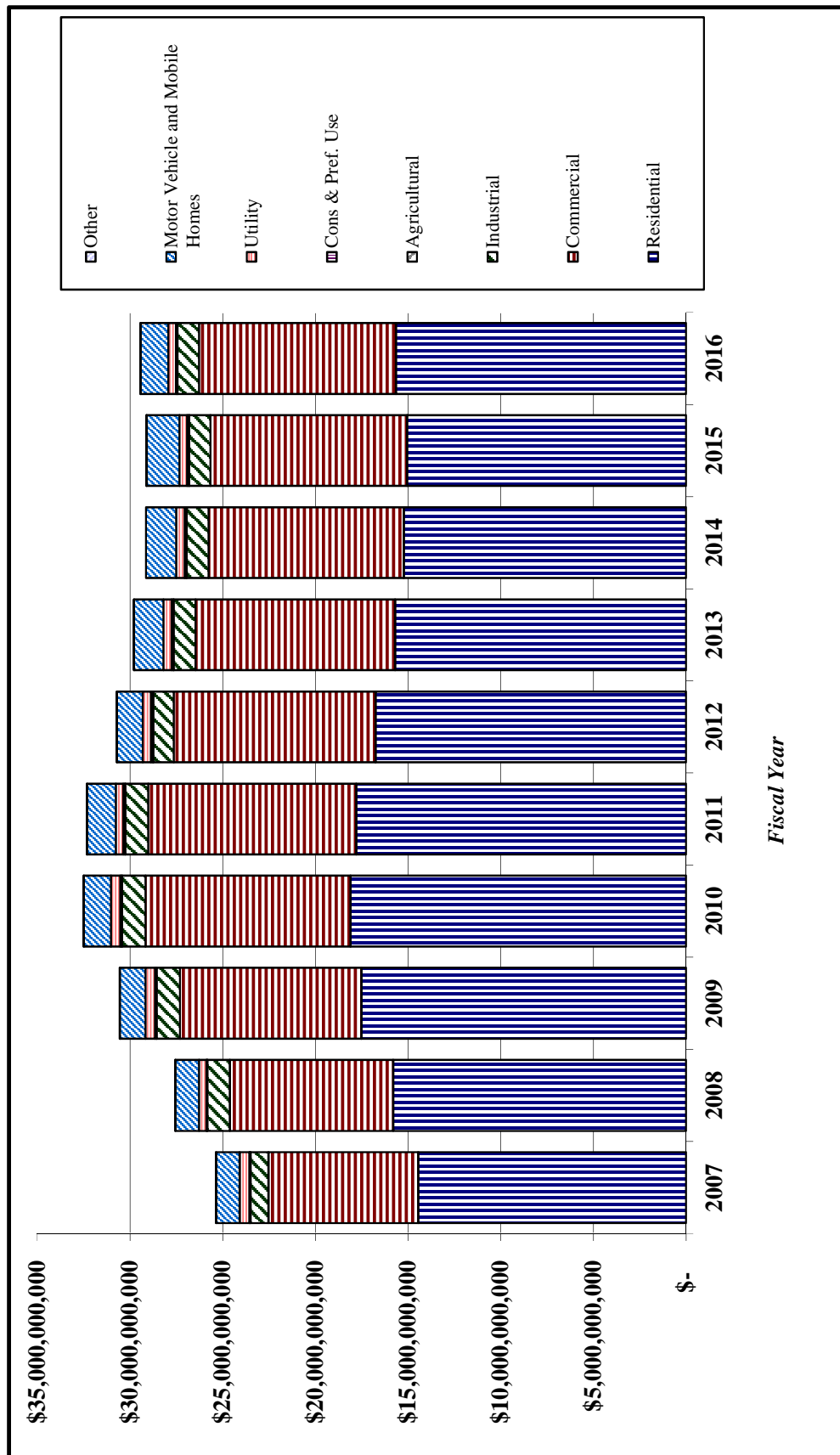
Notes:

- ¹ All property is assessed at 40% of fair market value.
- ² Gross digest before homestead or freepport exemptions.
- ³ The tax year is one year prior to the fiscal year.
- ⁴ Generally includes timber, heavy equipment and historical property.
- ⁵ Tax rates expressed in rate per \$1,000.
- ⁶ Fulton County completed a reassessment of the 2008 tax digest.

Data Source:

Georgia Department of Revenue, Tax Digest Consolidation Summary, School, <http://www.etax.dor.ga.gov/PTD/cds/csheets/index.aspx>

Fulton County Board of Education, Georgia
 Chart-Taxable Assessed Value
 Last Ten Fiscal Years
 (modified accrual basis of accounting)



Fulton County Board of Education, Georgia
Direct, Overlapping, and Underlying Property Tax Rates⁴ (Unaudited)
Last Ten Fiscal Years
(rate per \$1,000 of assessed taxable value)

	For the Fiscal Year Ended June 30,									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Direct-School District:										
Maintenance and operations ⁵	17.825	16.903	16.403	17.502	18.502	18.502	18.502	18.502	18.502	18.502
Debt service	0.282	1.188	1.099	-	-	-	-	-	-	-
Total Direct-School District	18.107	18.091	17.502	17.502	18.502	18.502	18.502	18.502	18.502	18.502
Overlapping:¹										
Fulton County	11.470	10.281	10.281	10.281	10.281	10.281	10.281	10.211	11.781	10.480
Debt service					0.270	0.270	0.270	0.270	0.270	0.270
State of Georgia ³	0.250	0.250	0.250	0.250	0.250	0.250	0.200	0.150	0.100	0.050
Total Overlapping	11.720	10.531	10.531	10.531	10.531	10.801	10.751	10.631	12.151	10.800
Underlying:^{2, 6}										
City of Alpharetta	6.600	6.248	5.750	5.750	5.750	5.750	5.750	5.750	5.750	5.750
City of College Park	9.560	9.560	9.560	9.560	11.560	11.560	12.619	10.619	12.619	12.619
City of Chattahoochee Hills	-	-	5.659	-	-	-	-	10.952	10.958	10.958
City of East Point	12.163	14.750	14.750	14.750	14.750	13.750	15.000	15.000	15.000	15.000
City of Fairburn	5.000	5.000	5.000	5.000	7.500	9.930	9.980	8.100	9.820	9.730
City of Hapeville	12.610	16.610	16.610	16.610	16.610	16.610	16.610	16.610	16.610	16.610
City of John's Creek	-	-	4.614	4.614	4.614	4.614	4.614	4.614	4.614	4.610
City of Milton	-	-	4.731	4.731	4.731	4.731	4.731	4.731	4.731	4.731
City of Mountain Park	9.890	11.780	11.780	11.780	11.780	10.780	10.780	10.780	13.330	13.220
City of Palmetto	4.500	4.500	8.500	8.450	8.450	8.450	8.500	8.500	8.500	8.500
City of Roswell	6.090	5.657	5.455	5.455	5.455	5.455	5.455	4.464	5.455	5.455
City of Sandy Springs	4.730	4.731	4.731	4.731	4.731	4.731	4.731	4.731	4.731	4.731
City of Union City	7.500	9.500	9.500	9.500	9.500	10.238	10.599	13.178	15.692	15.692

Notes:

- ¹ Overlapping rates are those of governments that overlap the School District's geographic boundaries.
- ² Underlying rates are those of the cities that apply to property owners located within Fulton County.
- ³ The State of Georgia levies one fifteenth of one mill on each county's taxable property to help finance their certification of each Georgia county's tax digest.
- ⁴ The tax year is one year prior to the fiscal year.
- ⁵ The legal limit is 25 mills.
- ⁶ Although located within Fulton County, the City of Atlanta operates their own school district, therefore, their tax rates are not applicable to taxpayers of the School District.

Data Source:

Georgia Department of Revenue, Property Tax Division,
<http://www.etax.dor.ga.gov/PTD/cds/csheets/millrate.aspx>

Fulton County Board of Education, Georgia
Comparison of Metropolitan Atlanta School Districts
2015 Property Tax Rates ^{1,2} *(Unaudited)*
For the Fiscal Year Ended June 30, 2016
(rate per \$1,000 of assessed taxable value)

School District	Levied For:			Levied For:			Total
	Maintenance and Operations	Debt Service	Total	Maintenance and Operations	Debt Service	Total	
Rockdale County	25.391	-	25.391	25.320	-	25.320	25.320
DeKalb County	23.980	0.100	24.080	23.380	-	23.380	23.380
Gwinnett County	19.800	2.500	22.300	19.800	2.050	21.850	21.850
Atlanta City	21.640	0.100	21.740	21.715	0.025	21.740	21.740
Douglas County	19.850	1.500	21.350	19.800	1.200	21.000	21.000
Clayton County	19.804	-	19.804	19.095	-	19.095	19.095
Cobb County	18.900	-	18.900	18.900	-	18.900	18.900
Fulton County	18.502	-	18.502	18.483	-	18.483	18.483
Marietta City	17.970	-	17.970	17.970	-	17.970	17.970

Notes:

¹ The tax year is one year prior to the fiscal year.

Data Source:

² Georgia Department of Revenue, Property Tax Division, <http://www.etax.dor.ga.gov/PTD/cds/csheets/millrate.aspx>

Fulton County Board of Education, Georgia
Property Tax Levies and Collections (Unaudited)

Last Ten Fiscal Years ¹

For The Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year		Collected Within the Fiscal Year of The Levy		Collections in Subsequent Years	Total Collections to Date		Total Uncollected Taxes	
	Amount	Percentage of Levy	Amount	Percentage of Levy		Amount	Percentage of Levy	Amount	Percentage of Levy
2007	\$ 467,017,000	96.03%	\$ 448,477,000	96.03%	\$ 18,540,000	\$ 467,017,000	100.00%	\$ -	0.00%
2008	492,559,000	97.02%	477,881,000	97.02%	14,678,000	492,559,000	100.00%	-	0.00%
2009 ¹	508,447,472	91.79%	466,717,804	91.79%	41,729,668	508,447,472	100.00%	-	0.00%
2010	542,106,027	89.64%	485,963,186	89.64%	55,024,101	540,987,287	99.79%	1,118,740	0.21%
2011	540,834,806	89.34%	483,165,811	89.34%	56,315,776	539,481,587	99.75%	1,353,219	0.25%
2012	523,697,428	88.97%	465,926,520	88.97%	56,515,058	522,441,578	99.76%	1,255,850	0.24%
2013	508,967,500	88.90%	452,454,925	88.90%	55,130,889	507,585,814	99.73%	1,381,686	0.27%
2014	514,596,233	92.48%	475,894,191	92.48%	37,096,484	512,990,675	99.69%	1,605,558	0.31%
2015	517,336,359	99.18%	513,092,158	99.18%	2,813,726	515,905,884	99.72%	1,430,475	0.28%
2016	516,227,858	99.54%	513,843,278	99.54%	-	513,843,278	99.54%	2,384,580	0.46%

Notes:

¹ The lower percentage of taxes collected in 2009 fiscal year relates to a large amount of tax appeals as a result of the change in methodology of assessing commercial property and a recessionary economy.

Data Source:

Fulton County Tax Commissioner's Office.

