

# BUDGET COMMISSION

FINANCE DIVISION

Lisa Bracken, Chief Financial Officer

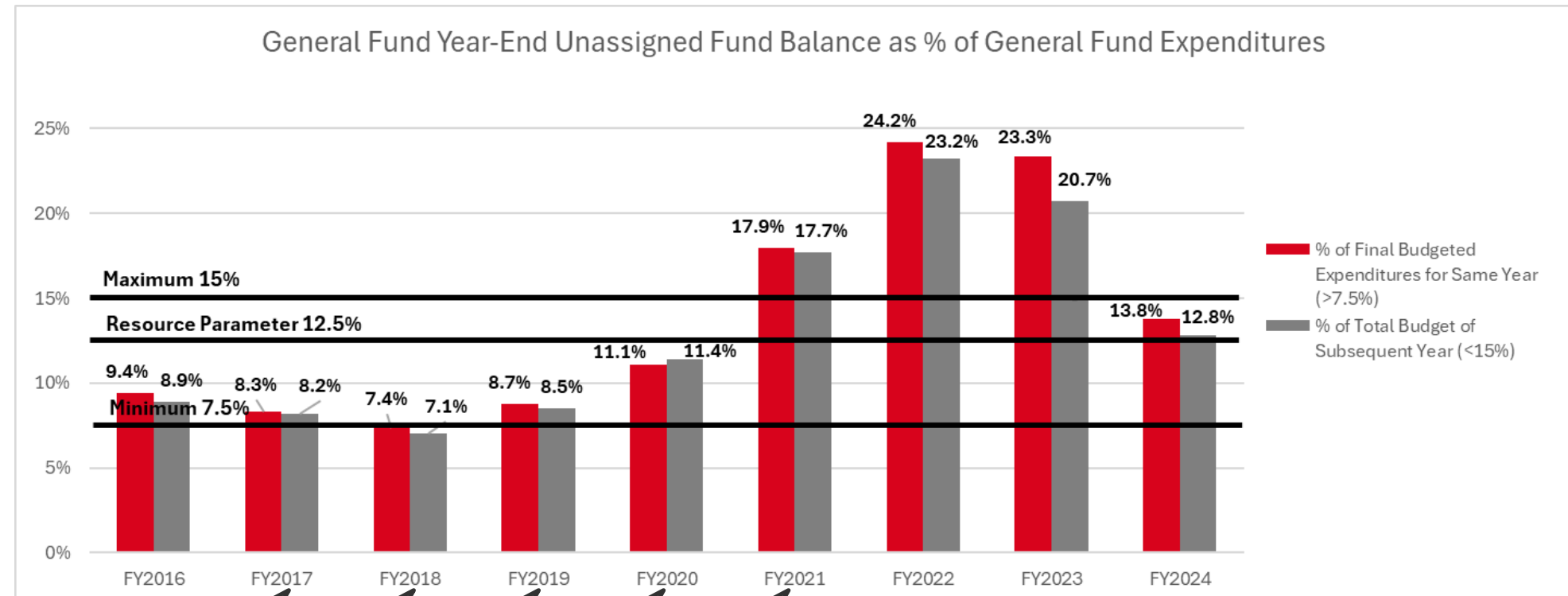
September 30, 2025

**One District. One Goal. Every Child.**

# Develop and Maintain Sustainable Funding Models

## Fund Balance: Historical by Percentage of Expenditures

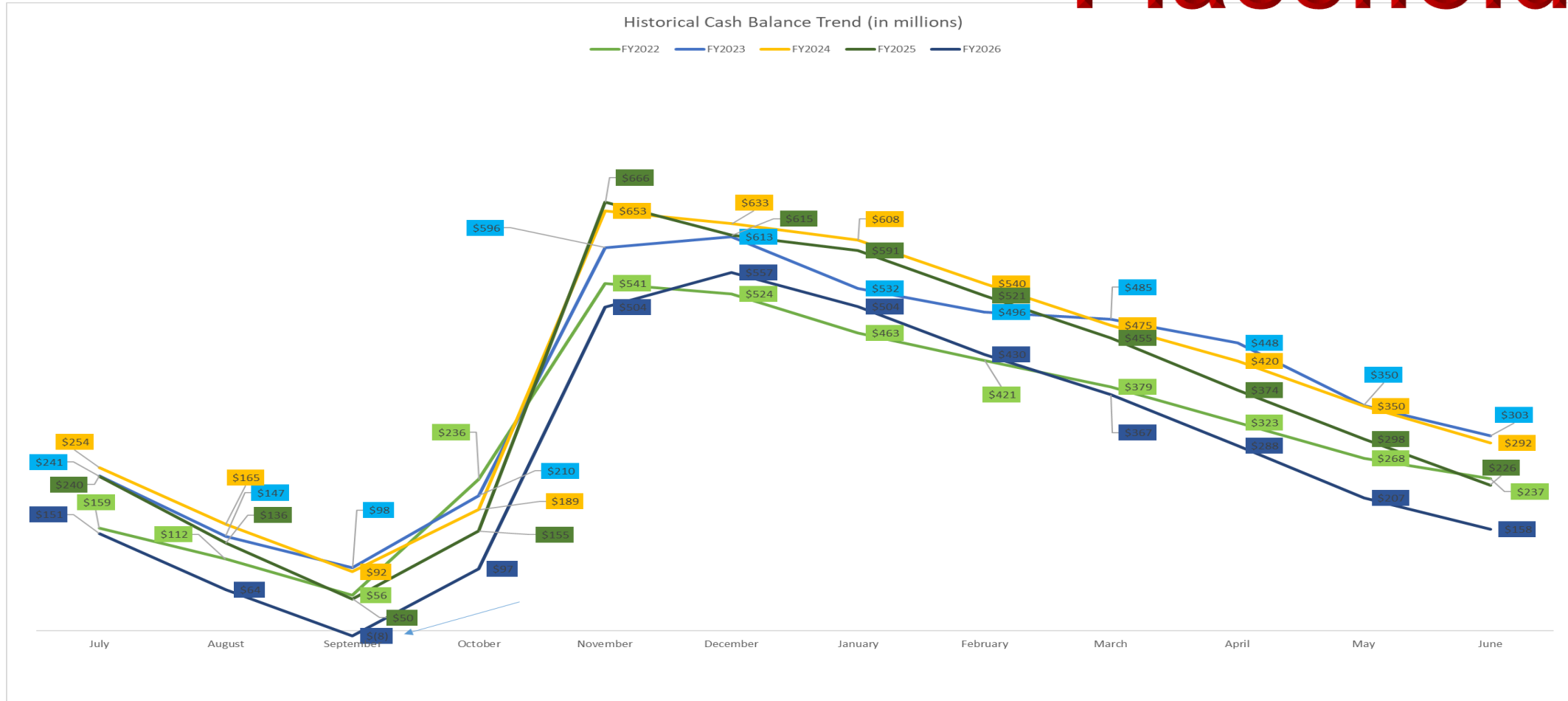
It is the goal of the School District to achieve and maintain an **Unassigned Fund Balance in the General Fund at fiscal year-end of not less than 7.5% of budgeted expenditures, not to exceed 15% of the total budget of the subsequent fiscal year**, net of any committed reserve fund balance for capital expenditures, in compliance with O.C.G.A. 20-02-0167(a)(5).



- TAN \$60m
- TAN \$100m
- TAN \$60m
- TAN \$25m
- TAN \$50m

# Timing of Cash on Hand vs Budgeted Expenses

# Placeholder



# Cost and Timeline of TAN

Amount of TAN- \$35M

Timeline:

- Secure bidders and select winning bid by 9/24/25
- Work to finalize documents 9/30-10/3
- Approve Note resolution at Board Mtg 10/6/25
- Close: 10/8/25

- Due to a delay in the issuance of Fulton County property tax bills, we are recommending the issuance of a Tax Anticipation Note (TAN) in the amount of \$35 million to ensure adequate cash flow during the first week of October.
- Tax bills were originally scheduled for release on September 1, 2025, but an administrative error affecting homestead exemptions and longer-than-usual debate over the millage rate in Fulton County have pushed the release date to September 15, 2025. This two-week delay shifts the timing of collections and creates a gap between our scheduled expenditures—particularly payroll (\$38 million), charter school payments (\$30 million) and other recurring obligations—and the receipt of anticipated property tax revenues.
- Anticipated Cost: 60-day TAN: approximately \$230,000 in interest, plus issuance fees (Based on current market conditions and an estimated 4% annual rate)

# Placeholder



A teacher with glasses and braided hair, wearing a green polo shirt and a name tag, stands in a classroom pointing at a whiteboard. The background shows a typical classroom setting with desks and a blackboard.

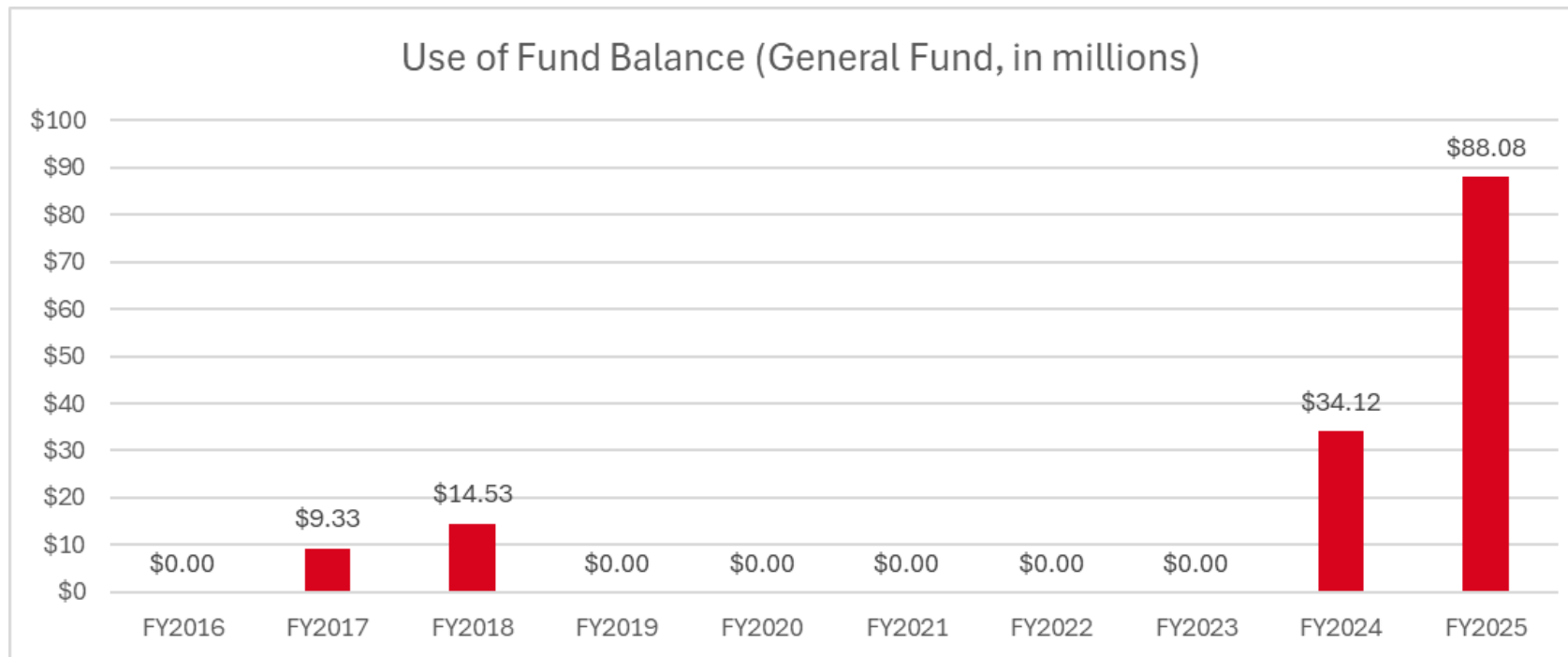
We have a math problem...

