

Charlotte-Mecklenburg
Board of Education
CHARLOTTE, NORTH CAROLINA

NO



COMPREHENSIVE ANNUAL
FINANCIAL REPORT

For the fiscal year ended June 30th

HO



Every Child. Every Day. For a Better Tomorrow.



Every Child. Every Day. For a Better Tomorrow.

Charlotte-Mecklenburg Board of Education

COMPREHENSIVE

ANNUAL

FINANCIAL REPORT

Fiscal Year Ended June 30, 2016

Prepared by Finance Department
Sheila W. Shirley, Chief Financial Officer
Ann B. Clark, Superintendent

600 East Fourth Street
Charlotte, North Carolina 28202



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FINANCIAL REPORT

Introductory Section

Letter of Transmittal



To the members of the Charlotte-Mecklenburg
Board of Education and citizens of
Mecklenburg County, North Carolina

October 27, 2016

In compliance with the *Public School Laws of North Carolina*, the Comprehensive Annual Financial Report of the Charlotte-Mecklenburg Board of Education (Board) for the year ended June 30, 2016, is herewith submitted. Responsibility for accuracy, completeness and clarity of the report rests with management.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

The report has been prepared by the Finance Department following the requirements and guidelines prescribed by the Governmental Accounting Standards Board. We believe the data presented is accurate in all material respects and that it is presented in a manner designed to fairly reflect the financial position and results of operations of the Board. All disclosures necessary to enable the reader to gain the maximum understanding of the Board's financial activity have been included.

REPORTING ENTITY

The Charlotte-Mecklenburg Board of Education has responsibility and control over the activities related to public school education in Mecklenburg County, North Carolina. The members of the Board are elected by the public and have decision-making authority. Although the county levies all taxes, the Board determines how the school system will spend the funds generated for schools. The county cannot modify the school district's budget, nor is the county entitled to share in any surpluses or required to finance any deficits of the school system. For these reasons, the Board is not fiscally dependent on the county and therefore is recognized as a primary government as defined by the Governmental Accounting Standards Board. The Board also receives funding from state and federal government sources and must comply with the affiliated requirements of those funding entities. The Board does not have any component units, nor is it a component unit of any other entity.

In 1997 the North Carolina General Assembly passed legislation creating charter schools, an alternative to traditional public schools. Charter schools receive a per-pupil allocation of local county funds as defined by the legislation. Although county funds to the charter schools pass through the Board, the Board has no authority or responsibility related to the charter schools; therefore, they are not a component unit of the Board.

LOCAL ECONOMIC CONDITION AND OUTLOOK

Mecklenburg County is the largest county in the state and Charlotte is its largest city. The county's population is 1,042,130. The principal city, Charlotte, is the nation's 16th largest city with a population of more than 824,000. Together, the city and county are the heart of a 16-county area that is a major

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metropolitan center in the Southeast. In all, the area has 7.4 million people living within a 100-mile radius; smaller than Atlanta (8.3 million) but significantly larger than Miami (6 million) and Memphis (2.6 million). It is also a regional economic powerhouse that is surprisingly diversified. Although widely known as a banking town – it is the second-largest banking center in the U.S. behind New York, controlling more than \$2.2 trillion in assets – the economy of Charlotte and surrounding Mecklenburg County has a broad and diverse base. Construction, educational services, finance and insurance, information, manufacturing, real estate, retail, transportation and warehousing – all of these sectors are well represented in the regional economy, with no single sector exceeding 12 percent of the total.

Charlotte is also home to some of the world's largest companies. Five Fortune 500 companies are headquartered in Mecklenburg County and two more Fortune 500 companies are headquartered in the Charlotte metropolitan area. There are also 10 Fortune 1000 companies headquartered in Charlotte and the Charlotte-Mecklenburg area is home to another 42 companies with more than \$1 billion in annual sales. Four Charlotte-area companies have revenues that exceed \$20 billion a year: Bank of America (\$95.2 billion), Lowe's (\$56.2 billion) Duke Energy (\$25.7 billion) and Nucor (\$21.1 billion). There are 4,220 companies with facilities in Charlotte-Mecklenburg that have more than \$1 million in revenue each year. More than 958 international companies in the region represent 45 countries and employ more than 69,000 people.

In addition to its best-known American company, Bank of America, Charlotte is also home to a branch of the Federal Reserve Bank of Richmond. Many of the top 20 banks in the U.S. also have operations here. The city is an important transportation and distribution center, with Charlotte Douglas International Airport coming in as the ninth-largest U.S. airport (in total passengers) and fifth nationwide based on total operations. Worldwide, Charlotte Douglas International Airport is 27th ranked by passenger totals and sixth for total operations. Charlotte is home to more than 500 trucking and transportation firms and is the center of the country's largest consolidated rail system, with Norfolk Southern Railway and CSX Transportation linking Charlotte with 23 states in the Eastern U.S.

The area's economic breadth and diversity are also visible in Charlotte-Mecklenburg Schools (CMS). The consolidated city-county public school district serves approximately 148,914 students (including pre-kindergarten) in Charlotte and Mecklenburg County, including the towns of Pineville, Matthews, Huntersville, Cornelius, Mint Hill and Davidson. The district has grown in size for almost a decade and growth is expected to continue.

The district's buildings range in age, with the oldest built in 1922 and the newest completed in 2016. Most of the school buildings were constructed between 1990 and 2009. CMS also built modular structures to facilitate college level education programs at Central Piedmont Community College and UNC Charlotte.

Students in CMS come from 158 countries and speak 175 native languages. The district is racially as well as culturally diverse: 40 percent of students are African-American, 29 percent are Caucasian, 22 percent are Hispanic, six percent are Asian and three percent are American Indian or multiracial.

The district has 168 schools: 31 high schools, 30 middle schools, 91 elementary schools, eight Pre-K-8 schools, three K-8 schools, one K-12 school, one 6-12 school and three alternative schools. There are nine magnet programs in 37 full or partial magnet schools. The district's operating budget in 2015-2016 was \$1.3 billion, with a budgeted per-pupil expenditure of \$9,215. CMS is also among the largest employers in Mecklenburg County: The district has 18,495 employees, including more than 9,253 teachers.

The political landscape for Charlotte-Mecklenburg Schools, like other districts in North Carolina, remained volatile in 2015-2016. Multiple bills affecting public education were introduced in the North Carolina General Assembly. Although there were fewer changes to public schools during this period than a year earlier, a high level of legislative engagement in public education seems likely to continue in North Carolina.