Fulton County Board of Education, Georgia
 Principal Property Taxpayers (Unaudited)
 Fiscal Years Ended June 30, 2016 and 2010 ²

	Tax Year 2016				Tax Year 2010			
	Principal Taxpayer	Taxable Assessed Value ¹	Rank	Percentage of Total Taxable Assessed Value	Principal Taxpayer	Taxable Assessed Value ¹	Rank	Percentage of Total Taxable Assessed Value
Development Authority of Fulton County	\$ 344,190,099	1	1.09%	Development Authority of Fulton County	\$ 272,150,635	1	0.93%	
AT&T	180,547,291	2	0.57%	AT&T	211,873,841	2	0.72%	
Delta Airlines	103,984,250	3	0.33%	Delta Airlines	135,772,279	3	0.46%	
Concourse Owner V/VI LLC	78,186,000	4	0.25%	Bell South Telecommunications	121,441,892	4	0.42%	
Cousin North Park 500/600 LLC	73,098,880	5	0.23%	Georgia Power	121,032,623	5	0.41%	
Sanctuary Park Realty	76,755,591	6	0.24%	Coca Cola Company	86,671,690	6	0.30%	
GGP North Point INC	70,691,680	7	0.22%	Sanctuary Park Realty	80,206,880	7	0.27%	
Coca Cola Company	94,308,641	8	0.30%	485 Prop, LLC	62,034,020	8	0.21%	
BRE COH GA LLC	60,705,959	9	0.19%	Fulcoprop 56, LLC	57,548,350	9	0.20%	
Cox Enterprises LLC	54,454,140	10	0.17%	Cox Communications	56,692,310	10	0.19%	
Total Principal Taxpayers	1,136,922,531		3.61%	Total Principal Taxpayers	1,205,424,520		4.12%	
All Other Taxpayers	30,358,789,912		96.39%	All Other Taxpayers	28,029,024,959		95.88%	
Total	\$ 31,495,712,443		100.00%	Total ¹	\$ 29,234,449,479		100.00%	

Notes:

¹ The taxable assessed value excludes the City of Atlanta, which has its own school district.

² The tax year is one year prior to the fiscal year.

Data Source:

Fulton County Tax Assessor's Office

Fulton County Board of Education, Georgia
Direct, Overlapping, and Underlying Sales Tax Rates (Unaudited)
Last Ten Fiscal Years

For The Fiscal Year Ended	Direct		Overlapping		Underlying		Total Direct, Overlapping and Underlying Rates
	School District ESPLOST ¹	State of Georgia	Fulton County ²	MARTA ³	Various Cities ⁴		
2007	1.00%	4.00%	1.00%	1.00%	1.00%	1.00%	8.00%
2008	1.00%	4.00%	1.00%	1.00%	1.00%	1.00%	8.00%
2009	1.00%	4.00%	1.00%	1.00%	1.00%	1.00%	8.00%
2010	1.00%	4.00%	1.00%	1.00%	1.00%	1.00%	8.00%
2011	1.00%	4.00%	1.00%	1.00%	1.00%	1.00%	8.00%
2012	1.00%	4.00%	1.00%	1.00%	1.00%	1.00%	8.00%
2013	1.00%	4.00%	1.00%	1.00%	1.00%	1.00%	8.00%
2014	1.00%	4.00%	1.00%	1.00%	1.00%	1.00%	8.00%
2015	1.00%	4.00%	1.00%	1.00%	1.00%	1.00%	8.00%
2016	1.00%	4.00%	1.00%	1.00%	1.00%	1.00%	8.00%

Notes:

¹ An education special purpose local option sales tax (ESPLOST) was approved November 11, 2011 and is effective January 1, 2012 and expires June 30, 2017. These taxes will be used towards the cost of acquiring, constructing, equipping and upgrading various school facilities and improvements and to repay principal and interest on outstanding School District bonded indebtedness.

² The one-percent local option sales tax was approved by referendum October 1, 1987 and is effective indefinitely. The County is required to reduce their property tax millage rate in the current fiscal year by the amount of these taxes collected in the prior fiscal year.

³ This sales tax rate is levied in counties in the Metropolitan Atlanta Rapid Transit Authority (MARTA) district which have a service contract with MARTA, currently Fulton and DeKalb counties.

⁴ Some incorporated areas within the County also levy the one-percent local option sales tax.

Data Source:

Georgia Department of Revenue, Sales and Use Tax Division,
http://www.etax.dor.ga.gov/IndTax_SalesTax.aspx

Fulton County Board of Education, Georgia
Sales Taxes by Group (Unaudited) ²
Calendar Years 2007 - 2015 ¹

By Group	2007		2008		2009		2010		2011		2012		2013		2014		2015			
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%		
NAICS codes:																				
General merchandise	\$ -	-	\$ -	-	\$ 16,332,562	7.48%	\$ 27,467,089	12.73%	\$ 26,344,143	11.77%	\$ 26,328,973	11.77%	\$ 29,048,800	11.79%	\$ 24,570,832	12.38%	\$ 31,685,889	12.42%		
Food/bars	-	-	-	-	27,424,175	12.64%	43,489,917	20.16%	43,788,988	19.56%	43,767,082	19.56%	48,469,044	19.59%	43,253,860	21.26%	55,524,224	21.77%		
Manufacturing	-	-	-	-	8,681,075	4.00%	12,447,497	5.77%	11,876,878	5.31%	11,962,554	5.38%	13,031,405	5.38%	11,994,800	5.88%	14,846,431	5.82%		
Utilities	-	-	-	-	9,438,093	4.35%	15,316,232	7.19%	13,822,103	6.18%	13,824,428	6.19%	14,564,172	6.19%	10,842,006	5.33%	16,506,236	6.47%		
Other retail	-	-	-	-	16,732,759	7.71%	28,680,933	13.30%	28,304,008	12.65%	28,155,154	12.60%	27,439,327	12.60%	24,265,037	11.93%	30,114,057	11.81%		
Wholesale	-	-	-	-	7,679,644	3.54%	14,921,503	6.92%	19,717,692	8.81%	19,616,050	8.78%	22,707,086	9.67%	20,939,637	10.29%	22,684,701	8.89%		
Automotive	-	-	-	-	8,740,443	4.03%	14,541,053	6.74%	16,949,228	7.57%	17,197,090	7.70%	19,620,779	8.78%	17,419,894	8.56%	21,908,211	8.59%		
Home furnishings	-	-	-	-	10,807,468	4.98%	17,984,958	8.34%	18,723,733	8.37%	18,738,897	8.39%	19,541,968	8.53%	17,825,915	8.56%	33,213,515	13.02%		
Miscellaneous services	-	-	-	-	19,949,730	9.19%	24,842,900	11.52%	26,404,200	11.80%	26,408,555	11.82%	31,678,693	13.50%	27,825,915	13.68%	6,097,270	2.39%		
Other services	-	-	-	-	1,589,193	0.73%	3,161,945	1.47%	5,703,393	2.55%	5,159,181	2.31%	5,738,590	2.44%	4,463,270	2.19%	14,170,552	5.56%		
Accommodations	-	-	-	-	6,482,739	2.99%	11,134,572	5.16%	11,069,356	4.95%	11,055,983	4.95%	11,068,488	4.72%	11,034,679	5.42%	14,170,552	5.56%		
Construction	-	-	-	-	1,066,196	0.49%	1,508,165	0.70%	1,129,538	0.50%	1,157,264	0.52%	1,813,022	0.77%	1,952,924	0.96%	2,517,616	0.99%		
SIC codes:																				
Food	52,058,580	21.45%	47,392,157	20.31%	17,343,673	7.99%	17,343,673	7.99%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Automotive	25,711,101	10.59%	24,444,920	10.48%	7,989,309	3.68%	7,989,309	3.68%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
General merchandise	25,854,154	10.65%	24,271,716	10.40%	9,423,384	4.34%	9,423,384	4.34%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Utilities	21,698,538	8.94%	23,977,263	10.28%	9,315,147	4.29%	9,315,147	4.29%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Lumber, building and contractors	16,908,860	6.97%	12,054,208	5.17%	8,603,682	3.92%	8,603,682	3.92%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Home furnishings and equipment	27,595,068	11.37%	25,603,812	10.98%	10,959,519	5.05%	10,959,519	5.05%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Miscellaneous	26,813,101	11.05%	26,058,863	11.17%	8,452,155	3.82%	8,452,155	3.82%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Manufacturing	8,523,285	3.51%	8,452,155	3.82%	2,317,149	1.07%	2,317,149	1.07%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Miscellaneous service	27,739,943	11.43%	31,451,920	13.48%	8,995,589	4.15%	8,995,589	4.15%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Apparel	9,803,520	4.04%	9,584,762	4.11%	3,679,250	1.70%	3,679,250	1.70%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Total Taxable Sales	\$ 242,705,650	100.00%	\$ 233,291,777	100.00%	\$ 216,968,515	100.00%	\$ 215,696,765	100.00%	\$ 223,833,260	100.00%	\$ 223,371,010	100.00%	\$ 234,721,374	100.00%	\$ 203,459,143	100.00%	\$ 255,037,999	100.00%		
Total percentage change		3.0%		-3.9%		-7.0%		-0.6%		3.8%		-0.2%		5.1%		-13.3%		25.4%		

Notes:
¹ Ten years of data is available.
² Information only available for the total Fulton County, which includes the City of Atlanta which is not within the boundaries of the School District.
³ Beginning in May 2009, the Georgia Department of Revenue changed their sales classifications.
⁴ North American Industry Classification System (NAICS)
⁵ Standard Industrial Classification (SIC)

Data Source:
Georgia Department of Revenue

Fulton County Board of Education, Georgia
Ratios of Total Debt Outstanding by Type (Unaudited)
Last Ten Fiscal Years

June 30,	Governmental Activities				Percentage of Personal Income ²	Estimated Population ²	Debt Per Capita
	General Obligation Bonds ¹	Intergovernmental Agreements	Total				
2007	191,360,000	-	191,360,000	0.004%	992,137	193	
2008	178,755,000	-	178,755,000	0.003%	1,014,932	176	
2009	164,890,000	-	164,890,000	0.003%	1,033,756	160	
2010	149,760,000	-	149,760,000	0.003%	920,581	163	
2011	134,370,000	-	134,370,000	0.003%	949,599	142	
2012	118,700,000	35,635,000	154,335,000	0.003%	977,773	158	
2013	102,740,000	33,259,333	135,999,333	0.002%	984,293	138	
2014	87,460,000	30,883,666	118,343,666	0.002%	996,319	119	
2015	71,840,000	28,507,999	100,347,999	0.002%	1,008,275	100	
2016	55,870,000	26,132,332	82,002,332	0.000%	1,010,562	81	

Data Sources:

¹ Applicable fiscal years' annual financial report (2007), applicable fiscal years' Comprehensive Annual Financial Report (2008-2016).

² Schedule XVIII

³ Schedule VIII

Fulton County Board of Education, Georgia
Underlying, Overlapping, and Direct Governmental Activities Debt (Unaudited) ⁴
 December 31, 2015

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable ¹	Estimated Share of Overlapping Debt
Underlying Debt^{2,3}			
City of Alpharetta,	\$ 45,600,000	100.0%	\$ 45,600,000
City of Hapeville	14,520,000	100.0%	14,520,000
City of Roswell	7,885,000	100.0%	7,885,000
City of Union City	10,755,000	100.0%	10,755,000
City of East Point Building Authority	59,577,262	100.0%	59,577,262
City of Atlanta and Fulton County Recreation Authority	114,995,000	100.0%	114,995,000
Fulton County Library Bonds	148,548,368	100.0%	148,548,368
Fulton County Urban Redevelopment Agency	22,243,000	100.0%	22,243,000
College Park Business and Industrial Development Authority	410,000	100.0%	<u>410,000</u>
Total Underlying Debt			<u>424,533,630</u>
Overlapping Debt:³			
Fulton-DeKalb Hospital Authority Revenue Refunding Certificates Series 2012	114,240,000	100.0%	<u>114,240,000</u>
Total Overlapping Debt:			<u>114,240,000</u>
School District Direct Debt⁴			
General Obligation Bonds	55,870,000	100.0%	55,870,000
School District Contractual Obligations			
City of Union City Georgia, Revenue Bonds (Fulton County School District Project)	26,132,332	100.0%	26,132,332
Total Direct Debt			<u>82,002,332</u>
Total Underlying, Overlapping and Direct Debt			<u><u>\$ 620,775,962</u></u>

Notes:

¹ Applicable percentages were estimated by determining the portion of another government unit's assessed value that is within the County's geographic boundaries and dividing it by each government's total assessed valuation.