**One District. One Goal. Every Child.**

# Develop and Maintain Sustainable Funding Models

## Fund Balance: Use of Fund Balance

Fund balance has been used for district initiatives such as piloting new programs (Readers are Leaders), one-time or short-term initiatives (ERP), and potentially non-recurring costs (stipends, Nutrition, etc.).

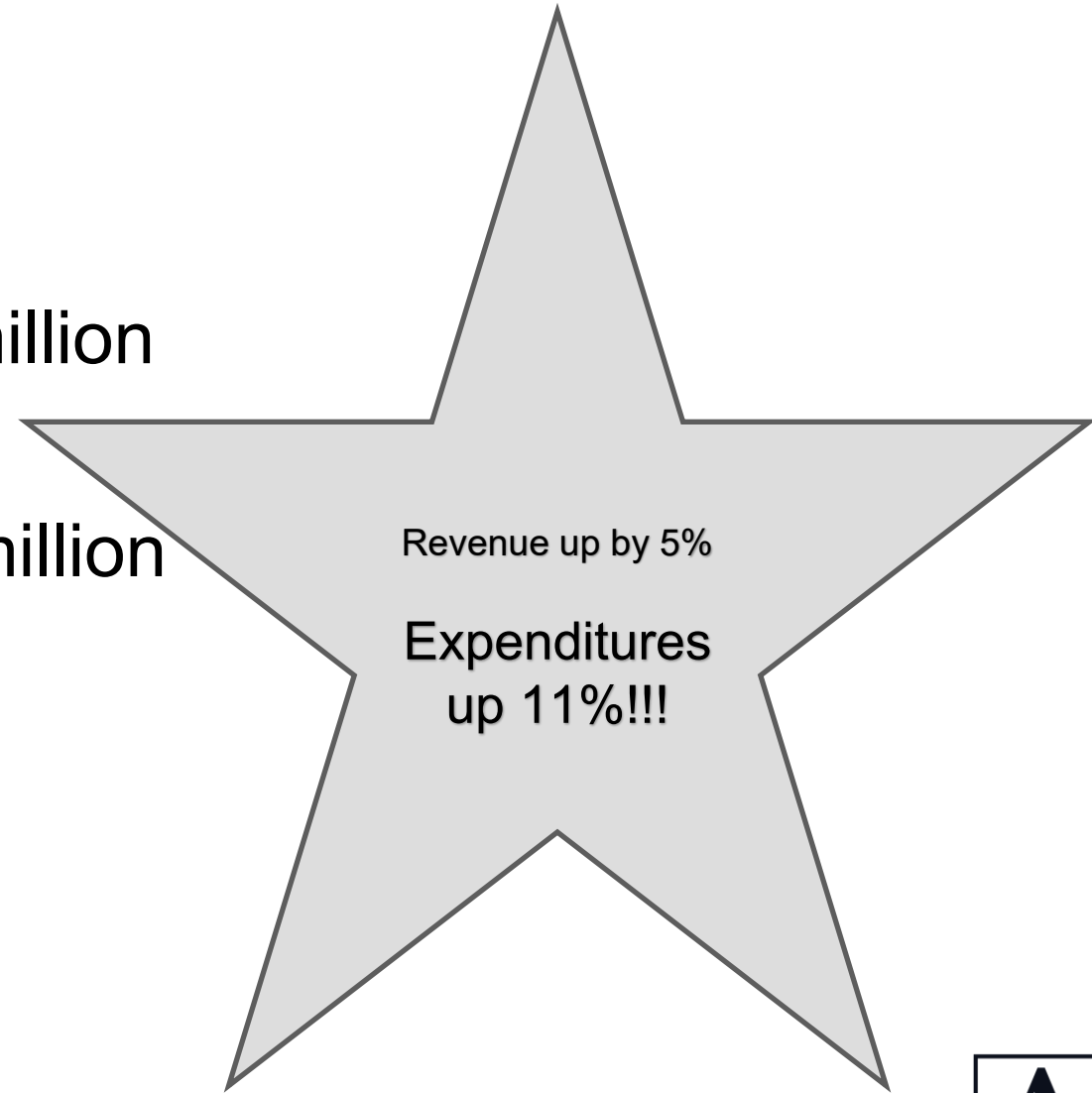


\* This funding shows actuals or the most current projections, in comparison to the adopted funding levels on Slide 11.



# FY2025 Big Spend

- Teacher (and other) raises- \$68 million
- Readers are Leaders- \$12 million
- Stipends and Supplements- \$20 million
- ERP- \$12 million
- Whole-child position- \$7 million
- Nutrition in house- TBD



# Getting back on track

## Current Actions

### FY26 Budget: Sustainability through Discipline

- Cut Central Office positions and non-personnel spending
- Constrained growth in utilities budgets
- Completed zero-based budget for Signature Programs and Turnaround
- Amended pension payment schedule
- Reduced duplicated funding for APS programs (AVA, Phoenix)
- Eliminated general fund transfer to School Nutrition Program
- Reduced dependence on fund balance by 84%
- Kicked-off a facility master planning process

Revenue	FY2025	FY2026	Diff	% Change
Fund Balance	\$80.51	\$13.00	-\$67.51	-84%



# Department and Central Office Budget Reduction Summary

- Even with the reduction of a net 146 positions for over \$40.6M (gross dollars), increased costs to State Health Insurance rates, and TRS benefit percentages negate many of the reductions made at central office.
- FY25 State Health Insurance Budget - \$88M
- FY26 State Health Insurance Budget - \$102M
- **\$14M Net Increase**
- FY25 TRS Budget - \$95M
- FY26 TRS Budget - \$106M
- **\$11M Net Increase**

Category	Amount Reduced
Personnel (Gross Dollars since December 2024)	\$40.6M
Non-Personnel (Central Office Departments)	\$24.4M
Savings via Hiring Freeze	\$5.4M
<b>Total Savings and/or Reductions</b>	<b>\$70.4M</b>



# MULTIYEAR (in millions)

DRAFT

Revenue	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	Assumptions
Local	\$993.09	\$1,012.77	\$1,032.84	\$1,053.32	\$1,074.21	\$1,095.51	2% increase annually
State	\$257.08	\$266.52	\$276.29	\$286.38	\$296.82	\$307.61	Assumes some increase in overall QBE but offset by local fair share
Other	\$6.96	\$7.08	\$7.20	\$7.32	\$7.45	\$7.58	Erate, tuition, interest, etc.
Title Transfer	\$15.37	\$15.37	\$15.37	\$15.37	\$15.37	\$15.37	Held flat
Fund Balance	\$13.00	TBD	TBD	TBD	TBD	TBD	Restore fund balance
<b>Grand Total</b>	<b>\$1,285.48</b>	<b>\$1,301.73</b>	<b>\$1,331.70</b>	<b>\$1,362.39</b>	<b>\$1,393.84</b>	<b>\$1,426.06</b>	
		1.26%	2.30%	2.31%	2.31%	2.31%	
Expenditure	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	
Schools	\$640.27	\$674.75	\$711.12	\$749.47	\$789.93	\$830.80	Salaries and Benefits up 5%, supplies up 4%, contracts up 6%
Charters	\$246.31	\$256.20	\$266.49	\$277.19	\$288.32	\$302.91	Assumes annual 4% increase based on revenue and trend
Partners	\$58.13	\$60.47	\$62.90	\$65.43	\$68.06	\$70.80	Assumes annual 4% increase based on revenue and trend
Central Office	\$241.57	\$264.37	\$276.55	\$279.86	\$283.67	\$297.53	Salaries and Benefits up 5%, supplies up 4%, contracts up 6%, ERP completed by FY2028
Districtwide	\$66.54	\$67.70	\$68.92	\$70.21	\$71.55	\$35.96	6% increase in districtwide benefit rates, pension funded in FY2030
State Grants	\$10.10	\$10.66	\$11.27	\$11.91	\$12.59	\$13.33	Assumes gradual 3-5% increase
Utilities	\$22.57	\$22.57	\$22.57	\$22.57	\$22.57	\$22.57	Assumed held flat
<b>Grand Total</b>	<b>\$1,285.48</b>	<b>\$1,356.72</b>	<b>\$1,419.81</b>	<b>\$1,476.64</b>	<b>\$1,536.70</b>	<b>\$1,573.89</b>	
		5.54%	4.65%	4.00%	4.07%	2.42%	
<b>Gap</b>	<b>\$0.00</b>	<b>-\$54.99</b>	<b>-\$88.12</b>	<b>-\$114.24</b>	<b>-\$142.86</b>	<b>-\$147.82</b>	Initial gap for FY2026 was over \$100 million!

# **WE HAVE A MATH PROBLEM**

$$\text{EXTERNAL FACTORS} + \text{INCREASED SPENDING} + \text{REVENUE CONSTRAINTS} =$$

**IMMEDIATE NEED FOR  
EFFICIENCY &  
SUSTAINABILITY**



## WE HAVE A MATH PROBLEM



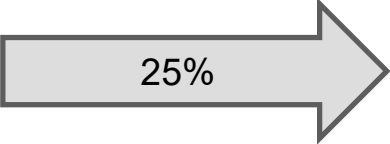

**EXTERNAL  
FACTORS**

**+ INCREASED SPENDING + REVENUE CONSTRAINTS =**

**IMMEDIATE NEED FOR  
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# EXTERNAL FACTORS

- Competition is UP!  In Fy2026
- Birthrates are DOWN!  From 2013-2023
- Inflation and Cost of Living are UP!  From 2020-2025
- Enrollment is DOWN!  From 2016-2026



# External Factor: Competition for Student Enrollment

- APS traditional school enrollment is impacted by:

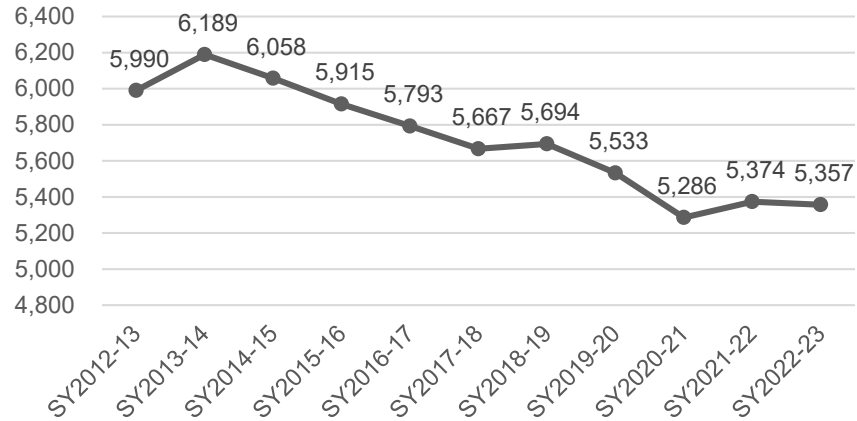
- **19** local charter schools
- **14** state charter schools serving the APS area
- **36** private schools
- **2** statewide virtual schools

- The Georgia legislature has passed legislation in support of school choice over the past 20 years, enabling conversion charter schools, local start-up charter schools, and state charter schools via the State Charter School Commission, as well as providing tax credits for private school scholarships, establishing vouchers for families who withdraw students from public school, and requiring local boards of education to make unused facilities available to charter schools
- Recent legislation includes:
  - Senate Bill 233 (2024), creating the Georgia Promise Scholarship program, a \$6,500 per student payment that can be used toward private school tuition or home study for students living in the attendance zones of low-performing schools
  - Senate Bill 82 (2025), authorizing payment of \$250,000 per year for three years to local boards of education for each new charter school they approve and delaying eligibility for charter or strategic waiver renewal if a board denies two or more charter petitions that are later approved by the State Charter School Commission



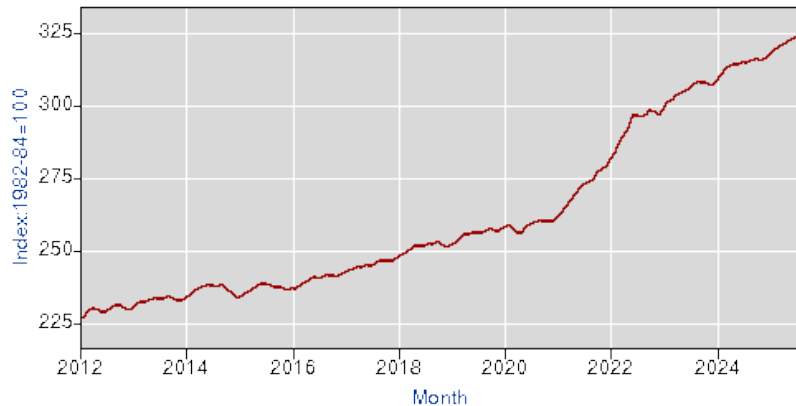
# More External Factors Affecting Enrollment

Historical Live Births within APS District



- Live births within the district decreased by 13% between School Year 2012-13 and School Year 2022-23, affecting kindergarten enrollment. This is in line with a declining birth rate nationwide.
- Housing cost and availability also impacts the ability of families to live within the district and attend APS schools. According to the Atlanta Regional Commission, elevated housing costs, driven by low supply, are acting as a brake on the region's population growth. Current building permit activity remains lower than pre-Great Recession permit levels.
- Inflation and increased cost of living are also a barrier to raising a family and living within the City of Atlanta. In August 2025, it takes \$1.25 to have the same purchasing power as \$1 in August 2020 (US Bureau of Labor Statistics CPI Inflation Calculator).