Letter of Transmittal

During the 2015-2016 school year, the contract of Superintendent Ann Clark was extended by one year through June 2017. The Board of Education began a formal search process to identify and hire a new superintendent.

Academic progress and initiatives

Academic performance across the district continued to improve during the 2015-2016 year, building on steady gains in previous years on many key indicators.

Charlotte-Mecklenburg Schools had 10 schools ranked in the top 40 for Education Value-Added Assessment System (EVAAS) growth in the state. The district also had three schools in the top 10 and five in the top 25. State assessments showed 86 percent of CMS schools met or exceeded growth expectations, outperforming the overall state average. The district also exceeded expected growth in 12 of 16 tested areas. For the third consecutive year, CMS exceeded growth expectations in fifth-grade science, biology, Math I and English 1. The district also met or exceeded growth expectations in reading in grades four through eight. The number of CMS students who scored a level 4 or 5 on the state's End-of-Course (EOC) and End-of-Grade (EOG) exams exceeded the state average in every tested subject. Individual district schools also demonstrated excellence in state rankings. Independence High had the second-highest growth index in the state, with South Mecklenburg and Ardrey Kell high schools also in the top 10. Piedmont IB Middle had the second-highest growth of any middle school in the state. Palisades Park Elementary had the third-highest growth of any elementary school in the state.

The district continued its focus on core values, literacy instruction and the use of an instructional planning approach. Principals and teachers attended professional-development sessions on strengthening Instructional Leadership Teams. More than 6,000 staff members engaged in additional professional development for such topics as International Baccalaureate (IB), Canvas Learning Management System, balanced literacy, and math.

Charlotte-Mecklenburg Schools had the highest scores in math among 21 urban districts participating in the National Assessment of Educational Progress (NAEP) and was second-highest in reading. CMS also outpaced the state of North Carolina in math and reading. The assessments, given to a sample of fourth- and eighth-graders in a group of districts across the country, are administered every other year. CMS is a participant in the NAEP Trial Urban District Assessment, which collects scores for about two dozen cities. Except for those cities, NAEP scores are reported by state. The National Assessment of Educational Progress is often called the nation's report card because it allows direct comparison of cities and states.

The district-wide cohort graduation rate rose for the seventh consecutive year, reaching 89.6 percent – the highest rate in the state. The statewide graduation rate for the same period was 85.8 percent. The graduate rate has increased by 18.1 percentage points since 2010. Graduation rates also increased for all subgroups of students (White, Asian, African-American and Hispanic).

Charlotte-Mecklenburg Schools outperformed the state in every subject and grade tested, with average increases ranging from 1.8 to 5.8 points.

In End-of-Grade (EOG) reading tests for grades three through eight, the composite proficiency score rose to 58 percent in 2015-2016 from 56.4 percent a year earlier. In math for grades three through eight, proficiency scores were 59.4 percent in 2015-2016, up from 56.9 percent a year earlier. In science (tested in grades five and eight), it was 73.8 percent, up from 71.4 percent a year earlier.

For End-of-Course tests (which are given to middle and high school students), proficiency increased in math, rising to 66 percent in 2015-2016 from 64.4 percent a year earlier, and in biology to 60.4 percent, compared to 58.4 percent a year earlier. In English II, scores declined to 60.9 percent from 64.4 percent a year earlier.

Letter of Transmittal

The district also outpaced the state in the percentage of students scoring at levels indicating college- and career- readiness. The 2015-2016 year was the third year of a grading scale for state tests that ranges from Level 1 (the lowest) to Level 5, replacing a prior four-level system of grading. Students who score at Level 4 or Level 5 are considered to be on track to be college- and career-ready.

The district's composite scores for students earning a Level 4 or Level 5 for EOG tests in reading, math and science increased, outpacing the state and every other large district except Wake. On reading in grades three through eight, the composite score rose to 47.6 percent, up from 46 percent a year earlier. In math for grades three through eight, the composite score rose to 52.7 percent, up from 49.4 percent a year earlier. In science for grades five and eight, scores rose to 65.4 percent from 62.4 percent a year earlier.

In EOC testing, the percentage of CMS students who were college- and career-ready increased in math and biology and declined in English II. In math, the composite score rose to 58.1 percent from 56 percent a year earlier. In biology, composite scores rose to 52.4 percent from 50.2 percent a year earlier. In English II, scores declined to 52.7 percent from 54.2 percent a year earlier.

In other measures, improvements were consistent. The performance of graduating seniors on the SAT, a test used to determine college readiness by colleges and universities, rose in reading and math and did not change in writing. The district's average score in reading rose four points to 497, compared to 502 for the state and 494 for the nation. In math, the district's average score rose by five points to 504, compared to 508 in the state and the nation. Writing scores remained flat at 474, below the state score of 475 and the national score of 482. The district's overall score rose by nine points to 1,475, compared to 1,485 for the state and 1,484 for the nation. However, overall participation in the SAT decreased for the district, falling to 4,872 from 5,289 a year earlier.

On another college-readiness test, the ACT, Charlotte-Mecklenburg Schools saw small gains in 2016 in composite scores. District-wide scores remained flat in English, increased slightly in math and science, and declined slightly in reading, according to data released by the independent testing group ACT Inc. On the ACT WorkKeys exam, which measures career and workplace readiness, the district's percentage of seniors with a Career and Technical Education concentration who earned a score of silver or better increased for the fourth consecutive year. For 2015-2016, 76.1 percent of students who took the test earned a score of silver or better, compared to 73.5 percent for the state.

The number of students in grades nine through 12 taking Advanced Placement courses increased by 3.4 percent to 8,780 for the year and the number of students taking Advanced Placement exams increased by 1.3 percent to 8,622. The number of exams with a score of three or higher increased by 4.7 percent to 8,333. Advanced Placement courses measure a student's readiness for college-level work.

North Carolina also measures the performance of schools. School growth indicates the average rate of growth for students in an individual school. Schools can fail to achieve expected growth, can achieve expected growth or exceed expected growth. Not all CMS schools are measured in this way, because two years of data are required. In all, growth at 163 of 168 schools was measured for 2015-2016 and 140, or 85.9 percent, met or exceeded expected growth.