² Underlying governments are those that coincide, at least in part, with the geographic boundaries of the County.

³ In most instances, this information is presented at December 31, 2015 or June 30, 2016, as the most current information available.

Data Source:

⁴ Fulton County, Georgia, December 31, 2015 Comprehensive Annual Financial Report.

Fulton County Board of Education, Georgia
 Legal Debt Margin (Unaudited)
 Last Ten Fiscal Years

	June 30,									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Assessed Value ¹	\$ 26,200,117,476	\$ 29,138,599,401	\$ 31,061,601,357	\$ 30,794,901,941	\$ 29,234,449,479	\$ 28,307,853,260	\$ 27,583,473,238	\$ 27,512,543,844	\$ 27,771,401,992	\$ 31,495,712,443
Legal Debt Margin										
Debt limit (10% of assessed value) ²	\$ 2,620,011,748	\$ 2,913,859,940	\$ 3,106,160,136	\$ 3,079,490,194	\$ 2,923,444,948	\$ 2,830,785,326	\$ 2,758,347,324	\$ 2,751,254,384	\$ 2,777,140,199	\$ 3,149,571,244
Debt applicable to limit:										
General obligation bonds	191,360,000	178,755,000	164,890,000	149,760,000	134,370,000	118,700,000	102,740,000	87,486,000	71,480,000	55,870,000
Less: Amount reserved for repayment of general obligation debt	5,835,059	15,934,496	44,855,494	47,441,152	47,474,552	47,975,600	25,390,779	4,356,254	4,372,369	5,786,949
Total debt applicable to limit	185,524,941	162,820,504	120,034,506	102,318,848	86,895,448	70,724,400	77,349,221	83,129,746	67,107,631	50,083,051
Legal Debt Margin	\$ 2,434,486,807	\$ 2,751,039,436	\$ 2,986,125,630	\$ 2,977,171,346	\$ 2,836,549,500	\$ 2,760,060,926	\$ 2,680,998,103	\$ 2,668,124,638	\$ 2,710,032,568	\$ 3,099,488,193
Total net debt applicable to the limit as a % of the debt limit	7.08%	5.59%	3.86%	3.32%	2.97%	2.50%	2.80%	3.02%	2.42%	1.59%

Notes:

² 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.

Data Source:

¹ Exhibit VIII.

Fulton County Board of Education, Georgia
 Demographic and Economic Statistics (Unaudited)
 Last Ten Calendar Years

Year	Population ¹	Personal Income ² <i>(thousands of dollars)</i>	Per Capita Personal Income		Median Age ⁴	Unemployment Rate ⁸		
			County ³	County as a % of U.S. ³		County ⁵	State of Georgia ⁶	United States ⁷
2007	992,137	53,162,470	51,552	157%	N/A	4.7%	4.8%	4.6%
2008	1,014,932	528,883,663	53,579	146%	N/A	6.2%	6.3%	5.6%
2009	1,033,756	48,952,940	50,474	140%	N/A	10.5%	10.4%	9.5%
2010	920,581	48,733,047	55,438	139%	35.2	10.2%	10.3%	9.4%
2011	949,599	53,234,047	57,451	130%	35.2	10.2%	10.4%	9.1%
2012	977,773	56,258,497	57,537	130%	35.2	9.3%	8.9%	8.2%
2013	984,293	57,210,067	58,112	130%	35.2	8.6%	8.3%	7.5%
2014	996,319	58,488,140	58,704	130%	35.2	7.5%	7.8%	6.1%
2015	1,008,275	59,774,879	59,284	130%	35.2	6.0%	6.1%	5.3%
2016	1,010,562	65,686,096	65,000	130%	35.2	5.4%	5.2%	4.9%

Data Sources:

¹ 2007- 2016 - Fulton County, Georgia June 30, 2016 estimated by management

² 2007- 2016 - Fulton County, Georgia June 30, 2016 estimated by management

³ Personal income divided by population

⁴ Estimated by management

⁵ U.S. Department of Labor, Bureau of Labor Statistics, months of June, Atlanta, Sandy Springs, Marietta, GA, Metropolitan Statistical Area - <http://data.bls.gov/cgi-bin/surveymost?la+13>

⁶ U.S. Department of Labor, Bureau of Labor Statistics, months of June, State of Georgia Statistical Area - <http://data.bls.gov/cgi-bin/surveymost?la+13>

⁷ U.S. Department of Labor, Bureau of Labor Statistics, http://data.bls.gov/PDQ/servlet/SurveyOutputServlet?data_tool=latest_numbers&series_id=LNS14000000

⁸ The substantial increase in the unemployment rates in 2009 relates to the nationwide recession. N/A - Not Available

Exhibit XIX

Fulton County Board of Education, Georgia
Principal Employers (Unaudited)
For the Fiscal Years Ended June 30, 2016 and 2008

Employer	2016 *	
	Number of Employees**	Percentage of County Employment ***
Delta Airlines	29,970	4.18%
Emory University	24,090	3.36%
AT&T Inc.	16,794	2.34%
WellStar Health system	14,000	1.95%
Publix Super Markets, Inc.	9,818	1.37%
Georgia Institute of Technology	9,564	1.33%
Northside Hospital	9,467	1.32%
The Home Depot	9,000	1.25%
United Parcel Service	7,447	1.04%
SunTrust	5,583	0.78%

* Information is not available for the School District exclusively. Information presented for Fulton County, Georgia.

** From the Atlanta Business Chronical Book of Lists, within 29 Metro-Atlanta county area dated 12/25/2015; these statistics could include employees working in areas outside Fulton County.

*** Georgia Department of Labor statistic for average employment-Fulton County 3rd qtr 2015 was 717,577.

Employer	2008	
	Employees*	Percentage of County Employment **
Delta Airlines	19,235	4.28%
Publix Super Markets, Inc	16,855	3.75%
Kroger Co.	15,500	3.45%
BellSouth	15,500	3.45%
United States Postal Service	14,000	3.11%
Fulton County School System	10,892	2.42%
United Parcel Service	10,500	2.33%
Atlanta Municipal government	7,934	1.76%
SunTrust Banks Inc.	7,768	1.73%
IBM Corporation	7,500	1.67%

* From the Metro Atlanta Chamber Of Commerce publication "Atlanta's Top Employers, 2006"

** August 2006 Fulton County employment was reported as 449,855 per Georgia Dept. of Labor

Fulton County Board of Education, Georgia
Employees by Function (Unaudited)
Last Nine Fiscal Years ¹

Function	Fiscal Year Ended June 30,								
	2008	2009	2010	2011	2012	2013	2014	2015	2016
Instruction	9,113	8,667	8,545	7,972	7,802	8,107	7,947	7,944	8,228
Pupil services	406	387	384	319	328	335	340	351	374
Improvement of instructional services	148	229	250	211	237	189	305	330	368
Educational media services	206	204	214	192	190	196	196	196	209
Federal Grants Administration	-	-	-	-	2	8	11	11	10
General administration	14	17	20	19	11	13	13	14	13
School administration	256	698	686	686	692	703	705	708	768
Business administration	75	94	97	104	108	117	107	107	119
Maintenance and operation of plant	709	788	755	679	665	652	673	692	698
Student transportation services	891	929	980	954	954	942	945	945	942
Central services	108	103	102	107	98	118	119	121	240
Other supporting services	24	26	31	46	43	3	46	47	48
Food service operations	873	873	903	731	726	835	876	876	520
Facilities acquisition and construction	3	3	3	5	5	18	24	26	24
Total	12,826	13,018	12,969	12,025	11,861	12,236	12,307	12,368	12,563
Percentage Change From Prior Fiscal Year	4.8%	1.5%	-0.4%	-7.3%	-1.4%	3.2%	0.6%	0.5%	1.6%

Notes:

¹ Only nine fiscal years of information available.

Fulton County Board of Education, Georgia
 Teachers' Salaries
 Last Ten Fiscal Years

Fiscal Year	School District's Minimum Salary ¹	Minimum State Salary ^{2,3}	School District's % of State Minimum ³	School District's Maximum Salary ¹	School District's Average Salary ¹	Statewide Average Salary ³	School District's % of State Average ³
2007	38,112	29,918	127.4%	79,272	58,692	49,836	117.8%
2008	39,252	30,816	127.4%	81,648	60,450	51,466	117.5%
2009	40,224	31,586	127.3%	83,688	61,956	52,823	117.3%
2010	39,132	31,586	123.9%	83,688	61,410	52,823	116.3%
2011	39,132	31,586	123.9%	83,688	61,410	52,823	116.3%
2012	39,132	31,586	123.9%	83,688	61,410	52,871	116.1%
2013	39,132	31,586	123.9%	83,688	61,410	52,871	116.2%
2014	40,308	31,586	127.6%	86,196	63,252	52,871	119.6%
2015	40,308	31,586	127.6%	83,844	62,076	50,950	121.8%
2016	41,916	31,586	132.7%	89,640	75,008	52,800	142.1%

Data Source:

- ¹ School System records.
- ² Georgia Department of Education, http://www.doe.k12.ga.us/fbo_budget.aspx.
- ³ Georgia Governor's Office of Achievement.

Fulton County Board of Education, Georgia
School Building Information
Last Ten Fiscal Years

Continued

School	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Elementary										
Abbotts Hill(2000)										
Square Feet	108,426	108,426	108,426	108,426	108,426	108,426	108,426	108,426	108,426	108,426
Capacity	850	850	850	850	850	850	850	850	850	850
Enrollment	725	767	794	832	779	792	752	752	753	753
Alpharetta(1956)										
Square Feet	101,655	101,655	101,655	101,655	115,655	115,655	115,655	115,655	115,655	115,655
Capacity	775	775	775	775	900	900	900	900	900	900
Enrollment	719	707	696	719	687	659	616	581	575	575
Barnwell(1987)										
Square Feet	88,460	88,460	88,460	88,460	122,429	122,429	122,429	122,429	122,429	122,429
Capacity	650	650	650	650	850	850	850	850	850	850
Enrollment	705	730	728	752	779	801	798	813	799	799
Bethune(1968)										
Square Feet	78,004	78,004	78,004	106,004	107,066	107,066	107,066	107,066	107,066	107,066
Capacity	575	575	575	850	825	825	825	825	825	825
Enrollment	695	672	697	693	755	740	733	742	747	747
Birmingham Falls(2009)										
Square Feet	-	-	-	116,824	117,137	117,137	117,137	117,137	117,137	117,137
Capacity	-	-	-	850	850	850	850	850	850	850
Enrollment	-	-	-	766	742	721	663	760	732	732
Brookview(1972)										
Square Feet	77,949	77,949	77,949	77,949	86,193	86,193	86,193	86,193	86,193	86,193
Capacity	525	525	525	525	550	550	550	550	550	550
Enrollment	565	575	611	537	487	426	467	515	557	557
Campbell(1996)										
Square Feet	131,594	131,594	131,594	131,594	130,445	130,445	130,445	130,445	130,445	130,445
Capacity	900	900	900	900	900	900	900	900	900	900
Enrollment	1032	936	900	861	897	800	817	871	882	882
Cliftondale(2009)										
Square Feet	-	-	-	109,312	117,137	117,137	117,137	117,137	117,137	117,137
Capacity	-	-	-	850	850	850	850	850	850	850
Enrollment	-	-	-	839	843	842	788	876	884	884
Cogburn Woods(2004)										
Square Feet	116,284	116,284	116,284	116,284	127,084	127,084	127,084	127,084	127,084	127,084
Capacity	850	850	850	850	850	850	850	850	850	850
Enrollment	897	950	918	1,027	921	936	941	920	915	915
College Park(1965)										
Square Feet	100,615	100,615	100,615	100,615	100,615	-	-	-	-	-
Capacity	500	500	500	500	475	-	-	-	-	-
Enrollment	297	355	370	351	276	-	-	-	-	-
Conley Hills(1953)										
Square Feet	101,096	101,096	103,296	103,296	98,590	98,590	98,590	98,590	98,590	98,590
Capacity	700	700	700	700	700	700	700	700	700	700
Enrollment	622	592	549	538	491	478	496	514	476	476
Crabapple Xing(1992)										
Square Feet	106,855	106,855	106,855	106,855	106,855	106,855	106,855	106,855	106,855	106,855
Capacity	800	800	800	800	800	800	800	800	800	800
Enrollment	835	851	870	762	735	730	758	780	786	786
Creek View(2001)										
Square Feet	114,428	114,428	114,428	114,428	118,028	118,028	118,028	118,028	118,028	118,028
Capacity	850	850	850	850	850	850	850	850	850	850
Enrollment	1,007	1,012	978	969	952	994	1,014	1,000	976	976
Dolvin(1979)										
Square Feet	131,944	131,944	131,944	131,944	139,144	139,144	139,144	139,144	139,144	139,144
Capacity	1,025	1,025	1,025	1,025	1,050	1,050	1,050	1,050	1,050	1,050
Enrollment	938	933	970	979	962	917	926	897	878	878
Dunwoody Springs(2000)										
Square Feet	114,428	114,428	114,428	114,428	114,428	114,428	114,428	114,428	114,428	114,428
Capacity	850	850	850	850	850	850	850	850	850	850
Enrollment	905	850	898	677	735	711	756	723	677	677
Feldwood(2010)										
Square Feet	-	-	-	-	117,137	117,137	117,137	117,137	117,137	117,137
Capacity	-	-	-	-	875	875	875	875	875	875
Enrollment	-	-	-	-	793	669	743	812	864	864