Consumer Price Index for All Urban Consumers, 2012-2025\*

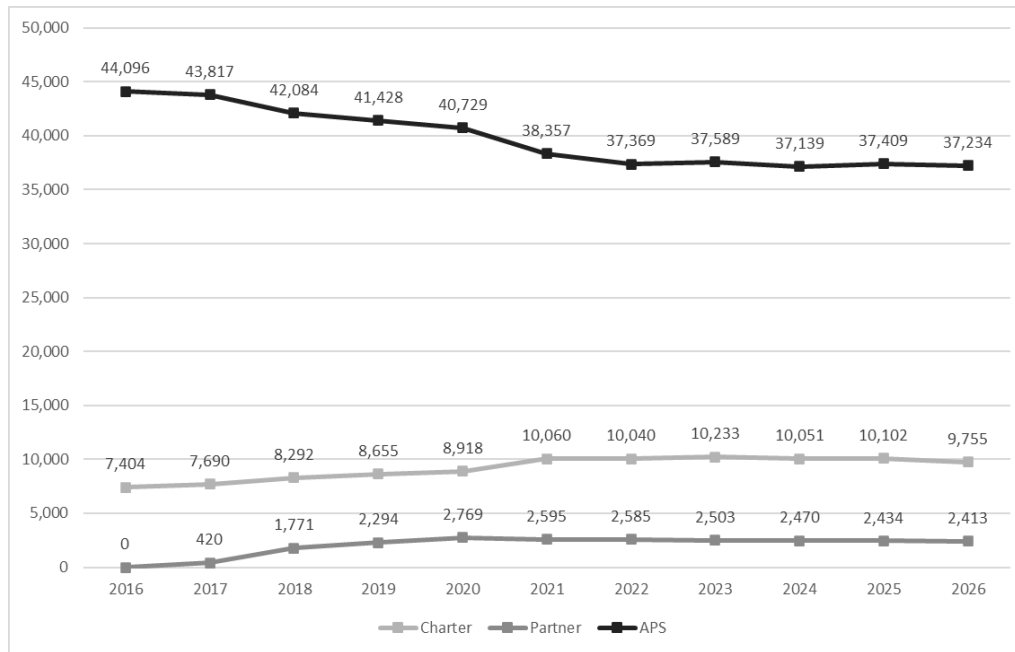


\*Chart and data from US Bureau of Labor Statistics



School Year		District	Charter	Partner	APS
FTE-1	2016	51,500	7,404	-	44,096
	2017	51,927	7,690	420	43,817
	2018	52,147	8,292	1,771	42,084
	2019	52,377	8,655	2,294	41,428
	2020	52,416	8,918	2,769	40,729
	2021	51,012	10,060	2,595	38,357
	2022	49,994	10,040	2,585	37,369
	2023	50,325	10,233	2,503	37,589
	2024	49,660	10,051	2,470	37,139
	2025	49,945	10,102	2,434	37,409
	2026*	49,402	9,755	2,413	37,234

\*Enrollment as of 9.25.25



- Since school year 2016, district enrollment has declined by 2,098 students
- Charter school enrollment has **increased** by 2,351 students or 35%
- Traditional school enrollment has **decreased** by 6,862 students or 16% (average of 2,225 accounted for in partner schools)



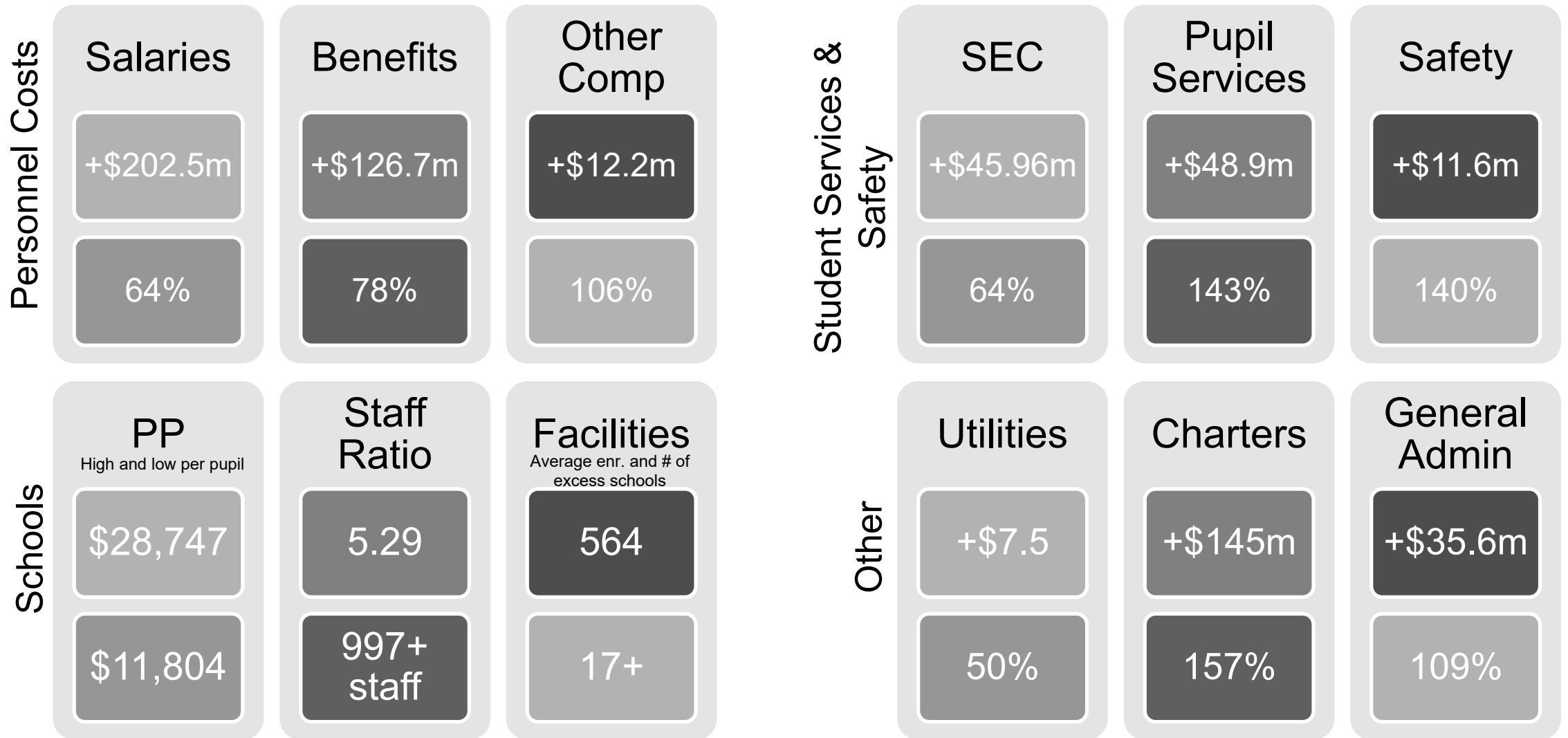
# WE HAVE A MATH PROBLEM

$$\text{EXTERNAL FACTORS} + \text{INCREASED SPENDING} + \text{REVENUE CONSTRAINTS} =$$

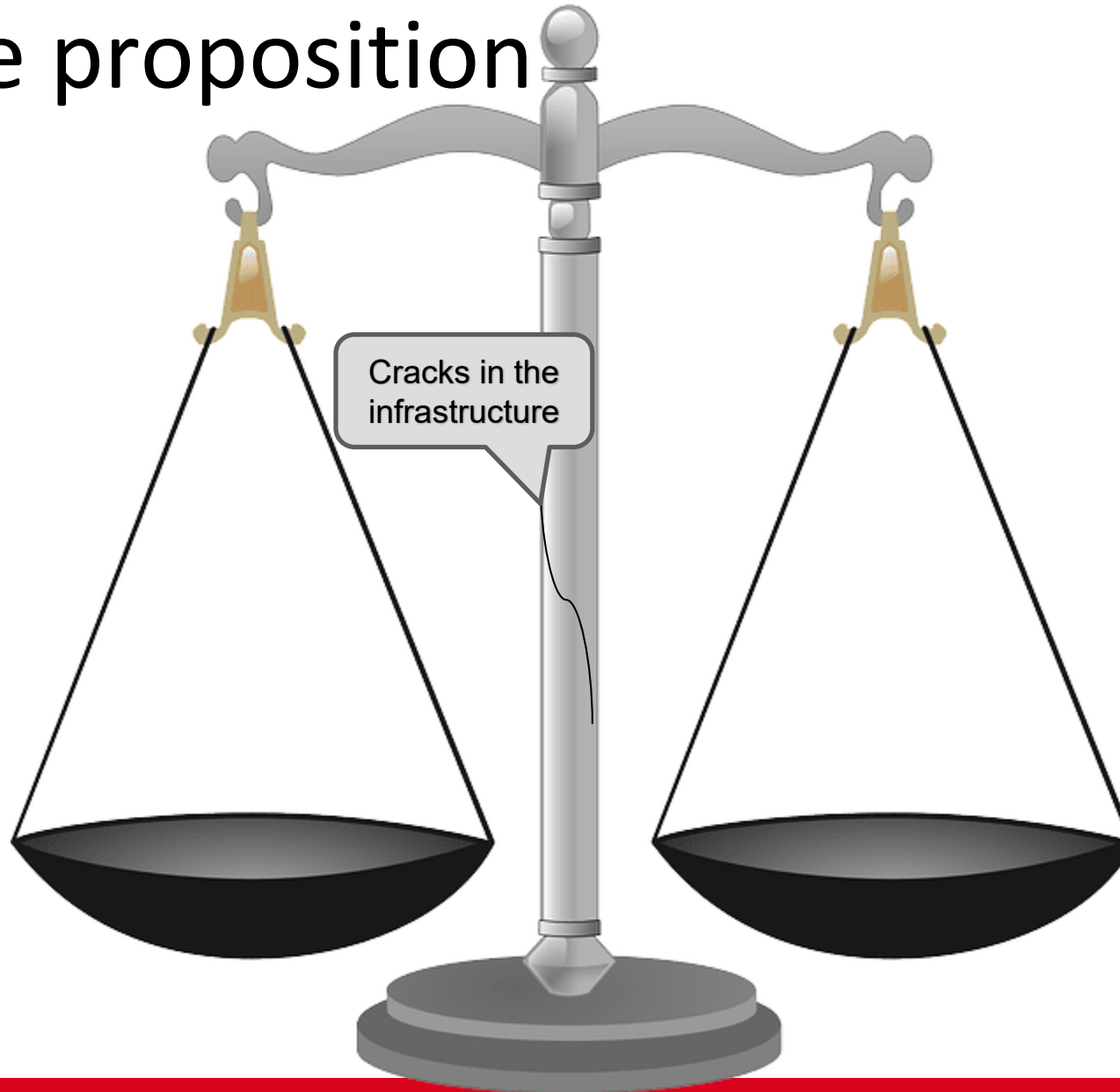
**IMMEDIATE NEED FOR  
EFFICIENCY &  
SUSTAINABILITY**