North Carolina also assigns schools a letter grade based on a variety of standards that include state testing results, the number of high school juniors who pass in Math III, Algebra or Integrated Math III and the percentage of students who graduate in four years. The letter grade also includes scores on the ACT and ACT WorkKeys assessments.

The number of CMS schools earning an A+ rose to 14, or 8 percent of all schools, from eight a year earlier. The number of A schools stayed constant: 11, or 7 percent. The number of schools earning a B declined

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to 42, or 25 percent, from 50 a year earlier. Schools with a grade of C grew to 61, or 37 percent, from 44 a year earlier. The number of schools with a grade of D or F also declined: D schools dropped to 32, or 19 percent, from 37 a year earlier and F schools declined by half, to 5 or 3 percent, from 10 a year earlier.

FINANCIAL AND BUDGETARY POLICIES

Financial Reporting: CMS reports its financial activities through the use of fund accounting. This is a system wherein transactions are reported in self-balancing sets of accounts to reflect the results of activities. (See Note I in the Notes to Basic Financial Statements for a summary of significant accounting policies and a description of fund types).

The cost of public school education in North Carolina is financed primarily by the state, which establishes minimum programs. Local funds, in varying amounts by district, supplement the basic program and are generated primarily from the general tax levies of the county. Local boards of education in North Carolina have no direct tax levying and limited borrowing authority.

Accounting records of the school system must be maintained in a uniform state format. Reports of transactions of state and federal funds and details of disbursements from these funds are submitted monthly to the North Carolina Department of Public Instruction for review. Interim financial statements are presented monthly to the Board of Education. Annual reports are prepared as requested for special grants and programs.

Financial activities throughout the year are controlled in accordance with the **North Carolina School Budget and Fiscal Control Act** which requires a pre-audit procedure to ensure availability of funds prior to issuance of purchase orders or payment of claims. We believe that the Board's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions. Additionally, the activity funds of individual schools are examined each year by the internal audit staff for compliance with applicable federal and state regulations along with local board policy.

State law (G.S. 115C-432) establishes that the district's budget resolution shall conform to the uniform budget format established by the State Board of Education. State law (G.S. 115C-429) allows the board of county commissioners to allocate part or all of its' appropriation by purpose/function code as defined in the uniform budget format. Mecklenburg County allocates all their local funding to CMS by purpose/function code. State and Federal funds are allocated to the district by program/report code as defined in the uniform budget format.

The **North Carolina School Budget and Fiscal Control Act** requires the Board accounts to be maintained on an encumbered budgetary basis. Encumbrances are commitments for goods which have not been received or for services not yet rendered. The GAAP financial statements in the report do not include encumbrances; the budgetary basis statements do. Reconciliations between these bases are included in the Notes to Basic Financial Statements.

Internal Control Structure: The CMS financial management staff is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the school system are protected from loss, theft, or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and the valuation of costs and benefits requires estimates and judgments by management. As a recipient of federal, state, and local financial assistance, the school system is also responsible for ensuring that an adequate internal control structure is in place to ensure and document compliance with applicable laws and regulations related to these programs. This internal control structure is subject to periodic evaluation by management.

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INDEPENDENT AUDIT

The financial statements have been audited by Dixon Hughes Goodman LLP, independent certified public accountants, whose opinion is expressed on pages 1 - 3.

The Charlotte-Mecklenburg Board of Education complies with the requirements of the Single Audit Act for which a separate report is issued.

FINANCIAL REPORTING AWARDS

Since 1977 and 1981, respectively, our Comprehensive Annual Financial Report has earned the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting and the Association of School Business Officials (ASBO) Certificate of Excellence in Financial Reporting award. These awards are made only to governmental units which publish a comprehensive annual financial report that is easily readable, efficiently organized, and conforms to program standards as well as satisfy generally accepted accounting principles and applicable legal requirements. The awards are valid for a period of one year only. We believe this report continues to conform to GFOA and ASBO requirements, and we will submit it for determination of its eligibility for renewed awards.

ACKNOWLEDGMENTS

The preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated services of the entire finance staff. We would like to express appreciation to the finance team for their assistance in the timely closing of the school system's financial records and to all individuals who assisted in the preparation of this report.

Respectfully submitted,



Sheila W. Shirley
Chief Financial Officer



Chairperson, At-Large

Mary McCray
704-281-6074
maryt.mccray@cms.k12.nc.us



Vice-Chairperson, At-Large

Elyse Dashew
704-591-1594
elysec.dashew@cms.k12.nc.us



At-Large

Ericka Ellis-Stewart
704-412-8565
ericka.ellis-stewart@cms.k12.nc.us



District 1

Rhonda Lennon
704-564-3382
rhonda.lennon@cms.k12.nc.us



District 2

Thelma Byers-Bailey
980-272-1943
thelmab.bailey@cms.k12.nc.us



District 3

Ruby Jones
704-579-1763
rubym.jones@cms.k12.nc.us



District 4

Tom Tate
704-502-3093
tom.tate@cms.k12.nc.us



District 5

Eric Davis
704-651-0217
ericc.davis@cms.k12.nc.us



District 6

Paul Bailey
704-519-9096
paulbailey@cms.k12.nc.us

Board of Education Office
600 E. Fourth St. • Charlotte, NC 28202
980-343-5139 (Office) • 980-343-7128 (Fax)
Courier #836

