

A woman with glasses and braided hair, wearing a green dress, is speaking in a classroom. The background shows a whiteboard and a desk with a computer monitor. The image is dimly lit, with a red banner overlaid on the top half.

Leverage data to drive strategic financial investments

Lisa Bracken - Chief Financial Officer

One District. One Goal. Every Child.

A COMMUNITY OF BELIEVERS GETTING BACK TO BASICS

Our Strength is Our Team

Atlanta's students will have effective and engaged teachers, leaders, and staff.

- Increase concentration of highly-effective teachers and leaders
- Prioritize engagement and retention for staff
- Grow and promote strong teachers, leaders, and staff

Our Responsibility Is Shared

Atlanta's students will have supportive families, communities, and partners.

- Build meaningful partnerships
- Expand Atlanta Partners for Education (APFE) impact
- Increase access and engagement for families and communities

Our System Is Efficient & Effective

Atlanta's students will have the schools and resources they need to succeed.

- Maximize facility usage for the student and community good
- Leverage data to drive strategic financial investments
- Implement sustainability initiatives

We Are Strengthening Our Instructional Core

Atlanta's students will have high-quality instruction, materials, and targeted support.

- Implement high-quality, relevant, and engaging instructional materials and professional learning in all core content areas
- Target resources towards subgroups (eg. exceptional education, English learners, economically-disadvantaged)
- Accelerate early learning

We Are Caring For Every Child

Atlanta's students will have trusted, supportive adults meeting their unique needs.

- Expand strategies that reduce chronic absenteeism and disproportionate discipline
- Implement systematic culture and climate strategies
- Increase student access to trusted and reliable adults (eg. mentors, coaches, counselors)

We Are Sparking Student Curiosity

Atlanta's students will have access to explore and expand their passions and interests.

- Promote robust arts, athletics, world language, and enrichment offerings
- Expand access to high-interest and workforce-ready offerings (e.g. career programs and pathways, advanced coursework)
- Explore specialized and innovative school models (eg. School of the Arts)



**FY 2026 Revenue Activity for Period Ending
Consolidated General Fund
December 31, 2025 - Compared to Budget - Unaudited
(\$Millions)**

	<u>FY26 Budget</u>	<u>FY26 YTD Actual</u>	<u>FY26 YTD Variance</u>	<u>FY26 YTD % of Budget</u>
Local Taxes	\$ 988.07	\$ 864.27	\$ 123.80	87.47%
State	258.50	96.18	162.32	37.21%
Other/Transfers	<u>29.96</u>	<u>1.73</u>	<u>28.23</u>	5.77%
Total Revenue	\$ 1,276.53	\$ 962.18	\$ 314.35	75.37%
Use of Fund Balance	<u>13.00</u>	<u>0.00</u>	<u>13.00</u>	N/A
Total Resources	<u>\$1,289.53</u>	<u>\$ 962.18</u>	<u>\$ 327.35</u>	74.62%



**FY 2026 Revenue Activity for Period Ending
Consolidated General Fund
December 31, 2025 - Compared to Prior Year - Unaudited
(\$Millions)**

	<u>FY26 YTD Actual</u>	<u>FY26 YTD % of Budget</u>	<u>FY25 YTD Actual</u>	<u>FY25 YTD% of Budget</u>	<u>FY26 VS FY25</u>	<u>FY26 Remainder of Year</u>	<u>FY25 Remainder of Year</u>	<u>FY26 VS FY25</u>
Local Taxes	\$ 864.27	87.47%	\$ 821.73	87.01%	\$42.54	\$ 123.80	\$ 122.73	\$1.07
State	96.18	37.21%	86.68	35.23%	9.50	162.32	159.35	2.97
Other/ Transfers	<u>1.73</u>	<u>5.77%</u>	<u>12.25</u>	<u>29.93%</u>	<u>(10.52)</u>	<u>28.23</u>	<u>28.68</u>	<u>(0.45)</u>
Total Revenue	\$ 962.18	75.37%	\$920.66	74.76%	\$41.52	\$ 314.35	\$ 310.76	\$3.59
Use of Fund Balance	<u>0.0</u>	0.0%	<u>0.0</u>	0.0%	<u>0.0</u>	<u>13.00</u>	<u>88.08</u>	<u>(75.08)</u>
Total Resources	<u>\$ 962.18</u>	74.62%	<u>\$920.66</u>	74.76%	<u>\$41.52</u>	<u>\$ 327.35</u>	<u>\$ 398.84</u>	<u>(\$71.49)</u>



**FY 2026 Expenditure Activity for Period Ending
Consolidated General Fund
December 31, 2025 - Compared to Budget - Unaudited
(\$Millions)**