Fulton County Board of Education, Georgia
School Building Information
Last Ten Fiscal Years

Continued

School	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Elementary										
Findley Oaks(1994)										
Square Feet	122,849	122,849	122,849	122,849	118,017	118,017	118,017	118,017	118,017	118,017
Capacity	875	875	875	875	875	875	875	875	875	875
Enrollment	874	836	812	801	759	707	699	727	678	678
Gullatt(1976)										
Square Feet	76,857	76,857	76,857	76,857	77,994	77,994	77,994	77,994	77,994	77,994
Capacity	500	500	500	500	525	525	525	525	525	525
Enrollment	570	553	539	566	269	474	503	457	503	503
Hapeville(1939)										
Square Feet	130,000	130,000	130,000	130,000	121,516	121,516	121,516	121,516	121,516	121,516
Capacity	800	800	800	800	825	825	825	825	825	825
Enrollment	632	673	691	744	747	641	657	715	722	722
Heards Ferry(1970)										
Square Feet	85,394	85,394	85,394	85,394	84,380	84,380	84,380	84,380	84,380	84,380
Capacity	625	625	625	625	625	625	625	625	625	625
Enrollment	522	591	400	489	564	609	645	680	698	698
Hembree Springs(2001)										
Square Feet	114,428	114,428	114,428	114,428	114,428	114,428	114,428	114,428	114,428	114,428
Capacity	850	850	850	850	850	850	850	850	850	850
Enrollment	792	788	815	746	812	775	785	812	826	826
Heritage(2000)										
Square Feet	108,426	108,426	108,426	108,426	110,972	110,972	110,972	110,972	110,972	110,972
Capacity	850	850	850	850	875	875	875	875	875	875
Enrollment	993	949	1,041	915	738	668	697	815	770	770
High Point(1961)										
Square Feet	108,015	108,015	108,015	108,015	108,015	108,015	108,015	108,015	108,015	108,015
Capacity	625	850	850	850	850	850	850	850	850	850
Enrollment	827	816	613	638	730	809	869	870	794	794
Hillside(2001)										
Square Feet	114,428	114,428	114,428	114,428	121,628	121,628	121,628	121,628	121,628	121,628
Capacity	850	850	850	850	850	850	850	850	850	850
Enrollment	710	725	719	828	739	721	721	700	691	691
Hamilton E. Holmes(2003)										
Square Feet	128,253	128,253	128,253	128,253	124,307	124,307	124,307	124,307	124,307	124,307
Capacity	950	950	950	950	950	950	950	950	950	950
Enrollment	579	654	652	649	452	748	880	921	818	818
Ison Springs(2009)										
Square Feet	-	-	-	126,320	126,612	126,612	126,612	126,612	126,612	126,612
Capacity	-	-	-	850	850	850	850	850	850	850
Enrollment	-	-	-	659	697	623	729	762	788	788
Esther Jackson(1975)										
Square Feet	91,109	91,109	91,109	91,109	109,702	109,702	109,702	109,702	109,702	109,702
Capacity	625	625	625	625	625	625	625	625	625	625
Enrollment	652	662	698	644	638	679	635	636	596	596
Lake Forest(2008)										
Square Feet	-	-	126,320	126,320	126,320	126,320	126,320	126,320	126,320	126,320
Capacity	-	-	850	850	850	850	850	850	850	850
Enrollment	-	-	597	649	743	843	914	935	981	981
Lake Windward(1989)										
Square Feet	114,250	114,250	114,250	114,250	125,050	125,050	125,050	125,050	125,050	125,050
Capacity	875	875	875	875	875	875	875	875	875	875
Enrollment	899	877	881	859	881	827	787	757	690	690
Seaborn Lee(1970)										
Square Feet	81,397	81,397	81,397	81,397	84,069	84,069	84,069	84,069	84,069	84,069
Capacity	575	575	575	575	575	575	575	575	575	575
Enrollment	614	607	634	609	538	514	476	495	497	497

Fulton County Board of Education, Georgia
School Building Information
Last Ten Fiscal Years

Continued

School	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Elementary										
S.L. Lewis(1973)										
Square Feet	88,810	88,810	88,810	88,810	88,810	88,810	88,810	88,810	88,810	88,810
Capacity	675	675	675	675	675	675	675	675	675	675
Enrollment	735	744	712	732	555	577	520	543	580	580
Liberty Point(2002)										
Square Feet	114,428	114,428	114,428	114,428	114,428	114,428	114,428	114,428	114,428	114,428
Capacity	850	850	850	850	850	850	850	850	850	850
Enrollment	964	786	726	728	689	672	706	738	775	775
Manning Oaks(1998)										
Square Feet	108,429	108,429	108,429	108,429	108,426	108,426	108,426	108,426	108,426	108,426
Capacity	850	850	850	850	850	850	850	850	850	850
Enrollment	874	943	965	765	839	807	794	801	813	813
Medlock Bridge(1990)										
Square Feet	106,855	106,855	106,855	106,855	106,855	106,855	106,855	106,855	106,855	106,855
Capacity	825	825	825	825	825	825	825	825	825	825
Enrollment	720	702	679	691	671	689	675	648	670	670
Mimosa(1968)										
Square Feet	104,451	104,451	132,641	132,641	137,252	137,252	137,252	137,252	137,252	137,252
Capacity	725	725	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Enrollment	827	808	857	1,029	1,112	1,065	1,063	1,123	1,106	1,106
Mt. Olive(1960)										
Square Feet	89,256	89,256	89,256	89,256	89,256	89,256	89,256	89,256	-	-
Capacity	725	725	725	725	725	725	725	725	-	-
Enrollment	554	505	531	523	512	706	595	661	-	-
Mountain Park(1973)										
Square Feet	93,980	93,980	93,980	121,980	119,526	119,526	119,526	119,526	119,526	119,526
Capacity	775	775	775	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Enrollment	810	803	825	908	894	860	869	854	855	855
New Prospect(1994)										
Square Feet	110,973	110,973	110,973	110,973	110,973	110,973	110,973	110,973	110,973	110,973
Capacity	825	825	825	825	825	825	825	825	825	825
Enrollment	690	638	602	621	569	585	593	579	496	496
Love T. Nolan(1975)										
Square Feet	85,182	85,182	85,182	109,862	106,651	106,651	106,651	106,651	106,651	106,651
Capacity	600	600	600	850	850	850	850	850	850	850
Enrollment	744	768	793	815	774	753	775	754	744	744
Northwood(1996)										
Square Feet	109,621	109,621	109,621	109,621	109,621	109,621	109,621	109,621	109,621	109,621
Capacity	800	800	800	800	800	800	800	800	800	800
Enrollment	868	877	900	737	725	736	742	758	743	743
Oak Knoll(1963)										
Square Feet	95,578	95,578	95,578	95,578	106,378	106,378	106,378	106,378	106,378	106,378
Capacity	575	575	575	575	575	575	575	575	575	575
Enrollment	606	572	599	593	573	466	492	462	463	463
Oakley(2007)										
Square Feet	-	122,250	122,250	122,250	122,250	122,250	122,250	122,250	122,250	122,250
Capacity	-	850	850	850	875	875	875	875	875	875
Enrollment	-	776	848	902	757	722	761	804	816	816
Ocee(2000)										
Square Feet	114,428	114,428	114,428	114,428	114,428	114,428	114,428	114,428	114,428	114,428
Capacity	850	850	850	850	850	850	850	850	850	850
Enrollment	779	786	793	799	760	771	765	811	797	797
Palmetto(1971)										
Square Feet	145,800	145,800	145,800	145,800	149,400	149,400	149,400	149,400	149,400	149,400
Capacity	625	625	625	625	625	625	625	625	625	625
Enrollment	589	529	541	527	518	531	569	568	556	556
Parklane(1954)										
Square Feet	88,710	88,710	88,710	88,710	87,450	87,450	87,450	87,450	87,450	87,450
Capacity	625	625	625	625	625	625	625	625	625	625
Enrollment	433	461	464	490	425	521	500	475	461	461

Fulton County Board of Education, Georgia
School Building Information
Last Ten Fiscal Years