Charlotte-Mecklenburg Schools

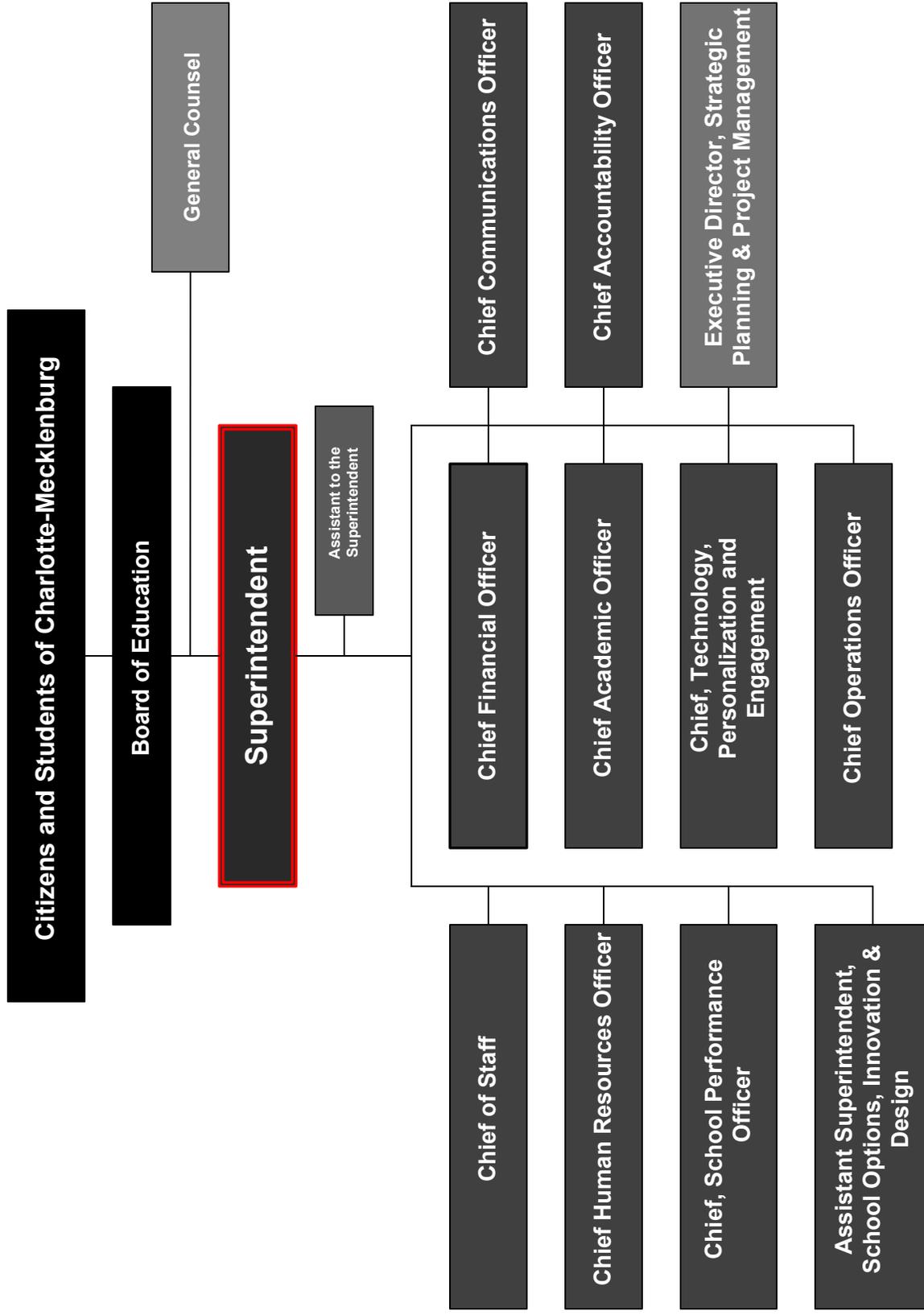
Executive Staff

June 30, 2016

Ann Blakeney Clark	Superintendent
VACANT	Deputy Superintendent
Bryan Schultz	Chief Academic Officer
Carol Stamper	Chief Operating Officer
Sheila W. Shirley	Chief Financial Officer
Valerie Truesdale, Ed.D.	Chief of Technology, Personalization and Engagement Officer
Kathryn Block	Chief Communications Officer
Avery Mitchell	Chief Human Resources Officer
Dawn Robinson, Ed.D.	Chief School Performance Officer
Frank Barnes, Ed.D.	Chief Accountability Officer
Earnest Winston	Chief of Staff
George E. Battle, III	General Counsel
Tara Lynn Sullivan	Community Superintendent – Central
Kondra Rattley, Ed.D.	Community Superintendent – East
Matthew Hayes, Ed.D.	Community Superintendent – North
Charity E. Bell	Community Superintendent – Northeast (Garinger feeder)
John Wall	Community Superintendent – Northeast (Vance feeder)
Kathleen Elling	Community Superintendent – South
Paul Pratt	Community Superintendent – West (West Meck feeder)
Curtis Carroll, Ed.D.	Community Superintendent – West (Harding/Phillip O. Berry feeder)
Denise Watts, Ed.D.	Community Superintendent – Project L. I. F. T.
Nancy Brightwell	Instructional Support School Superintendent
LaTarzja Henry	Assistant Superintendent for Community Partnerships and Family Engagement
Gina Smith	Assistant Superintendent for Exceptional Children
Akeshia Craven-Howell	Assistant Superintendent of the Office of School Options, Innovation and Design
Charlotte Nadja Trez	Executive Director, English Language Learner Services
Talla Rittenhouse	Executive Director, Strategy Management
Scott McCully	Executive Director, Student Placement
Ivy Gill	Principal in Residence

Charlotte-Mecklenburg Schools

District Organizational Chart





Government Finance Officers Association

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

Presented to

**Charlotte-Mecklenburg
Board of Education
North Carolina**

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**

Charlotte Mecklenburg Board of Education

**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

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COMPREHENSIVE ANNUAL

FINANCIAL REPORT

Financial Section

FINANCIAL SECTION



Independent Auditors' Report

Charlotte-Mecklenburg Board of Education
Charlotte, North Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Charlotte-Mecklenburg Board of Education, North Carolina, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the Charlotte-Mecklenburg Board of Education'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 statement that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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, business-type activities, each major fund, and the aggregate remaining fund information of the Charlotte-Mecklenburg Board of Education as of June 30, 2016, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund, State Public School Fund, Direct Federal Grants Fund and Special Revenue Fund for the 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 Management's Discussion and Analysis on pages 4 through 10 and the Schedule of the Board's Proportionate Share of the Net Pension Liability and the Schedule of Board Contributions on pages 48 and 49, 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.

Supplementary and Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Charlotte-Mecklenburg Board of Education's basic financial statements. The introductory section, individual non-major fund financial statements, budgetary schedules and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The individual non-major fund financial statements and budgetary schedules 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 individual non-major fund financial statements and budgetary schedules are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 27, 2016 on our consideration of Charlotte-Mecklenburg Board of Education's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, 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 the 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 Charlotte-Mecklenburg Board of Education's internal control over financial reporting and compliance.