# Increased Spending



# The value proposition



Highest salary  
+  
Competitive stipends  
+  
Rich benefit packages  
+  
Well-supplied and equipped staff  
+  
Access to high-cost technology, professional development, etc  
=  
Very "expensive" staff

Low class sizes  
+  
Access to a variety of programming  
+  
Whole child supports  
+  
Emphasis on administration and oversight  
+  
Many underenrolled buildings  
=  
A LOT of staff



# INCREASED SPENDING: COMPETITIVE SALARIES

**BY 2030**

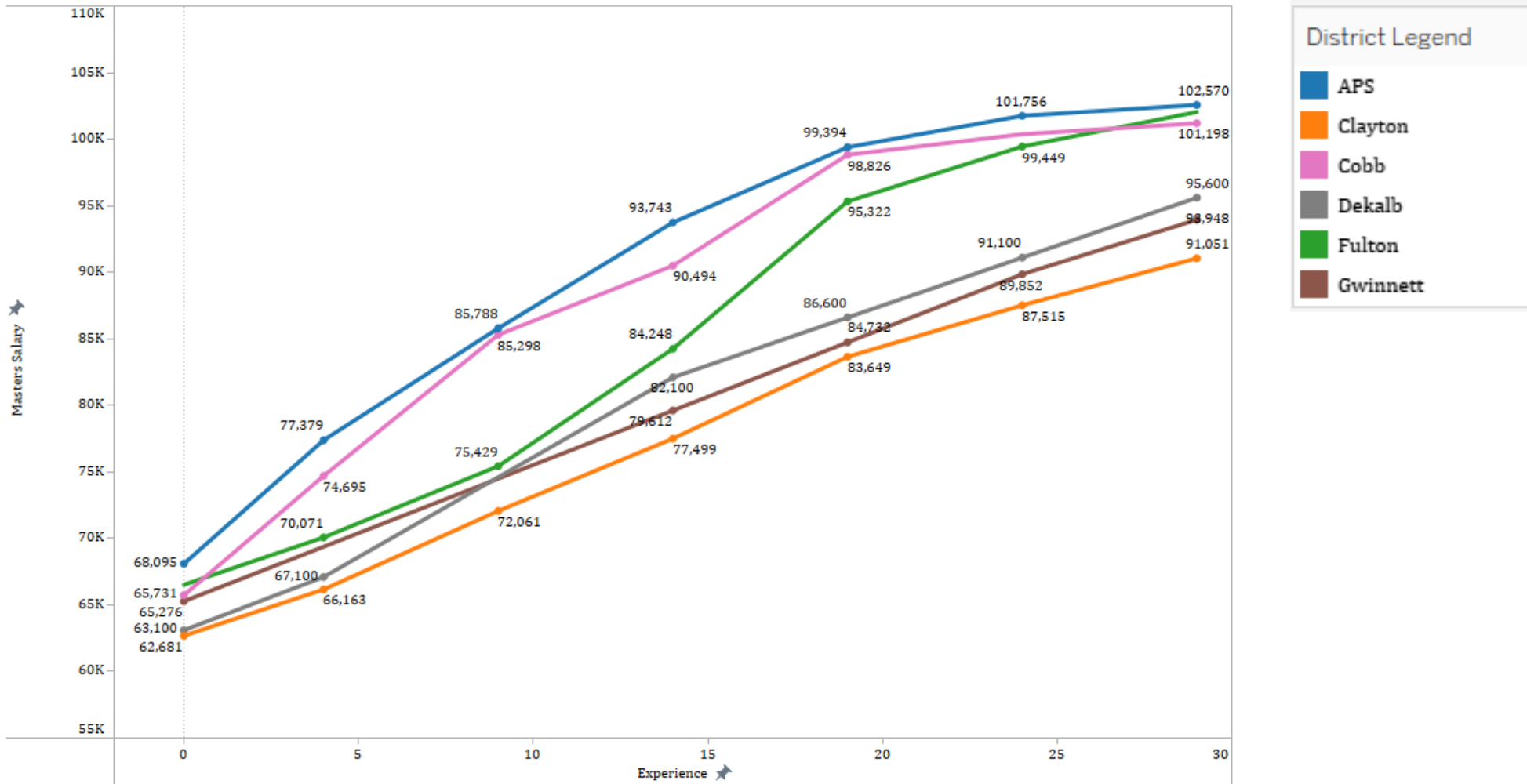
- Offer high-quality, universal PK3 and PK4
- Have a \$100,000 average teacher salary
- Implement Individual Success Plans for every student
- Establish community hubs in every cluster



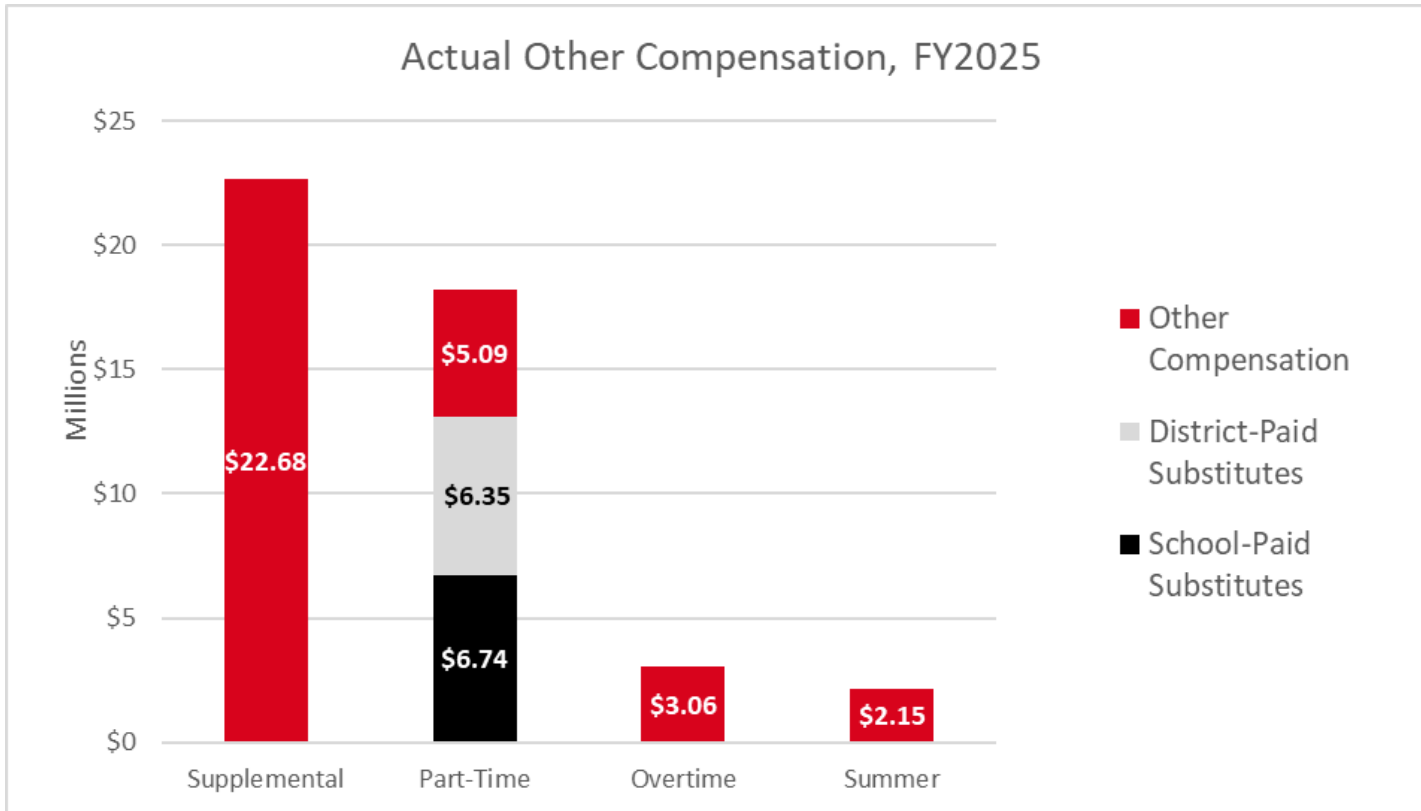
- APS is **first** in comparison to Metro Atlanta districts for teacher pay for all degree levels.
- Strategic Plan includes goal of \$100,000 average teacher salary by 2030
- Starting pay at the Master’s level for APS Teachers is \$68,095 vs. the next highest district (Fulton) at \$66,514.
- Mid-range pay at the Master’s level for APS Teachers is \$93,743 vs. the next highest district (Cobb) at \$90,494.
- For FY26, Clayton increased every step by \$2,500, Fulton increased all steps by 2-3%, Gwinnett increased all steps by \$1,000, and Cobb stayed the same.

# INCREASED SPENDING: COMPETITIVE SALARIES

Masters Degree for School Year 2025-26



# INCREASED SPENDING: OTHER COMPENSATION



- Over \$46million in supplemental pay, subs, or stipends, was paid in FY2025
- In FY2026, all stipends have been discontinued except new hire incentives, supplemental duty, and stipends in lieu of a step increase for employees who have reached the highest step



# INCREASED SPENDING: BENEFIT RATES

	TRS Rates	SHBP Rates PM/PY
FY2021	19.06%	\$11,340
FY2022	19.81%	\$11,340
FY2023	19.98%	\$11,340
FY2024	19.98%	Certified - \$18,960 Classified - \$11,340 / \$14,340
FY2025	20.78%	Certified - \$21,120 Classified - \$18,960
FY2026	21.91%	\$22,620

- State Health Benefit Plan employer rates have nearly doubled in the last few years
- For FY26, certified rates increased 7% and classified rates increased nearly 20%
- For some employees, SHBP rates are now 100% or more of salary
- We assume an 80% take rate for SHBP



# INCREASED SPENDING: STAFF TO STUDENT RATIO COMPARISON – LESS CHARTER PROXY

	<b>APS FY26</b>	<b>DeKalb FY26</b>	<b>Fulton FY26</b>	<b>Fayette FY26</b>	<b>Clayton FY26</b>	<b>Cobb FY26</b>	<b>Gwinnett FY26</b>
Enrollment	36,982*	86,602	80,187	19,206	48,646***	104,855	180,990
Staff	6,992.35**	14,000	11,536	2,619	7,300	17,000	22,366.79
Student Staff Ratio	5.29	6.19	6.95	7.33	6.66	6.17	8.09
<b>APS Staff at Comparison District Ratio</b>	<b>6,992.35</b>	<b>5,978</b>	<b>5,324</b>	<b>5,042</b>	<b>5,550</b>	<b>5,996</b>	<b>4,570</b>
Reduction in Staff		-1,013.9	-1,668.2	-1,949.9	-1,442.7	-996.5	-2,422.1
Employee average salary cost	\$120,883**	\$120,883	\$120,883	\$120,883	\$120,883	\$120,883	\$120,883
Reduction in Costs	\$0	-\$122.56m	-\$201.65m	-\$235.7m	-\$174.39m	-\$120.46m	-\$292.79m
*Based on Day 15 traditional school PK-12 enrollment							
**Based on Day 15 full-time employees							
***FY25 FTE-3 less charter proxy							