Continued

School	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Elementary										
Randolph(1989)										
Square Feet	97,370	97,370	97,370	97,370	97,370	97,370	97,370	97,370	97,370	97,370
Capacity	675	675	675	675	675	675	675	675	675	675
Enrollment	805	621	569	670	657	638	615	622	643	643
Renaissance(2006)										
Square Feet	116,284	116,284	116,284	116,284	116,284	116,284	116,284	116,284	116,284	116,284
Capacity	850	850	850	850	850	850	850	850	850	850
Enrollment	798	981	1,095	689	712	728	744	811	765	765
River Eves(1996)										
Square Feet	109,621	109,621	109,621	109,621	109,621	109,621	109,621	109,621	109,621	109,621
Capacity	775	775	775	775	775	775	775	775	775	775
Enrollment	694	709	740	765	782	823	836	847	811	811
Roswell North(1960)										
Square Feet	94,227	94,227	125,873	125,873	125,873	125,873	125,873	125,873	125,873	125,873
Capacity	725	725	725	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Enrollment	822	802	852	960	1,015	1,044	1,102	1,050	1,020	1,020
Shakerag(1997)										
Square Feet	108,426	108,426	108,426	108,426	114,912	114,912	114,912	114,912	114,912	114,912
Capacity	875	875	875	875	875	875	875	875	875	875
Enrollment	806	829	812	800	811	807	793	834	834	834
Spalding Drive(1966)										
Square Feet	98,353	98,353	98,353	98,353	98,353	98,353	98,353	98,353	98,353	98,353
Capacity	575	575	575	575	575	575	575	575	575	575
Enrollment	615	686	696	427	467	51	503	478	472	472
State Bridge Xing(1996)										
Square Feet	109,621	109,621	109,621	109,621	109,621	109,621	109,621	109,621	109,621	109,621
Capacity	800	800	800	800	800	800	800	800	800	800
Enrollment	721	719	735	759	764	832	826	839	825	825
Stonewall Tell(1998)										
Square Feet	108,426	108,426	108,426	108,426	108,426	108,426	108,426	108,426	108,426	108,426
Capacity	850	850	850	850	850	850	850	850	850	850
Enrollment	877	1,005	1,086	822	840	897	948	1,048	1,120	1,120
Summit Hill(1999)										
Square Feet	108,426	108,426	108,426	108,426	112,026	112,026	112,026	112,026	112,026	112,026
Capacity	850	850	850	850	850	850	850	850	850	850
Enrollment	1,043	1,020	1,036	807	836	818	790	724	716	716
Sweet Apple(1997)										
Square Feet	128,253	128,253	128,253	128,253	131,853	131,853	131,853	131,853	131,853	131,853
Capacity	950	950	950	950	950	950	950	950	950	950
Enrollment	896	906	898	848	792	767	752	719	704	704
Harriet Tubman(1961)										
Square Feet	111,518	111,518	111,518	111,518	111,518	111,518	111,518	111,518	111,518	111,518
Capacity	675	675	675	675	675	675	675	675	675	675
Enrollment	509	495	531	515	542	563	543	549	575	575
Evoline C. West(1970)										
Square Feet	112,750	112,750	112,750	112,750	116,290	116,290	116,290	116,290	116,290	116,290
Capacity	750	750	750	750	750	750	750	750	750	750
Enrollment	983	807	893	905	764	725	713	795	818	818
Wilson Creek(2004)										
Square Feet	116,284	116,284	116,284	116,284	116,284	116,284	116,284	116,284	116,284	116,284
Capacity	850	850	850	850	850	850	850	850	850	850
Enrollment	906	904	863	902	871	875	873	822	792	792
Woodland(1971)										
Square Feet	136,582	136,582	137,674	137,674	136,582	136,582	136,582	136,582	136,582	136,582
Capacity	775	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Enrollment	859	892	862	819	886	895	921	921	907	907
Middle										
Autrey Mill(2004)										
Square Feet	185,787	185,787	185,787	185,787	186,850	186,850	186,850	186,850	186,850	186,850
Capacity	1,250	1,250	1,250	1,250	1,200	1,200	1,200	1,200	1,200	1,200
Enrollment	1,227	1,185	1,161	1,251	1,315	1,363	1,394	1,379	1,385	1,385
Bear Creek(1990)										
Square Feet	154,813	154,813	154,813	154,813	154,813	154,813	154,813	154,813	154,813	154,813
Capacity	1,075	1,075	1,075	1,075	1,075	1,075	1,075	1,075	1,075	1,075
Enrollment	1,529	991	992	1,003	1,048	1,085	1,060	968	962	962

Fulton County Board of Education, Georgia
School Building Information
Last Ten Fiscal Years

Continued

School	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Middle										
Camp Creek(1985)										
Square Feet	119,632	119,632	119,632	119,632	123,232	123,232	123,232	123,232	123,232	123,232
Capacity	950	950	950	950	1,000	1,000	1,000	1,000	1,000	1,000
Enrollment	860	792	726	803	780	768	736	693	738	738
Crabapple(1983)										
Square Feet	121,662	121,662	121,662	121,662	133,836	133,836	133,836	133,836	133,836	133,836
Capacity	950	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Enrollment	848	861	865	773	798	836	948	940	950	950
Elkins Pointe(2001)										
Square Feet	177,651	177,651	177,651	177,651	177,651	177,651	177,651	177,651	177,651	177,651
Capacity	1,200	1,200	1,200	1,200	1,175	1,175	1,175	1,175	1,175	1,175
Enrollment	902	907	903	897	891	908	1,053	1,102	1,125	1,125
Haynes Bridge(1983)										
Square Feet	126,499	126,499	126,499	126,499	126,432	126,432	126,432	126,432	126,432	126,432
Capacity	875	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Enrollment	698	654	672	635	644	667	697	741	742	742
Holcomb Bridge(1983)										
Square Feet	119,728	119,728	119,728	119,728	121,542	121,542	121,542	121,542	121,542	121,542
Capacity	950	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Enrollment	678	672	650	684	708	732	802	831	835	835
Hopewell(2004)										
Square Feet	179,783	179,783	179,783	179,783	179,783	179,783	179,783	179,783	179,783	179,783
Capacity	1,200	1,200	1,200	1,200	1,175	1,175	1,175	1,175	1,175	1,175
Enrollment	1,013	1,076	1,115	1,161	1,185	1,259	1,349	1,331	1,338	1,338
McNair(1969)										
Square Feet	164,736	164,736	167,857	167,857	165,391	165,391	165,391	165,391	165,391	165,391
Capacity	875	1,025	1,025	1,025	1,000	1,000	1,000	1,000	1,000	1,000
Enrollment	750	835	873	859	834	728	847	829	823	823
Northwestern(1996)										
Square Feet	173,375	173,375	173,375	173,375	191,375	191,375	191,375	191,375	191,375	191,375
Capacity	1,075	1,075	1,075	1,075	1,100	1,100	1,100	1,100	1,100	1,100
Enrollment	1,198	1,207	1,233	1,249	1,263	1,259	1,312	1,347	1,332	1,332
Renaissance(2007)										
Square Feet	-	180,500	180,500	180,500	180,500	180,500	180,500	180,500	180,500	180,500
Capacity	-	1,200	1,200	1,200	1,175	1,175	1,175	1,175	1,175	1,175
Enrollment	-	1,019	1,120	1,190	1,147	1,114	1,205	1,267	1,208	1,208
Ridgeview(1968)										
Square Feet	141,038	141,038	141,038	189,393	178,994	178,994	178,994	178,994	178,994	178,994
Capacity	875	875	875	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Enrollment	577	596	636	745	820	912	965	1,096	1,107	1,107
River Trail(2001)										
Square Feet	177,651	177,651	177,651	177,651	202,851	202,851	202,851	202,851	202,851	202,851
Capacity	1,200	1,200	1,200	1,200	1,175	1,175	1,175	1,175	1,175	1,175
Enrollment	1,388	1,512	1,513	1,574	1,488	1,511	1,521	1,443	1,405	1,405
Sandtown(2004)										
Square Feet	179,783	179,783	179,783	179,783	179,783	179,783	179,783	179,783	179,783	179,783
Capacity	1,200	1,200	1,200	1,200	1,175	1,175	1,175	1,175	1,175	1,175
Enrollment	1,562	990	1,023	1,120	1,110	1,148	1,142	1,168	1,168	1,168
Sandy Springs(old)										
Square Feet	-	-	-	-	-	-	-	-	-	-
Capacity	-	-	-	-	-	-	-	-	-	-
Enrollment	-	-	-	-	-	-	-	-	-	-
Sandy Springs(2002)										
Square Feet	162,272	162,272	162,272	162,272	176,672	176,672	176,672	176,672	176,672	176,672
Capacity	875	875	875	875	875	875	875	875	875	875
Enrollment	711	711	753	832	897	876	910	880	920	920
Taylor Road(1990)										
Square Feet	154,880	154,880	154,880	154,880	154,880	154,880	154,880	154,880	154,880	154,880
Capacity	950	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100
Enrollment	941	962	962	941	931	962	1,051	1,036	1,043	1,043

Fulton County Board of Education, Georgia
School Building Information
Last Ten Fiscal Years

Continued

School	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Middle										
Webb Bridge(1996)										
Square Feet	173,375	173,375	173,375	173,375	191,375	191,375	191,375	191,375	191,375	191,375
Capacity	1,125	1,125	1,125	1,125	1,150	1,150	1,150	1,150	1,150	1,150
Enrollment	1,308	1,339	1,367	1,362	1,332	1,352	1,371	1,362	1,391	1,391
Paul D. West(2002)										
Square Feet	177,651	177,651	177,651	177,651	177,651	177,651	177,651	177,651	177,651	177,651
Capacity	1,200	1,200	1,200	1,200	1,175	1,175	1,175	1,175	1,175	1,175
Enrollment	944	958	888	856	761	772	761	756	733	733
Woodland(1965)										
Square Feet	136,058	136,058	-	-	-	-	-	-	-	-
Capacity	825	825	-	-	-	-	-	-	-	-
Enrollment	689	996	-	-	-	-	-	-	-	-
Woodland(2009)										
Square Feet	-	-	186,530	186,530	186,530	186,530	186,530	186,530	186,530	186,530
Capacity	-	-	1,250	1,250	1,200	1,200	1,200	1,200	1,200	1,200
Enrollment	-	-	1,028	1,041	1,078	1,229	1,076	1,099	1,033	1,033
High										
Alpharetta(2004)										
Square Feet	335,555	335,555	343,036	343,036	337,096	337,096	337,096	337,096	337,096	337,096
Capacity	2,125	2,125	2,125	2,125	2,175	2,175	2,175	2,175	2,175	2,175
Enrollment	2,037	2,210	2,170	2,255	2,333	2,330	2,105	2,066	2,061	2,061
Banneker(1976)										
Square Feet	220,975	220,975	220,975	220,975	238,975	238,975	238,975	238,975	238,975	238,975
Capacity	1,475	1,475	1,475	1,475	1,475	1,475	1,475	1,475	1,475	1,475
Enrollment	1,549	1,689	1,770	1,325	1,310	-	-	-	-	-
Banneker (2012)										
Square Feet	-	-	-	-	-	339,617	339,617	339,617	339,617	339,617
Capacity	-	-	-	-	-	1,900	1,900	1,900	1,900	1,900
Enrollment	-	-	-	-	-	1,239	1,461	1,537	1,411	1,411
Cambridge (2012)										
Square Feet	-	-	-	-	-	320,885	320,885	320,885	320,885	320,885
Capacity	-	-	-	-	-	1,900	1,900	1,900	1,900	1,900
Enrollment	-	-	-	-	-	-	1,079	1,532	1,785	1,785
Centennial(1997)										
Square Feet	254,916	254,916	254,916	254,916	273,912	273,912	273,912	273,912	273,912	273,912
Capacity	1,775	1,775	1,775	1,775	1,925	1,925	1,925	1,950	1,950	1,950
Enrollment	2,024	2,025	2,013	1,950	1,948	1,833	1,863	1,894	1,847	1,847
Chattahoochee(1991)										
Square Feet	243,204	243,204	243,204	243,204	258,644	258,644	258,644	258,644	258,644	258,644
Capacity	1,675	1,675	1,675	1,675	1,875	1,875	1,875	1,900	1,900	1,900
Enrollment	2,110	2,179	2,237	1,861	1,736	1,855	1,812	1,850	1,879	1,879
Creekside(1990)										
Square Feet	245,894	245,894	245,894	245,894	245,894	253,665	253,665	253,665	253,665	253,665
Capacity	1,300	1,850	1,850	1,850	1,850	1,875	1,875	1,875	1,875	1,875
Enrollment	2,316	2,486	2,619	1,431	1,316	1,396	1,409	1,433	1,635	1,635
Independence(1953)										
Square Feet	-	-	-	-	-	-	-	-	-	-
Capacity	-	-	-	-	-	-	-	-	-	-
Enrollment	-	-	-	-	-	-	-	-	-	-
Johns Creek(2009)										
Square Feet	-	-	-	320,885	320,885	320,885	320,885	320,885	320,885	320,885
Capacity	-	-	-	1,900	1,900	1,900	1,900	1,900	1,900	1,900
Enrollment	-	-	-	1,212	1,615	1,842	1,933	1,974	2,011	2,011
Langston Hughes(2009)										
Square Feet	-	-	-	340,817	350,282	350,282	350,282	350,282	350,282	350,282
Capacity	-	-	-	2,200	2,175	2,175	2,175	2,175	2,175	2,175
Enrollment	-	-	-	2,179	2,256	1,856	1,681	1,808	1,890	1,890
McClarín(1943)										
Square Feet	97,789	97,789	97,789	97,789	95,205	95,205	95,205	95,205	95,205	95,205
Capacity	270	270	270	270	253	253	253	253	253	253
Enrollment	296	281	319	323	253	312	270	262	212	212
Milton(1953)										
Square Feet	-	-	-	-	-	-	-	-	-	-
Capacity	-	-	-	-	-	-	-	-	-	-
Enrollment	-	-	-	-	-	-	-	-	-	-