Dixon Hughes Goodman LLP

**Winston-Salem, North Carolina
October 27, 2016**

CHARLOTTE-MECKLENBURG BOARD OF EDUCATION MANAGEMENT'S DISCUSSION AND ANALYSIS For the Year Ended June 30, 2016

INTRODUCTION

Our discussion and analysis of Charlotte-Mecklenburg Board of Education's (the Board or CMS) financial performance provides a narrative overview of the School Board's financial activities for the fiscal year ended June 30, 2016. This information should be read in conjunction with the audited financial statements included in this report. All amounts, unless otherwise indicated, are presented in thousands of dollars.

FINANCIAL HIGHLIGHTS

- The Board's enrollment increased by 1,067 (or 0.75%) from the previous year based on ninth month enrollment.
- The assets of the Board exceeded its liabilities at the close of the fiscal year by \$1.79 billion.
- The Board's total net position increased by \$96.25 million in FY 2016, primarily due to the implementation of GASB 68, Accounting and Financial Reporting for Pensions during FY 2015.
- As of the close of the current fiscal year, the Board's governmental funds reported a combined fund balance of \$107.79 million, an increase of \$8.24 million in comparison with the prior year. Approximately 28.5% of this total amount, or \$30.68 million, is available for spending at the government's discretion.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial statements of the Charlotte-Mecklenburg Board of Education consist of four components. They are as follows:

- *Independent Auditor's Report*
- *Management's Discussion and Analysis*
- *Basic Financial Statements*
- *Required Supplemental section that presents budgetary statements for governmental and proprietary funds*

The *Basic Financial Statements* include two types of statements that present different views of the Board's finances. The first is the *government-wide statements*. The government-wide statements are presented on the full accrual basis of accounting and include the Statement of Net Position and the Statement of Activities. The Statement of Net Position includes all the Board's assets and deferred outflows of resources and liabilities and deferred inflows of resources. Assets and liabilities are classified in the order of relative liquidity for assets and due date for liabilities. This statement provides a summary of the Board's investment in assets and obligations to creditors. Liquidity and financial flexibility can be evaluated using the information contained in this statement. The Statement of Activities summarizes the Board's revenues and expenses for the current year. A net (expense) revenue format is used to indicate to what extent each function is self-sufficient.

The second type of statement included in the basic financial statements is the *fund financial statements*, which are presented for the Board's governmental and proprietary funds. These statements present the governmental funds on the modified accrual basis of accounting, measuring the near term inflows and outflows of financial resources and what is available at year-end to spend in the next fiscal year. The proprietary funds are presented on the full accrual basis of accounting. The fund financial statements focus on the Board's most significant funds. Because a different basis of accounting is used in the government-wide statements, reconciliation from the governmental fund financial statements to the government-wide statements is required. The government-wide statements provide information about the Board as an economic unit while the fund financial statements provide information on the current financial resources of the Board's funds.

Government-Wide Statements

The government-wide statements report information about the Board as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position presents information on all of the Board's assets and liabilities, with the difference between the two reported as Net Position. All of the current year's revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid.

The two government-wide statements report the Board's net position and how it has changed during the most recent year. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Board is improving or declining. To assess the Board's overall health, you need to consider additional non-financial factors such as changes in Mecklenburg County's property tax base and the condition of its school buildings and other physical assets.

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2016 (continued)**

The Board's activities are divided into two categories in the government-wide statements:

- **Governmental activities:** Most of the Board's basic services are included here, such as regular and special education, transportation, and administration. County, state and federal funds finance most of these activities.
- **Business-type activities:** The Board charges fees to help cover the costs of certain services it provides. Child Nutrition and After School Enrichment are included in the Board's business-type activities.

The government-wide statements are shown on pages 11-13 of this report.

Fund Financial Statements

The fund financial statements provide more detailed information about the Board's funds, focusing on its most significant or "major" funds – not the Board as a whole. Funds are accounting devices the Board uses to keep track of specific sources of funding and spending on particular programs.

- Some funds, such as the State Public School Fund, are required by state law.
- The Board has established other funds to control and manage money for a particular purpose or to show that it is properly using certain revenues, such as in the Federal Grants fund.

Charlotte-Mecklenburg Board of Education has two types of funds:

Governmental Funds: Most of the Board's basic services are included in the governmental funds, which generally focus on two things – how cash and other assets can readily be converted to cash flow in and out and the balances left at year-end that are available for spending. As a result of this current financial resource focus, the governmental funds statements provide a detailed short-term view that helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the Board's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, additional information at the end of the governmental funds statements, in the form of reconciliation, explains the relationship (or differences) between the government-wide and the fund financial statements. The Board has several governmental funds: the General Fund, the State Public School Fund, the Individual Schools Fund, the Capital Projects Fund, the Special Revenue Fund, the Direct Federal Grants Fund and the State Administered Federal Grants Fund.

The governmental fund statements are shown on pages 14-27 of this report.

Proprietary Funds: Services for which the Board charges a fee are generally reported in the proprietary funds. The proprietary fund statements are reported on the same full accrual basis of accounting as the government-wide statements. Charlotte-Mecklenburg Board of Education has two proprietary funds, both enterprise funds. They are the Child Nutrition Program and the After-School Enrichment Program.

The proprietary fund statements are shown on pages 28-30 of this report.

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2016 (continued)**

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net Position is an indicator of the fiscal health of the Board. Assets exceeded liabilities by \$1,790,257 thousand as of June 30, 2016. The largest component of net position is net investment in capital assets, of \$1,911,424 thousand. It comprises 106.80% of the total net position due to GASB 68, Accounting and Financial Reporting for Pensions, adjustment.