- This chart shows data from the FY2026 budgets for each district less a charter proxy for enrollment
- Because not all districts reported charter school and enrollment consistently, for analysis purposes only, the average school size has been multiplied by the total number of charter schools and decreased from enrollment
- APS has the lowest number of students per staff at 5.29
- If APS staffed at ratios similar to other districts, APS would have between 997 and 2,422 fewer staff, and would save between \$120 million and \$293 million



# INCREASED SPENDING: DRIVERS OF ADDITIONAL STAFF

	APS FY26	DeKalb FY26	Fulton FY26	Fayette FY26	Clayton FY26	Cobb FY26	Gwinnett FY26
Enrollment	49,136*	92,235	86,031	19,206	50,926**	105,800	182,274
<b>Number of Schools</b>	<b>87</b>	<b>131</b>	<b>102</b>	<b>26</b>	<b>67</b>	<b>112</b>	<b>142</b>
ES	41	76	56	14	38	66	81
MS	9	19	19	5	14	26	29
HS	9	22	19	7	11	17	24
Charter	19	8	7		3	1	1
Partner	5						
Other	4	6	1		1	2	7
<b>Average School Size Ratio</b>	<b>564</b>	<b>704</b>	<b>843</b>	<b>739</b>	<b>760</b>	<b>945</b>	<b>1,284</b>
<b>Number of schools at comparison district ratio</b>	<b>87</b>	<b>70</b>	<b>58</b>	<b>67</b>	<b>65</b>	<b>52</b>	<b>38</b>
Fewer ES		-17	-29	-20	-22	-35	-49
*Based on Day 15 PK-12 enrollment							
**FY25 FTE-3							

- The primary driver of additional staff is the much lower number of students in each school as compared to other districts.
- If APS had schools with similar student populations as comparison districts, APS would have between 17 and 49 fewer schools.
- This comparison does not include schools with two campuses, 9<sup>th</sup> grade academies, or other satellite buildings that exacerbate the overhead, facility, and administrative costs.



# INCREASED SPENDING: STATE VS LOCAL FUNDING

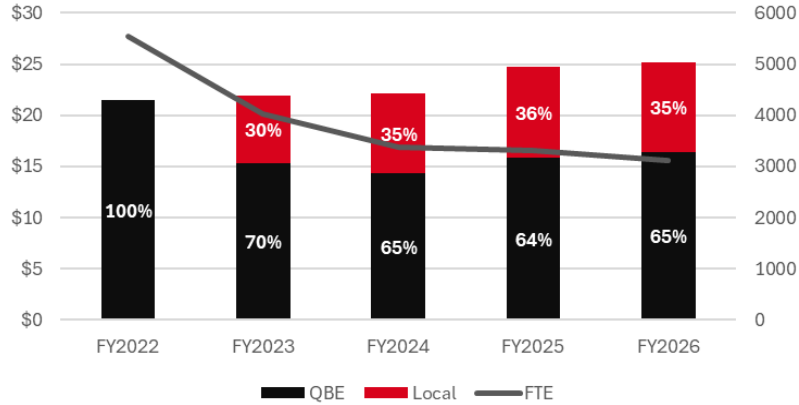
QBE Funding (net LFS, in mil)	FY2022	FY2023	FY2024	FY2025	FY2026
EIP/ Remedial	\$21.51	\$15.28	\$14.31	\$15.83	\$16.40
Vocational	\$3.39	\$3.63	\$4.18	\$4.76	\$5.33
Special Education	\$25.34	\$23.54	\$27.79	\$32.58	\$36.94
Gifted	\$8.22	\$7.62	\$9.75	\$10.76	\$12.13
ESOL	\$2.68	\$2.49	\$2.83	\$3.62	\$4.48
FTE	FY2022	FY2023	FY2024	FY2025	FY2026
EIP/ Remedial	5,541	4,030	3,369	3,309	3,111
Vocational	1,426	1,542	1,582	1,602	1,643
Special Education	3,369	3,149	3,233	3,374	3,511
Gifted	2,311	2,157	2,388	2,331	2,405
ESOL	439	411	413	468	530
Total APS (in mil)	FY2022	FY2023	FY2024	FY2025	FY2026
EIP/ Remedial	\$21.02	\$21.91	\$22.17	\$24.74	\$25.19
Vocational	\$9.77	\$10.80	\$12.41	\$12.51	\$13.16
Special Education	\$71.67	\$79.25	\$95.52	\$107.07	\$117.63
Gifted	\$11.57	\$11.54	\$13.06	\$14.30	\$17.88
ESOL	\$8.09	\$8.30	\$9.78	\$11.31	\$13.28
% Local Supplement	FY2022	FY2023	FY2024	FY2025	FY2026
EIP/ Remedial	-2%	30%	35%	36%	35%
Vocational	65%	66%	66%	62%	59%
Special Education	65%	70%	71%	70%	69%
Gifted	29%	34%	25%	25%	32%
ESOL	67%	70%	71%	68%	66%

- APS generously supplements state funding
- APS spend increases at a rate higher than what is supported by state allocation or FTE  
 APS funds many programs (IB, Dual Language Immersion, STEM/ STEAM, Turnaround, PAACT, AVA, etc.) 100% from local funds (\$30+ million)