Fulton County Board of Education, Georgia
 School Building Information
 Last Ten Fiscal Years

Continued

School	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
High										
Milton(2005)										
Square Feet	343,450	343,450	343,450	343,450	375,850	375,850	375,850	375,850	375,850	375,850
Capacity	1,950	1,950	1,950	1,950	1,950	1,950	1,950	1,950	1,950	1,950
Enrollment	2,086	2,229	2,331	2,536	2,628	2,654	2,180	2,010	2,021	2,021
Milton Center Independence (1953)										
Square Feet	258,589	258,589	258,589	258,589	258,589	258,589	258,589	258,589	258,589	258,589
Capacity	900	900	900	900	625	625	625	625	625	625
Enrollment	382	387	275	338	325	264	268	258	176	176
North Springs(1963)										
Square Feet	288,191	288,191	314,530	314,530	297,170	297,170	297,170	297,170	297,170	297,170
Capacity	1,775	1,775	1,775	1,775	1,775	1,775	1,775	1,775	1,775	1,775
Enrollment	1,501	1,303	1,336	1,337	1,445	1,552	1,646	1,618	1,653	1,653
Northview(2002)										
Square Feet	270,000	270,000	270,000	270,000	303,978	303,978	303,978	303,978	303,978	303,978
Capacity	1,875	1,875	1,875	1,875	1,875	1,875	1,875	1,875	1,875	1,875
Enrollment	2,561	2,686	2,790	2,134	1,895	1,843	1,836	1,903	1,922	1,922
Riverwood(1971)										
Square Feet	249,132	249,132	249,132	249,132	259,932	259,932	259,932	259,932	259,932	259,932
Capacity	1,325	1,325	1,325	1,325	1,325	1,325	1,325	1,325	1,325	1,325
Enrollment	1,225	1,234	1,354	1,459	1,664	1,634	1,715	1,672	1,551	1,551
Roswell(1990)										
Square Feet	264,255	264,255	264,656	264,656	289,455	289,455	289,455	289,455	289,455	289,455
Capacity	1,775	1,975	1,975	1,975	2,000	2,000	2,000	2,000	2,000	2,000
Enrollment	2,425	2,513	2,405	2,404	2,471	2,465	2,321	2,218	2,078	2,078
Tri-Cities(1988)										
Square Feet	272,362	272,362	272,362	278,042	299,668	299,668	299,668	299,668	299,668	299,668
Capacity	1,875	1,875	1,875	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Enrollment	1,677	1,778	1,844	1,885	1,845	1,844	1,828	1,650	1,702	1,702
Westlake(1969)										
Square Feet	211,911	211,911	-	-	-	-	-	-	-	-
Capacity	1,125	1,125	-	-	-	-	-	-	-	-
Enrollment	1,760	2,037	-	-	-	-	-	-	-	-
Westlake(2009)										
Square Feet	-	-	328,617	328,617	328,617	328,617	328,617	328,617	328,617	328,617
Capacity	-	-	1,900	1,900	1,925	1,925	1,925	1,925	1,925	1,925
Enrollment	-	-	2,339	1,949	2,102	1,914	1,795	1,883	2,023	2,023
North Crossroads Mimosa Boulevard Building (1943/1992)										
Square Feet	67,724	67,724	67,724	67,724	54,978	54,978	54,978	54,978	54,978	54,978
Capacity	*	*	*	*	*	*	*	*	*	*
Enrollment	82	121	110	105	54	-	-	-	-	-
South Crossroads(1977)										
Square Feet	*	47,999	67,899	67,899	45,553	45,553	45,553	45,553	45,553	45,553
Capacity	*	*	*	*	*	*	*	*	*	*
Enrollment	202	169	163	131	66	-	-	-	-	-

Data Source:
 District records.

* Not available

Fulton County Board of Education, Georgia
 Operating Statistics
 Last Ten Fiscal Years

Fiscal Year	Operating Expenditures ¹	Fall Student Count (FTE) ²	Cost Per Pupil	% Change	Teaching Staff ³	Pupil/Teacher Ratio	Enrollment Eligibility % of Free and Reduced Meals ⁴
2007	741,245,707	83,861	8,839	3.50%	5,980	14.02	36.33%
2008	833,547,448	86,225	9,667	9.37%	6,255	13.78	37.18%
2009	838,769,956	88,299	9,499	-1.74%	6,422	13.75	39.42%
2010	858,879,153	90,399	9,501	0.02%	6,412	14.10	43.91%
2011	831,692,109	91,864	9,054	-4.71%	6,084	15.10	44.69%
2012	846,841,897	92,604	9,145	1.01%	N/A	N/A	45.23%
2013	892,557,764	93,907	9,505	3.94%	N/A	N/A	N/A
2014	900,802,422	95,232	9,459	-0.48%	N/A	N/A	N/A
2015	905,557,669	95,460	9,486	0.29%	N/A	N/A	N/A
2016	959,338,800	95,248	10,072	6.17%	N/A	N/A	N/A

Data Sources:

Georgia Department of Education,

¹ http://app3.doe.k12.ga.us/ows-bin/owa/fin_pack_revenue.entry_form

² Exhibit XXIV

³ <http://www.doe.k12.ga.us/ReportingFW.aspx?PageReq=211&PID=61&PTID=67&CTID=216&StateId=ALL&T=0&RID=102&FY=2010>

⁴ http://app.doe.k12.ga.us/ows-bin/owa/fte_pack_fr1001_public.entry_form.

N/A Information not presented is not readily available.

Fulton County Board of Education, Georgia
 Food Service Operating Statistics
 Last Ten Fiscal Years
 (Amounts Expressed in Thousands)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
For the Fiscal Year Ended June 30,										
Lunch Meals Served:										
Free	3,835	4,087	4,409	4,800	4,926	5,090	5,118	4,956	5,257	5,513
Reduced	507	530	553	527	405	464	439	384	427	358
Paid	3,374	3,566	3,567	3,032	2,606	2,382	2,092	1,847	2,411	2,341
Total	7,716	8,183	8,529	8,359	7,937	7,936	7,649	7,187	8,095	8,212
Daily Average	43	45	48	47	46	41	43	42	46	46
Student Price	\$1.35-\$1.60	\$1.35-\$1.60	\$1.35-\$1.60	\$2.00-\$2.25	\$2.00-\$2.25	\$2.10-\$2.35	\$2.20-\$2.45	\$2.25-\$2.50	\$2.25-\$2.50	\$2.25-\$2.50
Breakfast Meals Served:										
Free	2,215	2,326	2,595	2,649	2,736	2,850	2,924	3,030	2,997	3,224
Reduced	241	261	277	243	192	224	218	204	197	168
Paid	834	915	856	631	578	536	526	527	504	480
Total	3,290	3,502	3,728	3,523	3,506	3,610	3,668	3,761	3,698	3,872
Daily Average	18	19	21	20	20	19	19	22	21	22
Student Price	\$.80-\$.95	\$.80-\$.95	\$.80-\$.95	\$1.00-\$1.15	\$1.00-\$1.15	\$1.05-\$1.20	\$1.05-\$1.20	\$1.05-\$1.20	\$1.05-\$1.20	\$1.05-\$1.20
Total Meals Served:										
Free	6,050	6,413	7,004	7,449	7,662	7,940	8,042	7,986	8,254	8,737
Reduced	748	791	830	770	597	688	657	588	624	526
Paid	4,208	4,481	4,423	3,663	3,184	2,918	2,618	2,374	2,915	2,821
Total	11,006	11,685	12,257	11,882	11,443	11,546	11,317	10,948	11,793	12,084
Daily Average	61	64	69	67	66	60	62	64	67	68

Data Source:
 School System's food service program.

Fulton County Board of Education, Georgia
Enrollment by Grade Level (Unaudited) ¹
Last Ten Fiscal Years

For the Fiscal Year Ended June 30,

Grade Level	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
PK	1,879	1,888	1,919	1,953	1,944	2,098	2,092	2,118	2,084	2,138
KK	6,514	6,588	6,676	6,752	6,860	6,876	7,098	6,975	6,881	6,502
Grade 1	6,612	6,661	6,618	6,803	6,875	6,937	7,049	7,274	7,113	6,835
Grade 2	6,476	6,639	6,757	6,678	6,873	6,847	6,990	7,188	7,403	7,131
Grade 3	6,489	6,671	6,914	7,059	6,877	7,030	7,040	7,257	7,278	7,156
Grade 4	6,213	6,504	6,647	6,973	7,118	6,924	7,161	7,167	7,225	7,403
Grade 5	6,391	6,386	6,693	6,876	7,123	7,176	7,000	7,312	7,189	7,302
Grade 6	6,214	6,574	6,555	6,896	6,966	7,197	7,147	7,053	7,075	7,124
Grade 7	6,330	6,393	6,730	6,662	6,789	6,969	7,108	7,244	7,094	7,242
Grade 8	6,463	6,487	6,547	6,786	6,737	6,839	7,079	7,207	7,297	7,227
Grade 9	7,495	7,596	7,698	7,784	7,978	7,797	7,818	7,933	8,134	8,069
Grade 10	6,027	6,442	6,642	6,701	7,114	7,379	7,359	7,306	7,481	7,854
Grade 11	5,829	5,938	6,281	6,563	6,413	6,657	6,831	6,776	6,721	7,391
Grade 12	4,929	5,458	5,622	5,913	6,197	5,878	6,135	6,422	6,485	6,748
Total	83,861	86,225	88,299	90,399	91,864	92,604	93,907	95,232	95,460	96,122
Annual % Change	3.4%	2.8%	2.4%	2.4%	1.6%	0.8%	1.4%	1.4%	0.2%	0.7%

Data Source:

¹ Georgia Department of Education, 1st annual count, October of each year
http://app.doe.k12.ga.us/ows-bin/owa/fte_pack_enrollgrade.entry_form

SPECIAL REPORTS SECTION

FULTON COUNTY BOARD OF EDUCATION, GEORGIA
Special Purpose Local Option Sales Tax Projects
Fiscal Year Ended June 30, 2016

SPLOST II

PROJECT	ORIGINAL ESTIMATE	CURRENT ESTIMATE	EXPENDED PRIOR FISCAL YEARS	EXPENDED CURRENT FISCAL YEAR	BALANCE	Project Status
NEW SCHOOLS	\$ 329,300,000	\$ 289,891,838	\$ 286,727,450	\$ -	\$ 3,164,388	Ongoing
SCHOOL REPLACEMENT	49,300,000	104,828,808	97,904,653	31,174	6,892,981	Ongoing
SCHOOL ADDITIONS	34,400,000	47,400,886	53,902,450	-	(6,501,564)	Completed
LOCAL SCHOOL NEEDS	9,731,000	50,484,279	50,431,064	-	53,215	Ongoing
LAND BANK	-	23,391,137	25,166,783	-	(1,775,646)	Completed
CAPITAL OPERATIONS COST	12,215,000	10,436,890	10,411,783	-	25,107	Completed
DEBT SERVICE	60,000,000	69,569,263	69,569,263	-	-	Completed
FURNITURE AND EQUIPMENT	4,000,000	18,338,655	18,375,195	-	(36,540)	Completed
TECHNOLOGY	15,050,000	52,927,890	52,939,200	-	(11,310)	Completed
TRANSPORTATION	7,000,000	16,958,290	16,958,290	-	-	Completed
PROGRAM RESERVE	280,004,000	-	-	-	-	Completed
SPLOST II FUND TOTAL	\$ 801,000,000	\$ 684,227,936	\$ 682,386,131	\$ 31,174	\$ 1,810,631	