Following is a summary of the Statement of Net Position:

Condensed Statement of Net Position						
as of June 30, 2016 and 2015						
(Amounts expressed in thousands)						
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2016	2015	2016	2015	2016	2015
Current assets	\$ 193,901	\$ 178,516	\$ 42,172	\$ 36,165	\$ 236,073	\$ 214,681
Capital assets	<u>1,905,702</u>	<u>1,873,308</u>	<u>8,766</u>	<u>9,016</u>	<u>1,914,468</u>	<u>1,882,324</u>
Total assets	<u>2,099,603</u>	<u>2,051,824</u>	<u>50,938</u>	<u>45,181</u>	<u>2,150,541</u>	<u>2,097,005</u>
Deferred Outflows of Resources	<u>67,060</u>	<u>65,335</u>	<u>1,325</u>	<u>1,301</u>	<u>68,385</u>	<u>66,636</u>
Current liabilities	87,432	81,793	1,733	2,063	89,165	88,298
Net Pension Liability	205,217	65,496	4,056	1,304	209,273	66,800
Other Long-Term liabilities	<u>74,242</u>	<u>72,678</u>	<u>1,610</u>	<u>1,583</u>	<u>75,852</u>	<u>69,819</u>
Long-Term liabilities	<u>279,459</u>	<u>138,174</u>	<u>5,666</u>	<u>2,887</u>	<u>285,125</u>	<u>136,619</u>
Total liabilities	<u>366,891</u>	<u>219,967</u>	<u>7,399</u>	<u>4,950</u>	<u>374,290</u>	<u>224,917</u>
Deferred Inflows of Resources	<u>53,326</u>	<u>239,941</u>	<u>1,053</u>	<u>4,777</u>	<u>54,379</u>	<u>244,718</u>
Net investment in capital assets	1,902,658	1,872,793	8,766	9,016	1,911,424	1,881,809
Restricted net position	76,176	62,675	-	-	76,176	62,675
Unrestricted net position	<u>(232,388)</u>	<u>(278,217)</u>	<u>35,045</u>	<u>27,739</u>	<u>(197,343)</u>	<u>(250,478)</u>
Total net position	<u>\$ 1,746,446</u>	<u>\$ 1,657,251</u>	<u>\$ 43,811</u>	<u>\$ 36,755</u>	<u>\$ 1,790,257</u>	<u>\$ 1,694,006</u>

Note that the total net position increase of \$96.25 million during the year resulted primarily from the pension adjustment required by GASB 68, Accounting and Financial Reporting for Pensions. Also, note that the Board carries capital assets for which Mecklenburg County carries the offsetting debt.

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2016 (continued)**

The following table shows the revenue and expenses for the Board for the current and previous fiscal year.

Condensed Statement of Revenues, Expenses, and Changes in Net Positions
for the years ended June 30, 2016 and 2015
(Amounts expressed in thousands)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2016	2015	2016	2015	2016	2015
REVENUES:						
Program revenues:						
Charges for services	\$ 2,328	\$ 3,072	\$ 25,404	\$ 25,049	\$ 27,732	\$ 28,121
Operating grants and contributions	102,429	111,283	57,479	55,334	155,608	166,617
Capital grants and contributions	-	-	743	214	743	214
General revenues:						
Unrestricted state appropriations	757,815	730,088	-	-	757,815	730,088
Unrestricted county appropriations	500,824	496,469	-	-	500,824	496,469
Other revenues	44,205	33,128	213	134	44,418	33,262
Total revenues	1,407,601	1,374,040	83,839	80,731	1,487,140	1,454,771
EXPENSES:						
Governmental activities:						
Instructional programs	1,066,044	1,038,469	-	-	1,062,174	1,038,469
Supporting services	250,553	248,962	-	-	250,123	248,962
Community service	1,289	873	-	-	1,289	873
Other	173	354	-	-	173	354
Business-type activities:						
After-School Enrichment	-	-	12,239	12,106	12,239	12,106
Child Nutrition	-	-	64,891	65,527	64,891	65,527
Total expenses	1,318,059	1,288,658	77,130	77,633	1,390,889	1,366,291
Excess before transfers	89,542	85,382	6,709	3,098	96,251	88,480
Transfers in (out)	(347)	(517)	347	517	-	-
Increase in net position	89,195	84,865	7,056	3,615	96,251	88,480
Net Position, beginning	1,657,251	1,850,681	36,755	38,682	1,694,006	1,889,363
Restatement	-	(278,295)	-	(5,542)	-	(283,837)
Net Position, restated	-	1,572,386	-	33,140	-	1,605,526
Net Position, ending	\$ 1,746,446	\$ 1,657,251	\$ 43,811	\$ 36,755	\$ 1,790,257	\$ 1,694,006

Total governmental activities generated revenues of \$1.41 billion while expenses in this category totaled \$1.32 billion for the year ended June 30, 2016. Comparatively, revenues were \$1.37 billion and expenses totaled \$1.29 billion for the year ended June 30, 2015. After transfers to the business-type activities, the increase in net position of governmental activities stands at \$89.20 million at June 30, 2016, compared to an increase of \$84.87 million in 2015 prior to the GASB 68 restatement, Accounting and Financial Reporting for Pensions.

Instructional expenses comprised 80.90% of total governmental-type expenses while support services made up 19.04% of those expenses for 2016. County funding comprised 35.69% (28.81% operating and 6.88% capital) of total governmental revenue while state funding added another 54.00% for 2016. In 2015, county funding was 36.12% (28.25% operating and 7.87% capital) of total governmental revenue while state funding added another 53.13%. Most of the remaining 10.31% of total governmental revenue for 2016 consists of federal funding and revenue generated from other local sources. Comparable revenue from those sources in 2015 generated 10.75% of total governmental revenue.

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2016 (continued)**

Business-type activities generated revenue of \$83.84 million and had expenses of \$77.13 million for the year ended June 30, 2016. Comparatively, revenues were \$80.73 million and expenses totaled \$77.63 million for the year ended June 30, 2015. Net position increased in the business-type activities by \$7.06 million after transfers in from the governmental activities of \$347 thousand, compared to an increase of \$3.62 million in 2015, prior to the GASB 68 restatement, Accounting and Financial Reporting for Pensions.

FINANCIAL ANALYSIS OF THE BOARD'S FUNDS

Governmental Funds:

The focus of the Board's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing the Board's financing requirements.