	<u>FY26 Budget</u>	<u>FY26 YTD Actual</u>	<u>FY26 YTD Variance</u>	<u>FY26 YTD % of Budget</u>
Instruction	\$ 816.98	\$ 371.78	\$ 445.20	45.51%
Pupil Services	96.46	40.42	56.04	41.90%
Staff Services	71.44	30.19	41.25	42.27%
School Administration	57.64	28.74	28.90	49.87%
General Administration	74.58	28.75	45.83	38.55%
Student Transportation	43.77	21.73	22.04	49.63%
Maintenance & Operation	125.56	49.43	76.13	39.36%
Operating Transfer	<u>3.10</u>	<u>0.56</u>	<u>2.54</u>	17.93%
Total Expenditures	<u>\$ 1,289.53</u>	<u>\$ 571.60</u>	<u>\$ 717.93</u>	44.33%



**FY 2026 Expenditure Activity for Period Ending
Consolidated General Fund
December 31, 2025 - Compared to Prior Year - Unaudited
(\$Millions)**

	<u>FY26 YTD Actual</u>	<u>FY26 YTD % of Budget</u>	<u>FY25 YTD Actual</u>	<u>FY25 YTD % of Budget</u>	<u>FY26 VS FY25</u>	<u>FY26 Remainder of Year</u>	<u>FY25 Remainder of Year</u>	<u>FY26 VS FY25</u>
Instruction	\$371.78	45.51%	\$377.67	44.32%	(\$5.89)	\$ 445.20	\$ 474.40	\$ (29.20)
Pupil Services	40.42	41.90%	33.00	40.88%	7.42	56.04	47.72	8.32
Staff Services	30.19	42.27%	33.87	43.41%	(3.68)	41.25	44.15	(2.90)
School Administration	28.74	49.87%	28.08	48.86%	0.66	28.90	29.39	(0.49)
General Administration	28.75	38.55%	30.08	45.94%	(1.33)	45.83	35.40	10.43
Student Transportation	21.73	49.63%	20.13	39.68%	1.60	22.04	30.60	(8.56)
Maintenance & Operation	49.43	39.36%	60.45	47.11%	(11.02)	76.13	67.87	8.26
Operating Transfer	<u>0.56</u>	17.93%	<u>0.00</u>	0.00%	<u>0.56</u>	<u>2.54</u>	<u>6.69</u>	<u>(4.15)</u>
Total Expenditures	<u>\$ 571.60</u>	44.33%	<u>\$ 583.28</u>	44.21%	<u>\$(11.68)</u>	<u>\$717.93</u>	<u>\$736.22</u>	<u>\$ (18.29)</u>



FY2026 2nd Quarter Student Activity Funds Report

- FY2026 as of December 31, 2025
 - Total annual revenue for all schools of \$3.09 million
 - Total annual expenditures for all schools of \$2.38 million
- 2nd Quarter 2026 Year-to-Date revenue breakdown
 - \$1.05 million for elementary schools
 - \$343.79 thousand for middle schools
 - \$1.66 million for high schools
 - \$41.19 thousand for gifted
- 2nd Quarter 2026 Year-to-Date expenditure breakdown
 - \$0.74 million for elementary schools
 - \$252.52 thousand for middle schools
 - \$1.31 million for high schools
 - \$76.42 thousand for gifted



FY2026 Fund Balance

	Current Budget	No Usage
FY2025 Beginning Fund Balance	\$259,140,150	
FY2025 Anticipated Use of Fund Balance	(\$88,075,666)	
FY2025 Ending Fund Balance	\$171,064,484	
FY2025 Expenditures	\$1,319,500,675	
% of Expenditures	12.96%	
FY2026 Beginning Fund Balance*	\$171,064,484	\$171,064,484
FY2026 Anticipated Use of Fund Balance	(\$12,996,717)	\$0
FY2026 Ending Fund Balance	\$158,067,767	\$171,064,484
FY2026 Expenditures	\$1,289,529,178	\$1,289,529,178
% of Expenditures	12.26%	13.27%

Fund Balance Analysis Assuming 100% Collections and 100% Spend*



BUDGET ADJUSTMENTS

Discussion and Action

- No budget adjustments for February
- Information
 - FY2026 February Special Revenue Report





**GOVERNOR'S RECOMMENDED BUDGET &
STATE ECONOMIST PROJECTIONS**

One District. One Goal. Every Child.