SPLOST III

PROJECT	ORIGINAL ESTIMATE	CURRENT ESTIMATE	EXPENDED PRIOR FISCAL YEARS	EXPENDED CURRENT FISCAL YEAR	BALANCE	Project Status
NEW SCHOOLS	\$ 452,475,480	\$ 257,275,047	\$ 256,302,043	\$ 374,708	\$ 598,296	Ongoing
SCHOOL ADDITIONS	75,186,146	55,664,609	55,657,156	-	7,453	Ongoing
SCHOOL REPLACEMENT	94,018,528	158,825,505	158,037,794	523,801	263,910	Ongoing
LOCAL SCHOOL NEEDS	101,876,418	100,122,822	91,826,661	7,284,666	1,011,495	Ongoing
CAPITAL OPERATION COST	-	2,799,112	2,585,836	(8,986)	222,262	Completed
DEBT SERVICES	90,255,887	90,255,888	90,255,888	-	0.36	Completed
FURNITURE & EQUIPMENT	10,000,000	10,783,588	10,778,714	-	4,874	Completed
HEALTH & SAFETY	1,962,560	4,954,645	4,954,645	-	-	Ongoing
INFORMATION TECHNOLOGY	71,783,508	71,502,934	71,429,749	-	73,185	Ongoing
INTEREST	-	11,421,896	11,421,896	-	-	Completed
LAND PURCHASE/RESERVE	59,494,017	37,944,558	35,766,908	1,504,176	673,474	Completed
PROGRAM MANAGEMENT	-	20,015,208	20,203,720	-	(188,512)	Completed
TRANSPORTATION	31,295,793	24,327,773	24,320,688	225	6,860	Ongoing
SPLOST III FUND TOTAL	\$ 988,348,337	\$ 845,893,585	\$ 833,541,698	\$ 9,678,591	\$ 2,673,296	

SPLOST IV

PROJECT	ORIGINAL ESTIMATE	CURRENT ESTIMATE	EXPENDED PRIOR FISCAL YEARS	EXPENDED CURRENT FISCAL YEAR	BALANCE	Project Status
NEW SCHOOLS	\$ 108,308,097	\$ 88,173,773	\$ 60,264,501	\$ 24,286,002	\$ 3,623,270	Ongoing
SCHOOL ADDITIONS	60,142,875	79,501,925	15,254,980	31,084,055	33,162,890	Ongoing
SCHOOL REPLACEMENT	138,652,377	161,248,992	90,675,640	32,897,832	37,675,520	Ongoing
LOCAL SCHOOL NEEDS	203,967,829	214,512,966	131,879,167	39,435,639	43,198,160	Ongoing
CAPITAL OPERATION COST	7,690,541	20,450,000	8,052,814	6,477,335	5,919,851	Ongoing
DEBT SERVICES	68,831,729	68,831,727	27,662,045	23,772,905	17,396,777	Ongoing
FURNITURE & EQUIPMENT	14,725,000	24,076,727	7,040,191	5,156,444	11,880,092	Ongoing
HEALTH & SAFETY	3,240,000	2,960,328	1,000,494	273,953	1,685,881	Ongoing
INFORMATION TECHNOLOGY	174,630,705	174,630,704	59,141,700	45,726,143	69,762,861	Ongoing
INTEREST	429,600	8,895,464	4,220,729	1,686,546	2,988,189	Ongoing
PROGRAM MANAGEMENT	14,746,684	15,904,325	9,208,994	3,842,978	2,852,353	Ongoing
PROGRAM RESERVE	10,688,076	22,176,954	-	-	22,176,954	Completed
PROJECT RESERVE	-	134,739	-	-	134,739	Ongoing
TRANSPORTATION	35,420,000	26,741,261	3,309,395	3,633,418	19,798,448	Ongoing
SPLOST IV FUND TOTAL	\$ 841,473,513	\$ 908,239,885	\$ 417,710,649	\$ 218,273,250	\$ 272,255,985	

Notes: This schedule includes total project costs funded by sales taxes, state capital outlay reimbursements and other local funding sources.

Fulton County Board of Education, Georgia
Schedule of Lottery Expenditures - by Object
For the Fiscal Year Ended June 30, 2016

Expenditures	Pre - Kindergarten
Salaries - teachers	\$ 4,339,258
Salaries- clerical	64,565
Salaries - other	211,151
Employee benefits	1,675,847
Other purchased services	8,825
Communication	2,133
Travel-Employees	8,193
Material and supplies	128,767
Expendable equipment	84,900
Total Expenditures	<u>\$ 6,523,639</u>

Fulton County Board of Education, Georgia
General Fund - Quality Based Education Program
Allotment and Expenditures by Program
For the Fiscal Year Ended June 30, 2016

<u>DESCRIPTION</u>	<u>ALLOTMENTS FROM</u>			
	<u>GEORGIA</u>	<u>ELIGIBLE QBE PROGRAM COSTS</u>		
	<u>DEPARTMENT OF</u>			
	<u>EDUCATION</u>	<u>SALARIES</u>	<u>OPERATIONS</u>	<u>TOTAL</u>
Direct Instructional Programs				
Kindergarten Programs	\$31,631,586	\$30,670,440	\$118,952	\$30,789,392
Kindergarten Programs - Early Intervention Program	2,312,558	1,087,844	1,252	1,089,096
Primary Grades (1-3) Program	79,930,590	87,457,195	5,497,853	92,955,048
Primary Grades Early Intervention (1-3) Programs	7,811,164	5,142,667	325,707	5,468,374
Upper Elementary Grades (4-5) Program	37,665,026	33,388,410	453,647	33,842,057
Upper Elementary Grades-Early Intervention (4-5) Programs	4,289,467	4,240,286	48,023	4,288,309
Middle Grades (6-8) Program	-	-1,790		-1,790
Middle School (6-8) Programs	57,426,091	64,162,086	2,991,713	67,153,799
High School General Education (9-12) Program	63,926,880	82,106,642	7,624,690	89,731,332
Vocational Laboratory (9-12) Program	12,025,910	7,623,412	701,303	8,324,715
Students With Disabilities	62,636,916			
CATEGORY I		50,885	12,674	63,559
CATEGORY II		7,444,991	13,031	7,458,022
CATEGORY III		71,098,890	320,072	71,418,962
CATEGORY IV		2,877,394	916	2,878,310
CATEGORY V		5,164,328	134	5,164,462
Gifted Student - CATEGORY I	37,006,243	27,263,917	48,760	27,312,677
Remedial Education Program	5,814,804	4,833,332	96,693	4,930,025
Alternative Education Program	4,496,097	1,023,073		1,023,073
English Speakers of Other Languages (ESOL)	10,107,295.00	14,266,557	40,726	14,307,283
TOTAL DIRECT INSTRUCTIONAL PROGRAMS	417,080,627	451,690,357	20,467,455	472,157,812
Media Center Program	11,604,944	11,813,337	1,989,179	13,802,516
Staff and Professional Development	2,050,472	-	-	-
TOTAL QBE FORMULA FUNDS	\$430,736,043	\$463,503,694	\$22,456,635	\$485,960,329

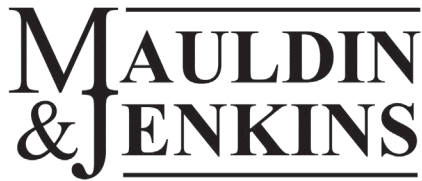
Single Audit



Webb Bridge MS
Alexis Albrecht ~ 6th Grade

*F*ulton
County Schools

Where Students Come First



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
Fulton County Board of Education
Atlanta, Georgia**

We have audited, 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the **Fulton County Board of Education (the "School System")** as of and for the fiscal year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the School System's basic financial statements, and have issued our report thereon dated December 20, 2016.

Internal Control Over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2016-001 and 2016-002 to be material weaknesses.

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. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2016-003 to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Fulton County Board of Education'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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Fulton County Board of Education's Responses to Findings

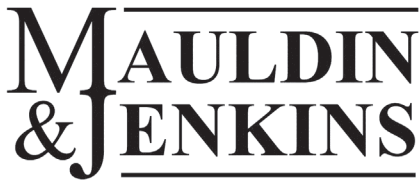
The School System's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The School System's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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

Mauldin & Jenkins, LLC

Atlanta, Georgia
December 20, 2016



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

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

Report on Compliance for Each Major Federal Program

We have audited the Fulton County Board of Education's (the "School System's") 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, 2016. 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 Fulton County Board of Education 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, 2016.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2016-004. Our opinion on each major federal program is not modified with respect to this matter.

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

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2016-004 that we consider to be a material weakness.

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

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

Mauldin & Jenkins, LLC

Atlanta, Georgia
December 20, 2016

FULTON COUNTY BOARD OF EDUCATION, GEORGIA

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

Federal Grantor/Pass-Through Grantor/Program Title	CFDA Number		Pass- Through Entity ID Number	Total Expenditures
U. S. DEPARTMENT OF AGRICULTURE:				
Passed through Georgia Department of Education and Nutrition Program:				
Food Services				
School Breakfast Program	10.553	*	N/A	\$ 6,809,572
National School Snack Program	10.555	*	N/A	93,011
National School Lunch Program:				
Cash Assistance	10.555	*	N/A	19,217,613
Non-Cash Assistance (Commodities) - Note 2	10.555	*	N/A	1,929,828
Total Child Nutrition Cluster				<u>28,050,024</u>
Fresh Fruits and Vegetables Program	10.582		N/A	<u>551,496</u>
Total U. S. Department of Agriculture				<u>28,601,520</u>
U. S. DEPARTMENT OF EDUCATION:				
Passed through Georgia Department of Education:				
Title I Programs - Improving Academic Achievement	84.010		N/A	20,815,494
Title I Programs - Reward Schools	84.010		N/A	923
Title I Programs - School Improvement Grant	84.010		N/A	1,077,553
Total Title I, Part A				<u>21,893,970</u>
School Improvement Grant (Supplemental 1003g) - ARRA	84.388		N/A	<u>1,072,108</u>
Title II Part A Programs - Improving Teacher Quality	84.367		N/A	1,873,783
Title II Part A Programs - Advance Placement	84.367		N/A	12,385
Total Title II, Part A				<u>1,886,168</u>
Title III - Part A, Limited English Proficient (LEP)	84.365		N/A	791,622
Title III - Immigrant	84.365		N/A	87,519
Title III - Unaccompanied Children and Youth	84.365		N/A	8,901
Total Title III				<u>888,042</u>
Title VI Part B Flow-through	84.027	*	N/A	17,350,524
Title VI Part B Preschool Incentive	84.173	*	N/A	414,748
High Cost Fund Pool	84.027	*	N/A	400,420
Total Special Education Cluster				<u>18,165,692</u>

(Continued)

FULTON COUNTY BOARD OF EDUCATION, GEORGIA

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

Federal Grantor/Pass-Through Grantor/Program Title	CFDA Number	Pass- Through Entity ID Number	Total Expenditures
U. S. DEPARTMENT OF EDUCATION (Continued):			
Passed through Georgia Department of Education (Continued):			
Striving Readers Elementary	84.371B	N/A	623,570
Striving Readers Middle	84.371B	N/A	178,134
Striving Readers Birth - 5	84.371B	N/A	143,678
Striving Readers Programs - High	84.371B	N/A	265,085
Total Striving Readers Programs			<u>1,210,467</u>
Vocational 85% Grants - Program Improvement	84.048	N/A	622,726
Perkins IV - Reserve Perkins Carryover	84.048	N/A	5,122
Total Vocational Education			<u>627,848</u>
Education for Homeless Children and Youth	84.938	N/A	<u>57,157</u>
Race to the Top Innovation Fund	84.411	N/A	<u>575,391</u>
Passed through Georgia State University CREST in Education	84.336	N/A	<u>32,320</u>
Total U. S. Department of Education			<u>46,409,163</u>
U. S. DEPARTMENT OF DEFENSE:			
Direct			
Department of the Army R.O.T.C. Program	12.unknown	N/A	<u>757,340</u>
U. S. DEPARTMENT OF TRANSPORTATION:			
Passed through Georgia Governor's Office of Highway Safety:			
Highway Safety Act - Students Against Destructive Decisions (SADD)	20.601	N/A	<u>8,653</u>
U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:			
Passed through Georgia Department of Community Health:			
Substance Abuse and Mental Health Services - Project Aware	94.243	N/A	<u>47,739</u>
Total Expenditures of Federal Awards			<u><u>\$ 75,824,414</u></u>

* Denotes a major federal award program

See the Note to the Schedule of Expenditures of Federal Awards

FULTON COUNTY BOARD OF EDUCATION, GEORGIA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

NOTE 1. BASIS OF PRESENTATION

The Schedule of Expenditures of Federal Awards includes the federal grant activity of the Fulton County Board of Education and is presented on the accrual basis of accounting.