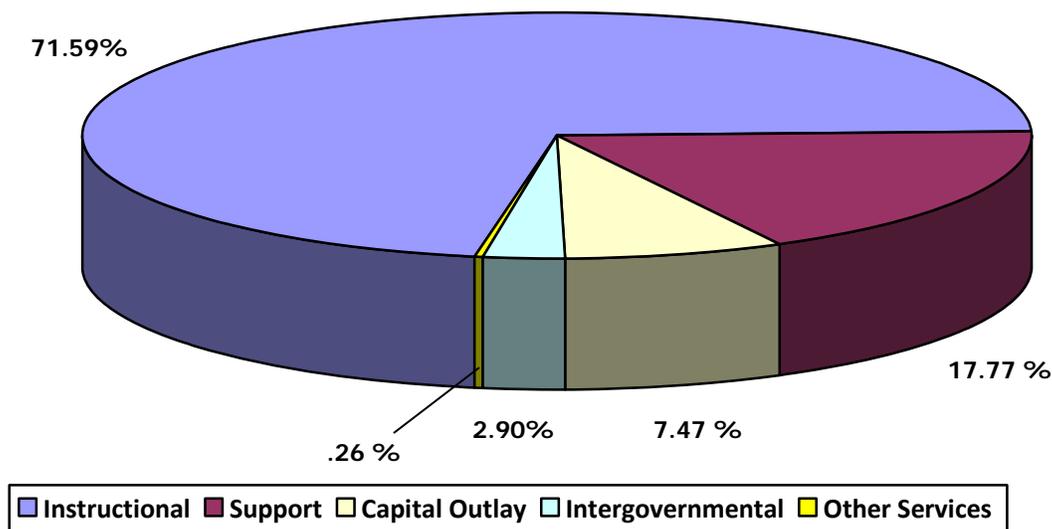
The Board's governmental funds reported a combined fund balance of \$107.79 million, an increase of \$8.24 million from the prior year. The Board's General Fund had revenues that exceeded expenditures, thus the total fund balance increased. At the close of the year, state funding was \$768.54 million, compared to \$739.65 million in 2015, an increase of approximately \$28.89 million for the year. County funding was \$500.82 million, compared to \$496.47 million in 2015, an increase approximately \$4.36 million for the year. Federal grant funding, which includes both Direct Federal Grants and State Administered Federal Grants was \$87.38 million, compared to \$101.60 million in 2015, a decrease of \$14.22 million for the year.

At the end of the year, the General Fund increase in net fund balance, \$6.93 million, is primarily due to an increase in encumbrances, compared to an increase of \$2.09 million in 2015. The Capital Projects Fund increase in net fund balance, \$6.22 million, is primarily due to an increase in special capital outlay funds from the county, compared to an increase of \$1.42 million in 2015. The Special Revenue Fund increase in net fund balance, \$86,000, is primarily due to funds received to cover future program cost compared to an increase of \$2.05 million in 2015. The Direct Federal Grants Fund decrease in net fund balance, \$5.32 million, is primarily due to an increase in planned program cost for the Medicaid program, compared to a decrease of \$411,000 in 2015.

The Board's business-type funds reflected a total increase in net position of \$7.06 million. The Child Nutrition Program reflected an increase in net position over the last year of \$5.96 million. This was mainly due to the increase in USDA subsidies and capital contributions. The After School Enrichment Program reflected an increase in net position of \$1.09 million.

Categorization of Expenditures for Governmental Funds

(presented on the modified accrual basis of accounting)



**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2016 (continued)**

General Fund Budgetary Highlights

Over the course of the year, the Board revised the budget to account for changes in revenue expectations for the General Fund. Additional information related to Budget activity is included in Note I, Section D in the Notes to the Basic Financial Statements. Fund balance appropriated in the current year budget for facility upfits, mobile unit movement and supplies was not required as these costs were covered with capital proceeds and other current year funding.

Capital Assets

At June 30, 2016, CMS had \$2.84 billion invested in a broad range of capital assets, including land, buildings and improvements, and equipment. This amount represents a net increase (including additions, deductions and depreciation) of \$32.14 million. This is largely due to the new construction of two elementary schools (Statesville Road Elementary and Nations Ford Elementary) and the restoration projects or building additions of various other schools.

**Summary of Capital Assets
as of June 30, 2016 and 2015
(amounts expressed in thousands)**

	Governmental Activities		Business-type Activities		Total Primary Government	
	6/30/16	6/30/15	6/30/16	6/30/15	6/30/16	6/30/15
Land	\$ 127,349	\$ 124,216	\$ -	\$ -	\$ 127,349	\$ 124,216
Construction in Progress	90,942	87,479	-	-	90,942	87,479
Buildings	2,383,729	2,307,489	-	-	2,383,729	2,307,489
Equipment	204,909	193,892	32,081	31,018	236,990	224,910
	2,806,929	2,713,076	32,081	31,018	2,839,010	2,744,094
Less accumulated depreciation	(901,227)	(839,768)	(23,315)	(22,002)	(924,542)	(861,770)
Total	\$ 1,905,702	\$ 1,873,308	\$ 8,766	\$ 9,016	\$ 1,914,468	\$ 1,882,324

Additional information related to Capital Assets activity is included in Notes 5 and 12 in the Notes to the Basic Financial Statements.

Debt Outstanding

During the year, the Board's debt decreased by \$27 thousand due mainly to the decrease in compensated absences. The Board is limited by North Carolina General Statutes with regards to the types of debt it can issue and for what purpose that debt can be used. The County holds all debt issued for school capital construction. Additional information related to Debt Outstanding is included in Note 16 in the Notes to the Basic Financial Statements.

Economic Factors

County funding is a major source of operating revenue for CMS. Therefore, the County's economic outlook directly affects that of the school district. The County's unemployment rate has decreased by 0.9% from 5.7% in 2015 to 4.8% in 2016. The County's unemployment rate is below the state rate of 4.9% and the national rate of 4.9%. Charlotte-Mecklenburg enjoys a balanced economy that encompasses many sectors, as well as companies that range in size from multinational to microbusiness. Diverse business interests, once thought to shelter the County from problems that resulted from slowdowns in certain sectors, are still showing signs of vulnerability. However, the state remains in a relatively better position than some states.

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2016 (continued)**

Requests for Information

This report is intended to provide a summary of the financial condition of Charlotte-Mecklenburg Board of Education. Questions or requests for additional information should be addressed to:

Sheila W. Shirley, Chief Financial Officer
Charlotte-Mecklenburg Board of Education
4421 Stuart Andrew Boulevard
Charlotte, NC 28217

CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
STATEMENT OF NET POSITION
AS OF JUNE 30, 2016
(Amounts expressed in thousands)