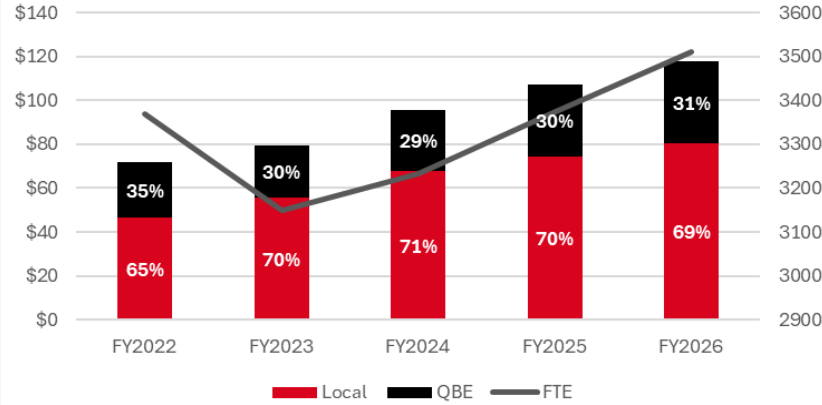


# INCREASED SPENDING: STATE VS LOCAL FUNDING

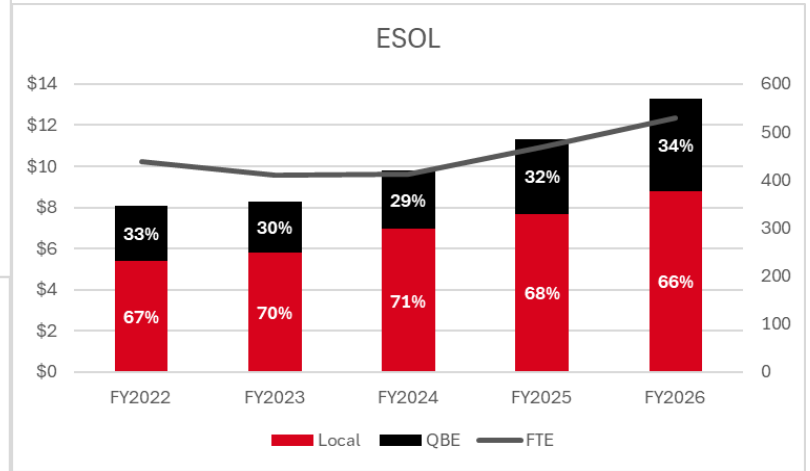
EIP/Remedial



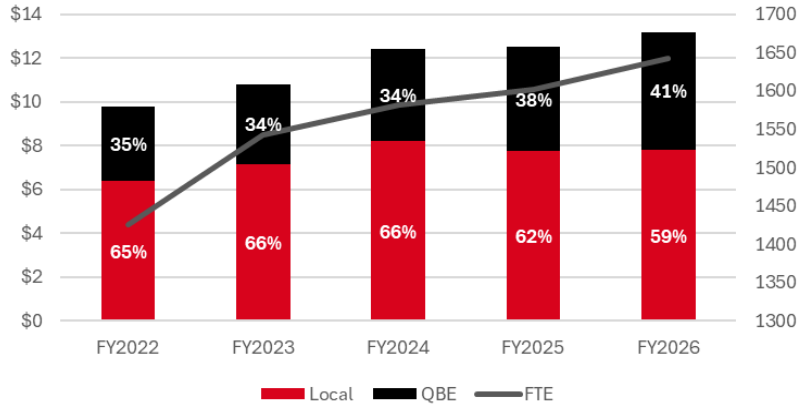
Special Education



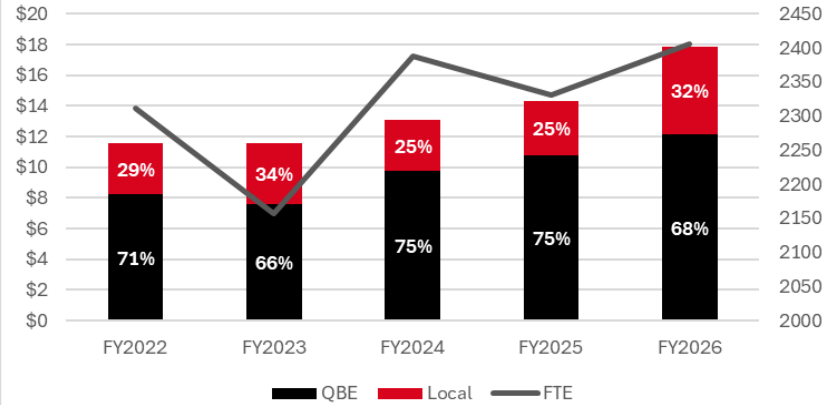
ESOL



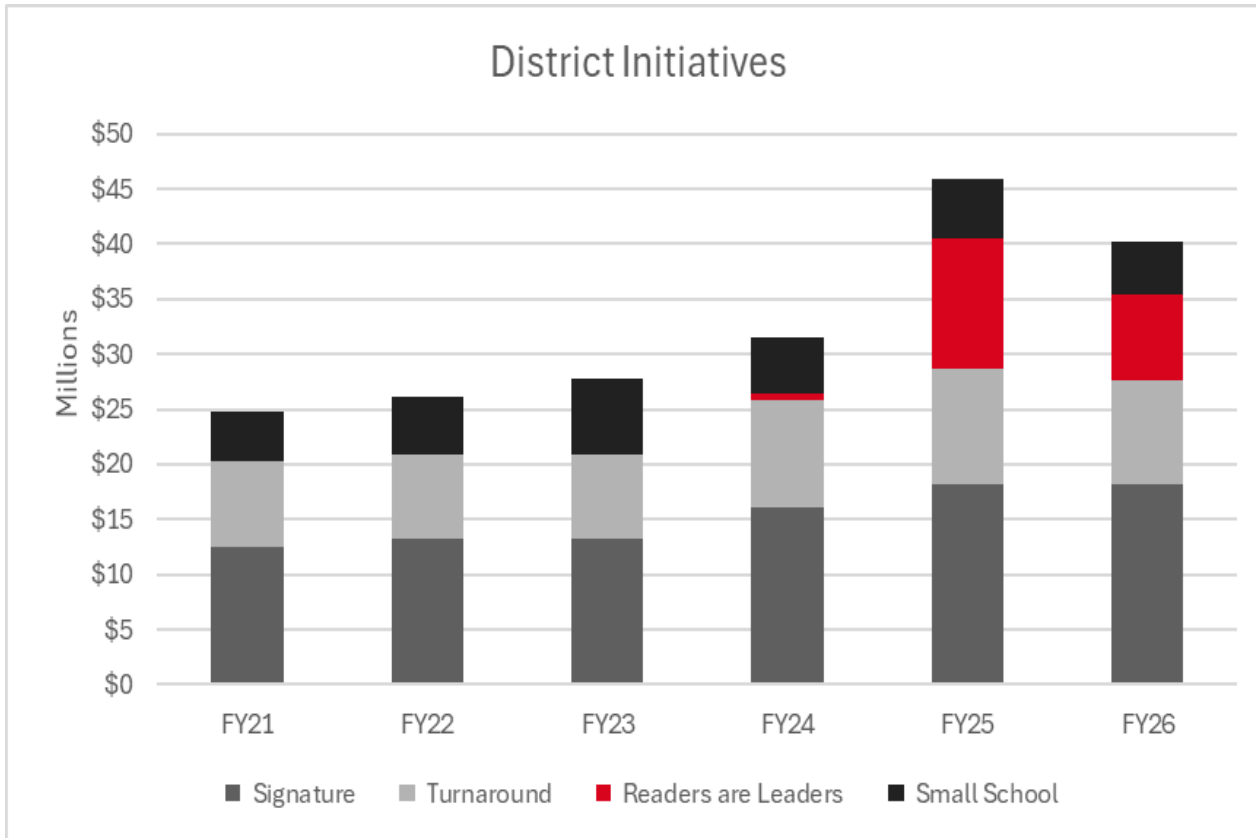
Vocational



Gifted



# INCREASED SPENDING: INITIATIVES

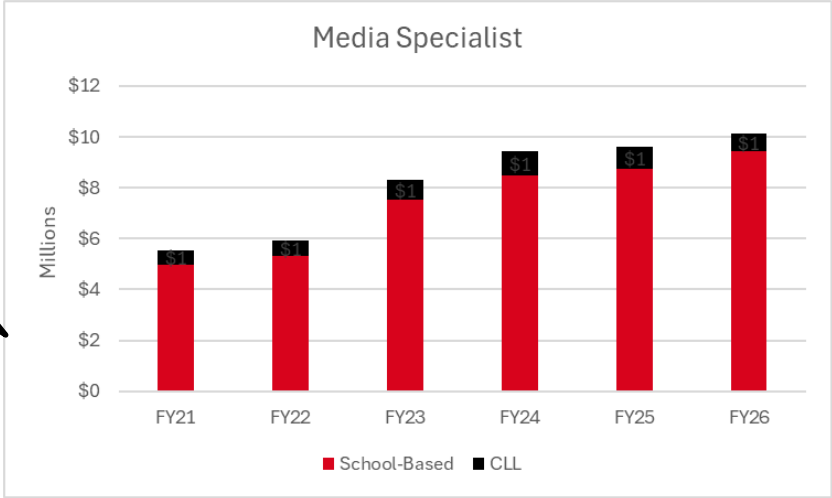


- Funding for district initiatives reached a peak in FY25 at \$45.93m. These have also been funded for FY26, totaling \$40.13m.
- **Signature:** APS Signature Programs focus on the vertical and horizontal alignment of academic programs for schools and neighborhoods.
- **Turnaround:** The APS School Turnaround strategy was developed in 2014 to provide additional critical support that our lowest performing schools need and deserve.
- **Readers are Leaders:** “Readers are Leaders” is a literacy initiative which includes a professional learning requirement for teachers and school and district leaders.
- **Small School:** Schools below a certain threshold receive an additional weight applied to each incremental student between the school’s enrollment and the threshold amount to ensure school viability in a per pupil allotment.

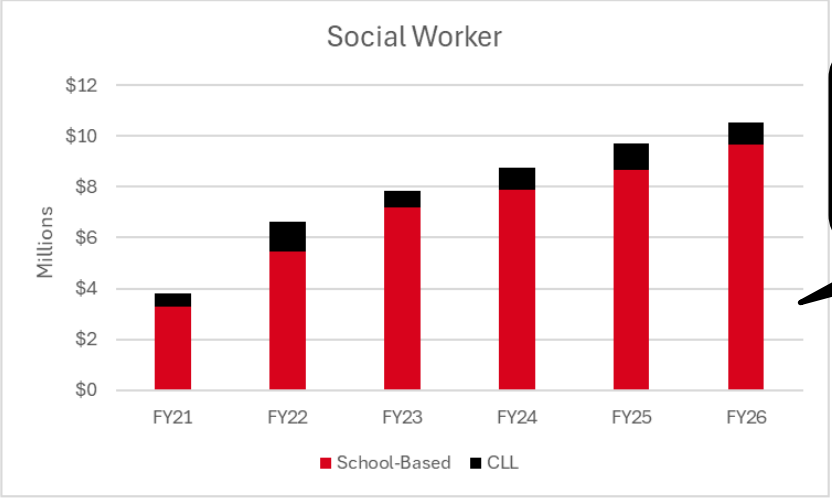


# INCREASED SPENDING: STUDENT SERVICES

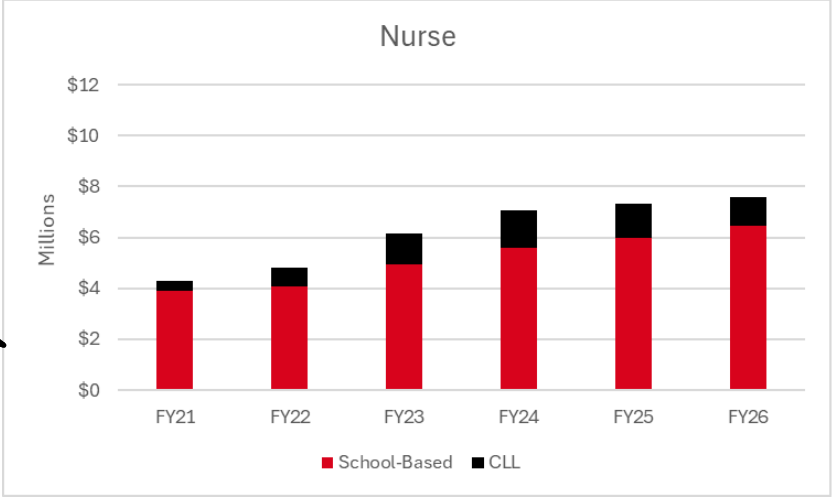
Increased by \$4.6m  
(82%) since FY21



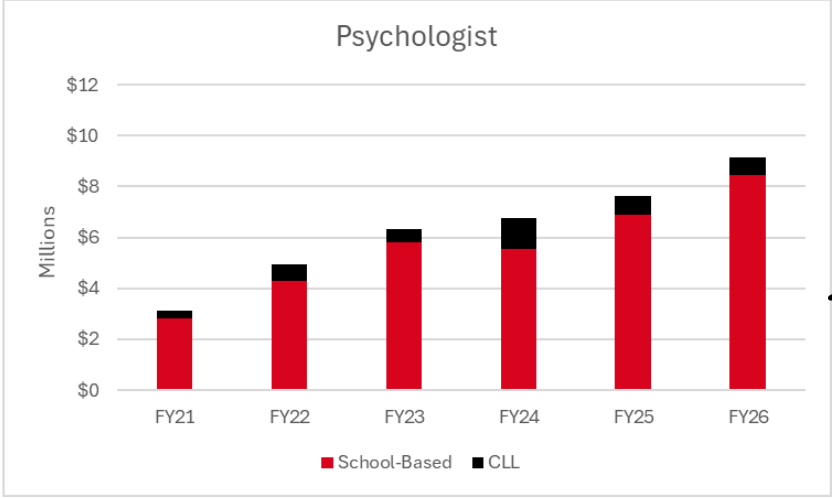
Increased by \$6.7m  
(176%) since FY21



Increased by \$3.3m  
(77%) since FY21



Increased by \$6m  
(193%) since FY21



# PER PUPIL SPEND BY SCHOOL

Carver Cluster	Allocation Post Leveling	Leveling Enrollment	Per Pupil Post Leveling	Small School	Baseline Supplement	Staff to Student Ratio*
Finch ES	\$7,199,361	266	\$27,065	\$227,731	\$0	1:4
Perkerson ES	\$6,787,504	305	\$22,254	\$178,847	\$0	1:4.8
Sylvan Hills MS	\$8,821,063	467	\$18,889	\$116,846	\$501,011	1:5.8
Carver Early College	\$8,412,549	518	\$16,240	\$162,154	\$116,968	1:7.6
<b>Total/Average</b>	<b>\$31,220,477</b>	<b>\$1,556</b>	<b>\$21,112</b>	<b>\$685,579</b>	<b>\$617,979</b>	<b>1:5.55</b>

Douglass Cluster	Allocation Post Leveling	Leveling Enrollment	Per Pupil Post Leveling	Small School	Baseline Supplement	Staff to Student Ratio*
F. L. Stanton ES	\$5,519,453	192	\$28,747	\$281,385	\$138,215	1:3.7
Scott ES	\$6,972,849	273	\$25,542	\$182,424	\$0	1:4
Usher-Collier Heights ES	\$7,083,178	324	\$21,862	\$122,808	\$0	1:4.8
Harper-Archer ES	\$10,183,546	469	\$21,713	\$0	\$0	1:4.7
Boyd ES	\$8,165,603	377	\$21,659	\$13,115	\$0	1:4.6
John Lewis Invictus Academy	\$12,252,742	669	\$18,315	\$0	\$0	1:6.1
Douglass HS	\$20,426,760	1296	\$15,761	\$0	\$0	1:6.8
<b>Total/Average</b>	<b>\$70,604,130</b>	<b>\$3,600</b>	<b>\$21,943</b>	<b>\$599,733</b>	<b>\$138,215</b>	<b>1:5</b>

\*Includes all school-based staff



# PER PUPIL SPEND BY SCHOOL

Jackson Cluster	Allocation Post Leveling	Leveling Enrollment	Per Pupil Post Leveling	Small School	Baseline Supplement	Staff to Student Ratio
Benteen ES	\$7,152,157	305	\$23,450	\$170,500	\$0	1:4.3
Dunbar ES	\$6,529,907	279	\$23,405	\$215,808	\$0	1:4.4
Barack & Michelle Obama Academy	\$5,949,967	281	\$21,174	\$227,731	\$0	1:4.2
Toomer ES	\$9,257,132	457	\$20,256	\$0	\$0	1:5
Parkside ES	\$10,258,232	605	\$16,956	\$0	\$0	1:5.8
Burgess-Peterson ES	\$9,554,365	592	\$16,139	\$0	\$206,497	1:6.8
King MS	\$13,484,708	848	\$15,902	\$0	\$0	1:7.1
Maynard H. Jackson, Jr. HS	\$21,610,738	1594	\$13,558	\$0	\$0	1:9
<b>Total/Average</b>	<b>\$83,797,207</b>	<b>\$4,961</b>	<b>\$18,855</b>	<b>\$614,040</b>	<b>\$206,497</b>	<b>1:5.9</b>

Mays Cluster	Allocation Post Leveling	Leveling Enrollment	Per Pupil Post Leveling	Small School	Baseline Supplement	Staff to Student Ratio
Peyton Forest ES	\$6,230,027	254	\$24,528	\$259,924	\$171,176	1:4.5
Beecher Hills ES	\$6,208,143	260	\$23,877	\$286,155	\$286,367	1:4.6
Miles ES	\$8,633,133	387	\$22,308	\$0	\$0	1:4.4
West Manor ES	\$5,259,617	238	\$22,099	\$236,078	\$0	1:5.3
Cascade ES	\$6,098,676	276	\$22,097	\$184,808	\$0	1:4.6
Young MS	\$10,150,971	600	\$16,918	\$0	\$0	1:6.7
Mays HS	\$18,973,716	1262	\$15,035	\$0	\$0	1:7.4
<b>Total/Average</b>	<b>\$61,554,281</b>	<b>\$3,277</b>	<b>\$20,980</b>	<b>\$966,964</b>	<b>\$457,542</b>	<b>1:5.4</b>