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

NOTE 2. FOOD DONATION (COMMODITIES) PROGRAM

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

NOTE 3. INDIRECT COST RATE

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

FULTON COUNTY BOARD OF EDUCATION, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

SECTION I
SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of report the auditor issued on whether the financial statements were prepared in accordance with GAAP

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

yes no

Significant deficiency(ies) identified?

yes none reported

Noncompliance material to financial statements noted?

yes no

Federal Awards

Internal Control over major federal programs:

Material weakness(es) identified?

yes no

Significant deficiency(ies) identified?

yes none reported

Type of auditor's report issued on compliance for major federal programs

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

yes no

Identification of major federal program:

 CFDA Number

Name of Federal Program or Cluster

84.027 and 84.173

U.S. Department of Education – Title VI, Part B
Individuals with Disabilities in Education Act (IDEA)
Special Education Cluster

10.553 and 10.555

U.S. Department of Agriculture – Child Nutrition
Cluster

Dollar threshold used to distinguish between Type A and Type B programs:

\$2,275,932

Auditee qualified as low-risk auditee?

yes no

FULTON COUNTY BOARD OF EDUCATION, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES

2016-001 Capital Assets Reporting and Reconciliation

Criteria: Internal controls should be in place to ensure the amounts reported by the School System for its annual capital asset activity should be complete and properly classified.

Condition and Context: For the fiscal year ended June 30, 2016, the School System's capital asset activity and summary provided for the financial statements was not complete and did not properly classify activity into the depreciable vs. nondepreciable categories.

Cause: Internal controls were not sufficient to detect material misstatements in the reporting of the School System's capital assets.

Effects or possible effects: Adjusting journal entries were required in the SPLOST III Capital Projects Fund and the SPLOST IV Capital Projects Fund in the approximate amounts of \$125,000 and \$513,000, respectively, to accrue retainage payable for the School System's ongoing construction projects. Furthermore, in the statement of net position, reclassifications totaling approximately \$220 million were required to properly move completed projects from the nondepreciable category to the appropriate depreciable category for proper reporting in the financial statements.

Recommendation: We recommend the School System review its capital asset activity on a regular basis (at least quarterly) to ensure projects are being properly tracked and reported. Furthermore, at year-end, we recommend the School System review all projects in progress to ensure that all amounts for work performed through year-end have been properly accrued as liabilities in accordance with generally accepted accounting principles.

Auditee's Response: *For the fiscal year ended 2016, the capital asset module within the SAP system used for the reporting and tracking of capital assets was not functioning correctly resulting in the need to manually calculate and maintain the District's capital assets. In addition, there has not been a notification process in place between the Operations Division and the Accounting Department to identify and communicate projects which are substantially complete and in service.*

Management accepts the recommendation made for item 2016-001 and has taken corrective action to address.

FULTON COUNTY BOARD OF EDUCATION, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES (CONTINUED)

2016-002 Revenues and Related Balance Sheet Accounts

Criteria: Internal controls should be in place to ensure the amounts reported by the School System as revenues and the related balance sheet accounts are complete and properly valued in accordance with generally accepted accounting principles (GAAP).

Condition and Context: For the fiscal year ended June 30, 2016, the School System improperly reported assets that had been received in advance of spending them on a grant program as “deferred revenues.”

Cause: Internal controls were not sufficient to detect a material misstatement in the reporting of the School System’s revenues and related balance sheet accounts.

Effects or possible effects: An adjusting journal entry in the amount of approximately \$688,000 was required in the Other Local Grants Fund to properly report these assets as revenues of the current period.

Recommendation: We recommend the School System review its revenues and related balance sheet accounts to ensure amounts are reported in accordance with GAAP.

Auditee’s Response: *Accounting standards require us to record revenue and restrict fund balance in grant funds instead of recording deferred revenue.*

Management accepts the recommendation made for items 2016-002 and has taken corrective action to address.

FULTON COUNTY BOARD OF EDUCATION, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES (CONTINUED)

2016-003 Timely Completion of Accurate Bank Account Reconciliations

Criteria: Complete reconciliations of all of the School System’s bank accounts should be performed on a monthly basis in accordance with a sound internal control environment. These reconciliations should be complete and any unadjusted differences noted in the process should be reconciled and recorded in the general ledger as applicable.

Condition and Context: For the fiscal year ended June 30, 2016, the School System was carrying several items at the bottom of the reconciliations for the General Fund Operating Account and Pension Fund Operating Account as “Withdrawals/debits on statement not posted to G/L.” Based on our discussions with School System personnel, it was determined that these items were wire or ACH payments that had posted to the School System’s bank accounts but had not been recorded in the general ledger as there were issues with properly recording these items.

Cause: The School System was not performing complete bank reconciliations for two (2) of its main operating accounts.

Effects or possible effects: Adjusting journal entries were required in the General Fund and Pension Trust Fund in the approximate amounts of \$1,047,000 and \$275,000, respectively, to record these items that had cleared the bank accounts but had not been posted in the general ledger.

Recommendation: We recommend the School System perform complete bank reconciliations of all accounts on a monthly basis. For any unadjusted differences or reconciling items, we recommend the School System investigate these items immediately and post any necessary adjustments in the general ledger.

Auditee’s Response: *Measures have been put in place to ensure complete timely reconciliation and the prompt clearing of reconciling items.*

Management accepts the recommendation made for item 2016–003.

FULTON COUNTY BOARD OF EDUCATION, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

SECTION III
FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

2016-004 Allowable Costs / Activities Allowed or Unallowed

Program: U.S. Department of Education (CFDA No. 84.027, 84.173)

CFDA Program Title: Title VI, Part B IDEA – Special Education Cluster

Criteria: Title 2, Subtitle A, Chapter II, Part 200, Subpart E of the Uniform Guidance states, “Charges to Federal awards for salaries and wages must be based on records that accurately reflect the work performed. These records must (i) be supported by a system of internal controls which provides reasonable assurance that the charges are accurate, allowable, and properly allocated; (ii) be incorporated into the official records of the non-Federal entity; (iii) reasonable reflect the total activity for which the employee is compensated by the non-Federal entity, not exceeding 100% of compensated activities; (iv) encompass both federally assisted and all other activities compensated by the non-Federal entity on an integrated basis, but may include the use of subsidiary records as defined in the non-Federal entity’s written policy; (v) comply with the established accounting policies and practices of the non-Federal entity; and (vii) support the distribution of the employee's salary or wages among specific activities or cost objectives if the employee works on more than one Federal award; a Federal award and non-Federal award; an indirect cost activity and a direct cost activity; two or more indirect activities which are allocated using different allocation bases; or an unallowable activity and a direct or indirect cost activity.”

Condition and Context: To comply with the above requirements, the School System utilizes periodic certifications and/or time and effort logs to document the amount of employee salaries and wages that are allowable to be charged to its Federal awards. For the fiscal year ended June 30, 2016, our testing of these amounts that were charged to the Special Education Cluster indicated that there was a breakdown in internal controls for a specific type of employee.

Cause: Internal controls were not sufficient to ensure that the amounts charged to the Special Education Cluster by substitute teachers were documented as required by the Uniform Guidance.

Effects or possible effects: The breakdown in internal controls did not allow the School System to properly identify substitute teachers whose salaries and wages had been charged to the Special Education Cluster in order to ensure the proper documentation was maintained for those employees to support the charges to the grant.

Questioned Costs: Known questioned costs of \$45,770.

Recommendation: We recommend the School System review its internal controls for charging costs to its Special Education Cluster grants and implement procedures to ensure that all salaries and wages charged to the grant are supported by proper documentation as required by the Uniform Guidance.

Auditee’s Response: Management accepts the recommendation made for item 2016–004.

FULTON COUNTY BOARD OF EDUCATION, GEORGIA
STATUS OF PRIOR FISCAL YEAR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

SECTION IV
STATUS OF PRIOR FISCAL YEAR AUDIT FINDINGS

None reported in the prior year.

**FULTON COUNTY BOARD OF EDUCATION, GEORGIA
MANAGEMENT'S CORRECTIVE ACTION PLAN
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

2016-001 Capital Assets Reporting and Reconciliation

Contact Person: Greta Tinaglia, Executive Director of Accounting Services

Corrective Action Plan: The Accounting Department will work with the Technology Division to identify and correct the SAP issue if possible. The SAP system is not structured to properly handle capital assets for a governmental entity so to ensure proper calculation and depreciation the Accounting Department will manually track and maintain assets for fiscal year 2017. The Accounting Department will work with the Capital Operations Department to establish a formal notification process when projects are complete and placed into service so that the assets may be properly maintained and tracked. During the reorganization of the Accounting Department at the beginning of fiscal year 2017, a capital projects accountant has been added to the Accounting Staff. One of the major job responsibilities of the capital projects accountant will be the monthly maintenance analysis of capital assets.

Anticipated Completion Date: 06/30/2017

2016-002 Revenues and Related Balance Sheet Accounts

Contact Person: Cassandra Maddox, Accounting Coordinator

Corrective Action Plan: The School District will record grant funding that is received prior to being expended as revenue and restrict fund balance as required by the standard.

Anticipated Completion Date: December 31, 2016

2016-003 Timely Completion of Accurate Bank Account Reconciliations

Contact Persons: Greta Tinaglia, Executive Director; Anica Golding, Treasurer; Sabin Priddy, Senior Accountant

Corrective Action Plan: In November of 2016, we began to redesign the reconciliation process to properly incorporate all accounts. We have also identified the proper transaction code to be used to record cash activity as it occurs and these transactions will be initiated by the Treasurer on a daily basis as she performs her standard operating procedures. In addition, the task of reconciliation has been reassigned to the Senior Accountant and will be reviewed monthly by the Executive Director to ensure both timely reconciliation and prompt clearing of reconciling items.

Anticipated Completion Date: December 2016.

2016-004 Allowable Costs / Activities Allowed or Unallowed – Special Education Cluster

Contact Person: Cristy Smith, Executive Director of Exception Children Services

Corrective Action Plan: School bookkeepers will submit a copy of the month's case report for federal VIB substitute work and the periodic certification form required for each day to substitute works in place of a federally funded employee.

Anticipated Completion Date: November 2016