Governor's Budget Highlights: FY26 Approved

- \$305.9 million for enrollment growth and training and experience
- \$173.8 million to fund the state share of employer increases on certified educators who participate in SHBP
- \$178.5 million for construction and renovation projects for local school systems
- \$10.3 million for the Pupil Transportation Grant to reflect updated bus count and operating expense
- \$20 million to replace 227 school buses



Governor's Budget Highlights: FY26 Amended

- \$611.8m to provide a \$2,000 one-time supplement to full-time, benefit-eligible formula earned K-12 teachers, school administrators, custodians, nutrition workers, school nurses, and bus drivers.
 - Estimated impact to APS: approximately ~\$9.7m paid by state for stipend and FICA for ~4,300 positions districtwide (actual number TBD from GaDOE)
 - **Additional \$7.5m estimated will be needed for APS to match stipend for additional staff**
- \$43.5m for a midterm adjustment in the Quality Basic Education (QBE) Program
- \$1.4m increase in funds to fully fund grants for social work services
- \$1.3m increase in funds for mental health support grants based on actual enrollment
- \$750k to fund a pilot grant for mental health services reimbursement for up to 75,000 students
- \$18.5m in additional funds to Georgia Student Finance Commission for Dual Enrollment



Governor's Proposed Budget Highlights: FY27

- \$199.7m for SHBP for certified educators
 - Increases from \$1,885 pm to \$2,028 pm on July 1, 2026, 7.5% increase
 - State covers eligible certified employees
 - **APS cost to cover classified employees \$4.5m**
- \$306.4m in total QBE funds for FY27
 - \$36.4m increase to TRS to reflect increase in employer contribution from 21.91% to 22.32%
 - \$9.3m for enrollment growth and T&E
 - \$258.9m increase in QBE formula funds for equalization grants (**APS does not receive these funds**)
- (\$867k) reduction in formula funds for school nurses

Governor's AFY26 &
FY27 Report



Governor's Proposed Budget Highlights: FY27

- (\$15.3m) reduction in funds to eliminate one-time pilot funds to districts for targeted support to economically disadvantaged students. (APS did not receive any allocation for this initiative)
- \$1.55m increase in funds for grants for social work services
- \$1.3m increase in funds for mental health support grants
- \$38.6m for the Pupil Transportation Grant
- \$25m to replace 270 school buses
- (\$50.15m) adjustment to funds for the Local Five Mill Share
- \$12m for year three of a four-year phase in to reduce Pre-K classroom size from 22 to 20 students
- \$264m for construction and renovation projects for K-12 school counts and operations
- \$27.6m in additional funds to Georgia Student Finance Commission for Dual Enrollment to meet the projected need

Governor's AFY26 &
FY27 Report



State Economist's Forecast - Not a recession, but still cooling

- No federal interest rate cuts until
 - Interest rates on automobile and mortgage loans remain high compared to the last decade. Mortgage loans locked in at 3-4% interest rates are limiting the resale supply
- Inflation will continue at elevated levels, particularly with new tariffs.
 - Nationally, imports and exports have significantly decreased.
- Slowdown with slow Real Gross Domestic Product (RGDP) and job growth but no recession
- Despite the U.S. and the state not being in a recession, people are acting as if we are.
- Modest nominal income growth, keeping personal income tax (PIT) collections flat after rate cuts
- Slow real income growth due to weak consumer sentiment, leading to slower sales tax growth
- Business costs rising and bankruptcies are at record levels
- Slower profit growth
- Lower corporate income tax (CIT) collections after rate cuts



Budget Development Schedule

[TENTATIVE FY2027]

Date	Event
✓ Tuesday, September 30, 2025	Budget Commission: TAN, Budget Discussion, Budget Commission Calendar
✓ Thursday, November 20, 2025	Budget Commission: Level-setting and aligning on decision points, FY2027 Parameters, Revenue, School Allotments
✓ Wednesday, January 7, 2026	Budget Department Kickoff, Department Budgets Released
✓ Thursday, January 8, 2026	School Budgets Released
✓ Wednesday, January 14, 2026	Budget Principals' Training and GO Team Initial Presentation
✓ Thursday, January 29, 2026	Budget Commission: Governor's State of the State, Preliminary Revenue Projections
Tuesdays and Thursdays until mid-February	Department Budget Support Sessions
Ongoing	School Budget Support Sessions
Thursday, February 26, 2026	Budget Commission
Late February	Academic and Staffing Conferences
Friday, February 27, 2026	DEADLINE: Budgets Close for Schools and Departments
Thursday, March 19, 2026	Budget Commission
Thursday, April 16, 2026	Budget Commission
Monday, May 4, 2026	Public Hearing #1, Tentative Adoption
Monday, June 1, 2026	Public Hearing #2; Final Adoption



Questions & Answers