# PER PUPIL SPEND BY SCHOOL

Midtown Cluster	Allocation Post Leveling	Leveling Enrollment	Per Pupil Post Leveling	Small School	Baseline Supplement	Staff to Student Ratio
Hope-Hill ES	\$8,040,238	390	\$20,616	\$46,500	\$0	1:5.1
Springdale Park ES	\$7,474,968	423	\$17,671	\$45,308	\$0	1:6.6
Virginia Highland ES	\$9,597,145	634	\$15,137	\$0	\$0	1:7.5
Lin ES	\$7,731,257	512	\$15,100	\$0	\$276,452	1:7.3
Morningside ES	\$9,687,809	670	\$14,459	\$0	\$24,969	1:8.2
Howard MS	\$15,815,021	1197	\$13,212	\$0	\$0	1:9.3
Midtown HS	\$20,456,102	1733	\$11,804	\$0	\$117,747	1:10.5
<b>Total/Average</b>	<b>\$78,802,539</b>	<b>\$5,559</b>	<b>\$15,429</b>	<b>\$91,808</b>	<b>\$419,168</b>	<b>1:7.8</b>

North Atlanta Cluster	Allocation Post Leveling	Leveling Enrollment	Per Pupil Post Leveling	Small School	Baseline Supplement	Staff to Student Ratio
Jackson ES	\$9,434,103	453	\$20,826	\$0	\$422,130	1:4.8
Garden Hills ES	\$8,335,560	434	\$19,206	\$0	\$0	1:5.7
Smith ES	\$13,533,955	805	\$16,812	\$0	\$0	1:6.6
Rivers ES	\$10,419,331	628	\$16,591	\$0	\$0	1:6.7
Bolton Academy	\$9,694,345	594	\$16,320	\$0	\$0	1:6.8
Brandon ES	\$13,757,921	894	\$15,389	\$0	\$0	1:7.1
Sutton MS	\$22,175,058	1657	\$13,383	\$0	\$0	1:8.8
North Atlanta HS	\$28,765,390	2371	\$12,132	\$0	\$0	1:10.1
<b>Total/Average</b>	<b>\$116,115,664</b>	<b>\$7,836</b>	<b>\$16,333</b>	<b>\$0</b>	<b>\$422,130</b>	<b>1:7.1</b>



# PER PUPIL SPEND BY SCHOOL

South Atlanta Cluster	Allocation Post Leveling	Leveling Enrollment	Per Pupil Post Leveling	Small School	Baseline Supplement	Staff to Student Ratio
Cleveland ES	\$5,857,162	206	\$28,433	\$265,885	\$139,791	1:3.8
Hutchinson ES	\$6,470,966	228	\$28,381	\$220,578	\$0	1:3.8
Humphries ES	\$5,993,562	248	\$24,168	\$287,347	\$198,663	1:4.5
Dobbs ES	\$6,884,347	285	\$24,156	\$168,116	\$0	1:4.3
Heritage Academy	\$7,386,438	307	\$24,060	\$107,308	\$0	1:4.6
Long MS	\$10,104,013	609	\$16,591	\$0	\$0	1:6.5
South Atlanta HS	\$14,706,156	927	\$15,864	\$0	\$0	1:7.1
<b>Total/Average</b>	<b>\$57,402,645</b>	<b>\$2,810</b>	<b>\$23,093</b>	<b>\$1,049,234</b>	<b>\$338,454</b>	<b>1:5</b>

Therrell Cluster	Allocation Post Leveling	Leveling Enrollment	Per Pupil Post Leveling	Small School	Baseline Supplement	Staff to Student Ratio
Kimberly ES	\$6,103,729	257	\$23,750	\$236,078	\$0	1:4.6
Continental Colony ES	\$7,304,684	315	\$23,189	\$97,770	\$0	1:4.6
Fickett ES	\$7,499,435	353	\$21,245	\$64,385	\$0	1:5
Deerwood Academy	\$8,394,755	475	\$17,673	\$16,692	\$0	1:6.3
Bunche MS	\$9,240,460	622	\$14,856	\$0	\$9,122	1:7.9
Therrell HS	\$14,394,559	978	\$14,718	\$0	\$0	1:8
<b>Total/Average</b>	<b>\$52,937,622</b>	<b>\$3,000</b>	<b>\$19,239</b>	<b>\$414,924</b>	<b>\$9,122</b>	<b>1:6.1</b>



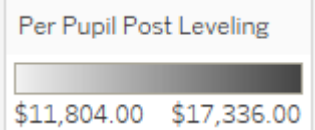
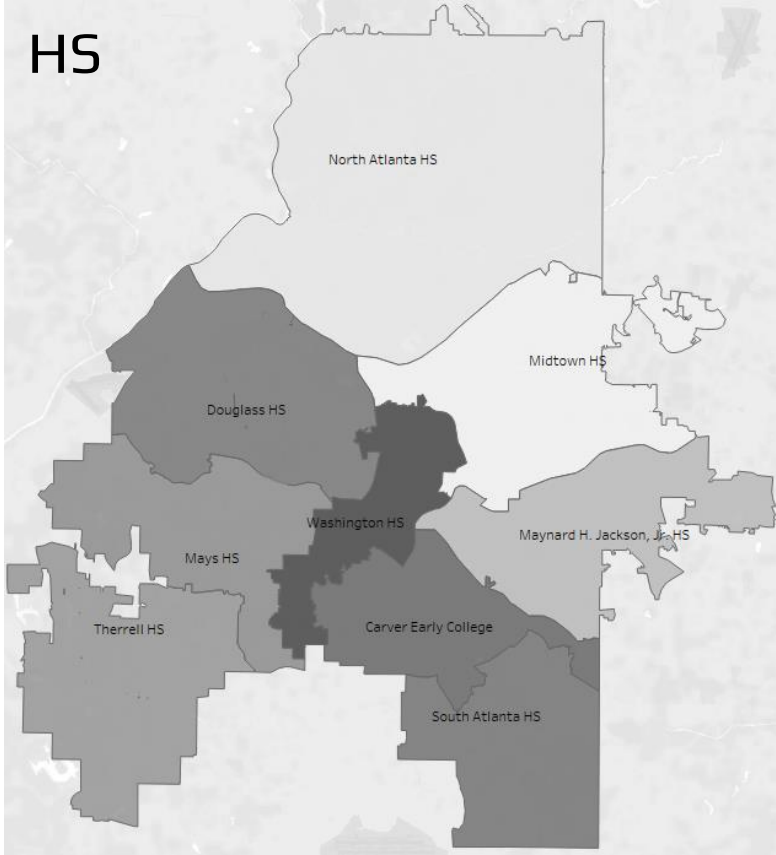
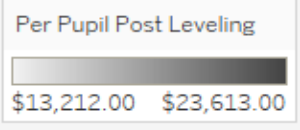
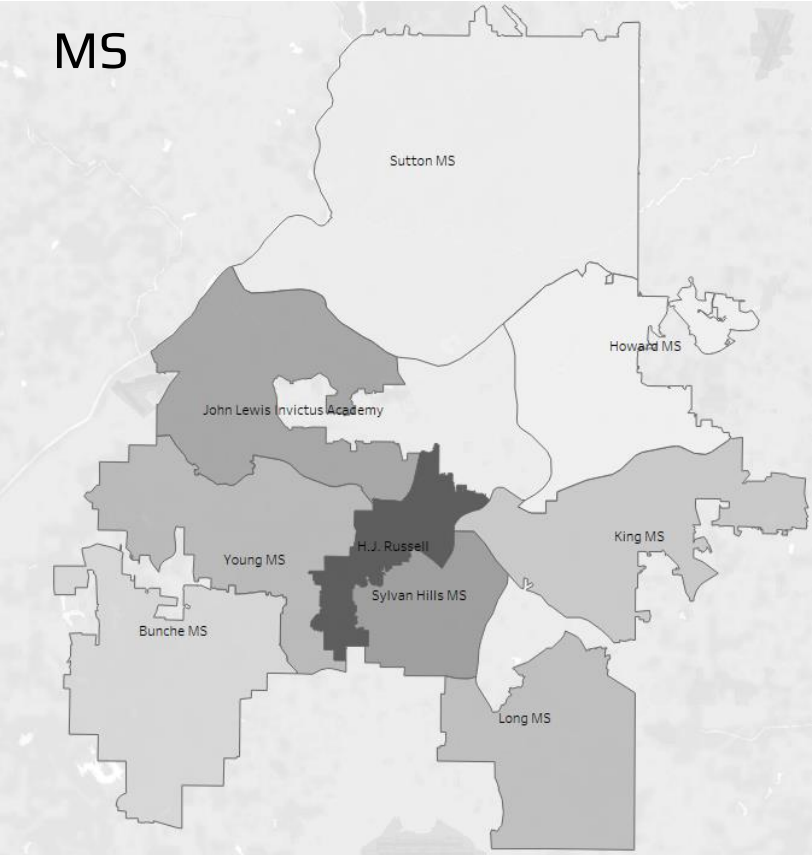
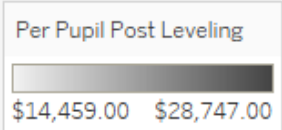
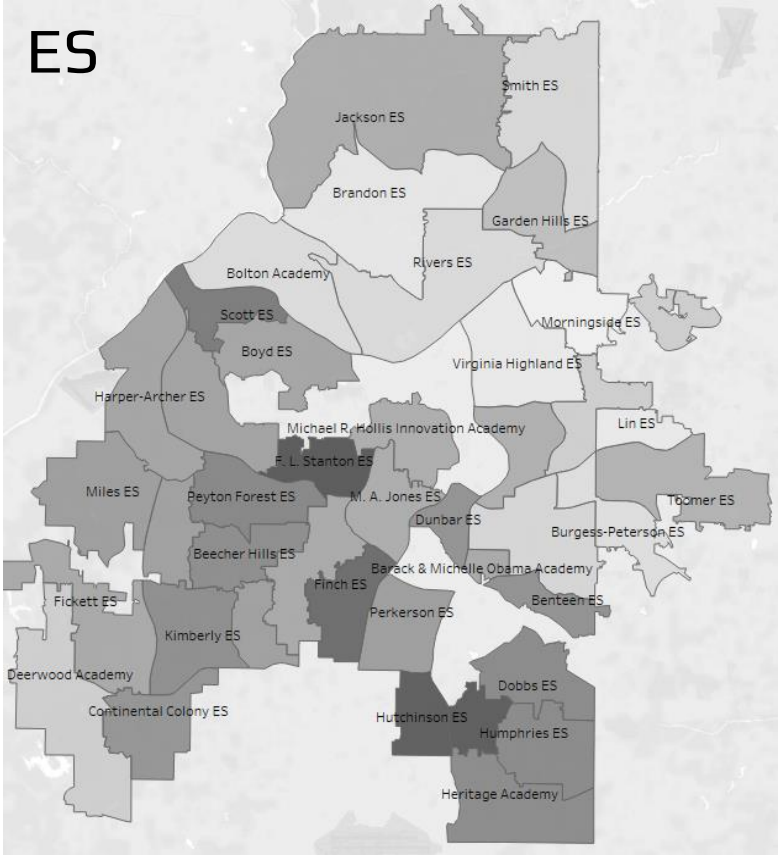
# PER PUPIL SPEND BY SCHOOL

Washington Cluster	Allocation Post Leveling	Leveling Enrollment	Per Pupil Post Leveling	Small School	Baseline Supplement	Staff to Student Ratio
H.J. Russell	\$7,721,322	327	\$23,613	\$280,193	\$447,456	1:4.8
Tuskegee Airmen Global Academy	\$8,573,620	404	\$21,222	\$48,885	\$0	1:5.2
M. A. Jones ES	\$8,112,977	387	\$20,964	\$20,269	\$0	1:5.2
Michael R. Hollis Innovation Academy	\$11,973,153	575	\$20,823	\$0	\$103,451	1:5.1
Washington HS	\$13,609,111	785	\$17,336	\$0	\$0	1:6.5
<b>Total/Average</b>	<b>\$49,990,182</b>	<b>\$2,478</b>	<b>\$20,792</b>	<b>\$349,347</b>	<b>\$550,908</b>	<b>1:5.4</b>

Cluster	Allocation Post Leveling	Leveling Enrollment	Per Pupil Post Leveling	Small School	Baseline Supplement	Staff to Student Ratio
Hank Aaron New Beginnings Academy	\$8,889,595	121	\$73,468	\$0	\$0	1:1.7
B.E.S.T Academy	\$7,446,064	292	\$25,500	\$0	\$0	1:4.5
Phoenix	\$7,577,396	306	\$24,763	\$0	\$0	1:4.2
Coretta Scott King Academy	\$8,723,555	390	\$22,368	\$0	\$0	1:5.6
ACCA	\$4,821,061	573	\$8,414	\$0	\$0	1:16.9
<b>Total/Average</b>	<b>\$37,457,670</b>	<b>\$1,682</b>	<b>\$30,902</b>	<b>\$0</b>	<b>\$0</b>	<b>1:6.6</b>



# PER PUPIL SPEND BY SCHOOL



# WE HAVE A MATH PROBLEM

$$\text{EXTERNAL FACTORS} + \text{INCREASED SPENDING} + \text{REVENUE CONSTRAINTS} =$$

**IMMEDIATE NEED FOR  
EFFICIENCY &  
SUSTAINABILITY**



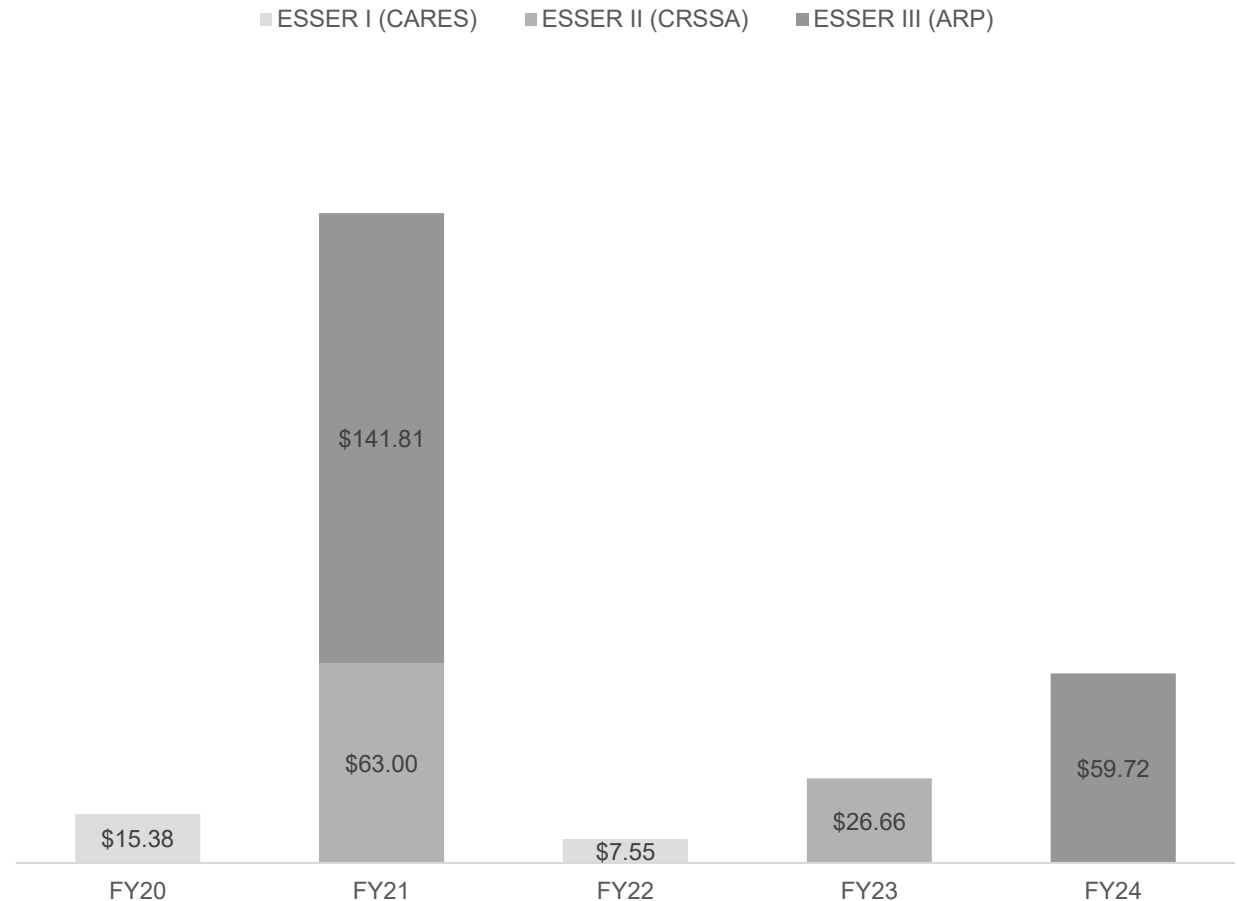
# Revenue Constraints

- ESSER Funding Cliff **\$ 314 million**
- TADs **\$ 1.2 billion**
- Commercial Values **(\$ 122.17 million)**  
Decrease from FY25 original to FY26 original
- Exemptions **\$ 728.72 million**  
Increase from FY25 original to FY26 original



# ESSER Funding

- The district received an influx of over \$314 million of ESSER funding over five years
- This flexible funding stream allowed the district to pilot new initiatives, provide additional stipends, increase access to new technology, and make improvements to HVAC and other operational needs
- However, some projects increased long-term operational costs (HVAC), changed the precedent for compensation (influx of stipends), and generally shifted the culture of spending



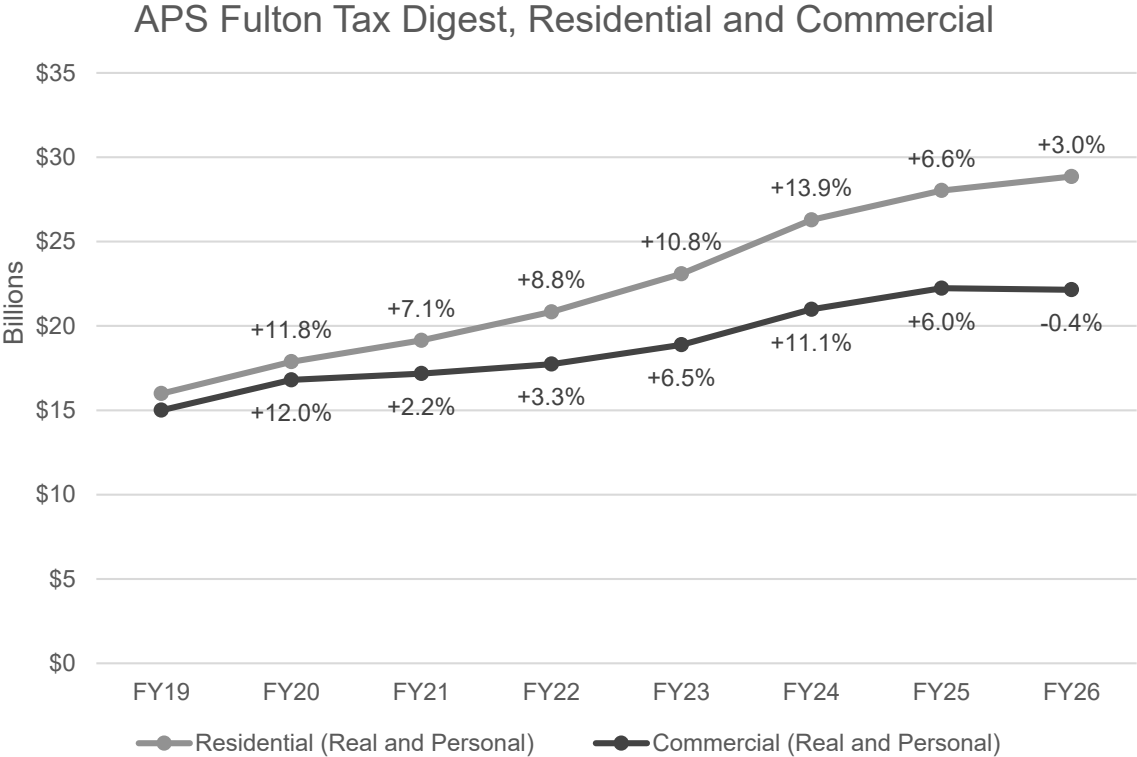
# REVENUE CONSTRAINT: TAX ALLOCATION DISTRICTS (TADs)

- APS has participated in nine TADs since the 1990s; only one has been dissolved thus far (Atlantic Station)
- Current year impact ~ \$86.7 million; equivalent of 1.64 mills (1 mill = \$52.9m for FY26)
- Total cumulative increment reinvested in TADs so far: \$886.2 million
- Total forecasted increment lost\*: ~\$1.2 billion
- **Total APS increment lost: ~\$2 billion**
  
- The promise of TADs is the boon for the district as they close; in the past, as each TAD neared completion a request for an extension was made by the city. The 2019 Intergovernmental Agreement (IGA) set terms for definitive end dates for APS increment contribution.
- A benefit of TAD's is the "halo effect"; in the past, under-assessed values prevented the district from realizing that effect. In recent years, assessed values have increased. However, commercial properties in particular continue to have values frozen due to appeal.
- Abatements (which APS has limited input on) are approved within existing TADs, destabilizing that financing mechanism and prolonging the time it takes to pay down existing debt.

\*Assumes all TADs end as currently scheduled and assumes a TAD digest increase that is the lesser of the average historical increase in the past five years or 10%. Corridor TAD increment is based on contributions defined by the IGA.



# REVENUE CONSTRAINT: FULTON COMMERCIAL DIGEST



- Local revenue also continued to grow and higher than typical rates
- After increasing annually since FY2019 (and prior), Fulton County commercial property decreased in value in the Tax Year 2025/Fiscal Year 2026 digest.
- Fulton County residential property continued to increase, albeit less than expected.



# Homestead Exemptions

- HB581- New single statewide homestead exemption
- Applies to all local taxing jurisdictions unless opt-out (we did)
- Sets base year assessed value
  - 2024 assessed value = 2025 base year assessed value for existing homesteads
  - Preceding year for new homesteads
- Caps assessed value increases for M&O at the inflation rate unless substantial property changes have occurred
- Exempts the amount by which the current assessed value exceeds its previous adjusted base year assessed value



## **WE HAVE A MATH PROBLEM**

**EXTERNAL FACTORS + INCREASED SPENDING + REVENUE CONSTRAINTS =**

**IMMEDIATE NEED FOR  
EFFICIENCY &  
SUSTAINABILITY**



# FY2027 and Beyond

- Facility Master Planning
  - Efficiency in staffing, operations, programming, administrative overhead, etc.
  - Revenue opportunities for lease/ sale of buildings
- School Allotments
  - Small-school supplement sunset
  - Baseline of services review
- Compensation
  - Differentiated? Moderated? Review of work-days, etc.
- Programmatic ROI Review



A teacher with glasses and braided hair, wearing a green shirt, stands in a classroom pointing towards a whiteboard. The background shows a typical classroom setting with desks and a whiteboard.

We have a math problem...

And solutions will take a community of believers.

**One District. One Goal. Every Child.**



# BUDGET COMMISSION & BUDGET ADOPTION SCHEDULE

[TENTATIVE FY2027]

Date	Topics
Thursday, October 23, 2025	Level-setting and aligning on decision points, draft parameters, school allotment discussion
Thursday, November 20, 2025	Finalize parameters, revenue discussion
Thursday, January 15, 2026	Finalize school allotment conversations, preliminary revenue projections, TAD review, alignment with facilities plan
Thursday, February 26, 2026	Compensation proposal, Central Office review and deep dive
Thursday, April 16, 2026	Revenue to expenditures; first review of comprehensive budget; special revenue, additional gap closure conversations
Monday, May 4, 2026	Public Hearing #1, Tentative Adoption
Monday, June 1, 2026	Public Hearing #2; Final Adoption



# Thank You!

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ATLANTA  
PUBLIC  
SCHOOLS