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 152,447	\$ 36,945	\$ 189,392
Receivables:			
Mecklenburg County	11,788	-	11,788
State of North Carolina	22,372	-	22,372
US Government Agencies	1,422	2,322	3,744
Other	4,941	271	5,212
Inventories	931	2,634	3,565
Capital Assets			
Land, Improvements and Construction in Progress	218,291	-	218,291
Other Capital Assets, net of depreciation	1,687,411	8,766	1,696,177
Total Capital Assets	1,905,702	8,766	1,914,468
TOTAL ASSETS	2,099,603	50,938	2,150,541
DEFERRED OUTFLOWS OF RESOURCES	67,060	1,325	68,385
LIABILITIES			
Accounts Payable	24,348	315	24,663
Accrued Wages Payable	38,874	315	39,189
Unearned Revenue	12,969	984	13,953
Long-term Liabilities			
Net Pension Liability	205,217	4,056	209,273
Due Within One Year			
Energy Performance Contract	548	-	548
Obligations Under Capital Lease and Installment Purchases	1,874	-	1,874
Liability for Compensated Absences	6,178	119	6,297
Claims Liability	4,465	-	4,465
Due in More than One Year			
Energy Performance Contract	567	-	567
Obligations Under Capital Lease and Installment Purchases	1,170	-	1,170
Claims Liability	5,457	-	5,457
Liability for Compensated Absences	65,224	1,610	66,834
TOTAL LIABILITIES	366,891	7,399	374,290
DEFERRED INFLOWS OF RESOURCES	53,326	1,053	54,379
NET POSITION			
Net Investment in Capital Assets	1,902,658	8,766	1,911,424
Restricted:			
Stabilization by State Statute	67,005	-	67,005
Individual School Activities	5,054	-	5,054
Insurance Claims	4,117	-	4,117
Unrestricted	(232,388)	35,045	(197,343)
TOTAL NET POSITION	\$ 1,746,446	\$ 43,811	\$ 1,790,257

The notes to the basic financial statements are an integral part of this statement.

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2016**
(Amounts expressed in thousands)

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental Activities:				
Instructional Programs				
Regular	\$ 705,467	\$ 558	\$ 7,806	\$ -
Special	217,382	-	78,342	-
School Leadership	71,223	-	1,898	-
Co-Curricular	13,100	-	-	-
School-Based Support	58,872	-	3,401	-
Support and Development	6,700	-	230	-
Special Population Support	6,911	-	3,131	-
Technology Support	14,498	-	554	-
Operational Support	173,325	-	4,344	-
Financial and Human Resources	26,077	-	2,243	-
Accountability Services	4,087	-	76	-
System-Wide Pupil Support	3,772	-	-	-
Policy, Leadership and Public Relations	15,183	-	395	-
Community Services	1,289	1,770	9	-
Debt Service-Interest	173	-	-	-
Total Governmental Activities	1,318,059	2,328	102,429	-
Business-Type Activities:				
After School Program	12,239	13,295	-	-
Child Nutrition Program	64,891	12,109	57,479	743
Total Business-Type Activities	77,130	25,404	57,479	743
TOTAL PRIMARY GOVERNMENT	\$ 1,395,189	\$ 27,732	\$ 159,908	\$ 743
General Revenues:				
Unrestricted State Appropriations-Operating				
Unrestricted State Appropriations-Capital				
Unrestricted Mecklenburg County Appropriations-Operating				
Unrestricted Mecklenburg County Appropriations-Capital				
Interest Income				
Miscellaneous				
Transfers				
Total general revenues and transfers				
Change in net position				
Net position, beginning				
Net Position, ending				

The notes to the basic financial statements are an integral part of this statement.

Continued on Next Page

Net (Expense) Revenue and Changes in Net Position

Governmental Activities	Business-Type Activities	Total
\$ (697,103)	\$ -	\$ (697,103)
(139,040)	-	(139,040)
(69,325)	-	(69,325)
(13,100)	-	(13,100)
(55,471)	-	(55,471)
(6,470)	-	(6,470)
(3,780)	-	(3,780)
(13,944)	-	(13,944)
(168,981)	-	(168,981)
(23,834)	-	(23,834)
(4,011)	-	(4,011)
(3,772)	-	(3,772)
(14,788)	-	(14,788)
490	-	490
(173)	-	(173)
<u>(1,213,302)</u>	<u>-</u>	<u>(1,213,302)</u>
-	1,056	1,056
-	5,440	5,440
-	6,496	6,496
<u>(1,213,302)</u>	<u>6,496</u>	<u>(1,206,806)</u>
756,161	-	756,161
1,654	-	1,654
404,286	-	404,286
96,538	-	96,538
789	213	1,002
43,416	-	43,416
(347)	347	-
<u>1,302,497</u>	<u>560</u>	<u>1,303,057</u>
89,195	7,056	96,251
<u>1,657,251</u>	<u>36,755</u>	<u>1,694,006</u>
\$ <u><u>1,746,446</u></u>	\$ <u><u>43,811</u></u>	\$ <u><u>1,790,257</u></u>

The notes to the basic financial statements are an integral part of this statement.

CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2016
(Amounts expressed in thousands)

	MAJOR FUNDS			
	GENERAL	STATE PUBLIC SCHOOL	INDIVIDUAL SCHOOLS	CAPITAL PROJECTS
ASSETS				
Cash and Cash Equivalents	\$ 119,204	\$ -	\$ 5,054	\$ 12,665
Receivables:				
Mecklenburg County	-	-	-	11,788
State of North Carolina	2,023	20,303	-	-
U.S. Government Agencies	-	-	-	-
Other	79	3,619	-	-
Inventories	931	-	-	-
TOTAL ASSETS	\$ 122,237	\$ 23,922	\$ 5,054	\$ 24,453
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts Payable	\$ 20,099	\$ 1,960	\$ -	\$ 11,387
Accrued Wages Payable	19,339	18,343	-	-
Unearned Revenue	-	3,619	-	-
Total Liabilities	39,438	23,922	-	11,387
Fund Balance				
Nonspendable:				
Inventories	931	-	-	-
Restricted:				
Stabilization by State Statute	51,953	-	-	13,066
Individual Schools	-	-	5,054	-
Insurance Claims	4,117	-	-	-
Assigned:				
Special Revenue	-	-	-	-
Subsequent years expenditures	8,300	-	-	-
Unassigned:	17,498	-	-	-
Total Fund Balance	82,799	-	5,054	13,066
TOTAL LIABILITIES AND FUND BALANCES	\$ 122,237	\$ 23,922	\$ 5,054	\$ 24,453

The notes to the basic financial statements are an integral part of this statement.

Continued on Next Page

MAJOR FUNDS		NON-MAJOR FUND		TOTAL
SPECIAL REVENUE	DIRECT FEDERAL GRANTS	STATE ADMINISTERED FEDERAL		
\$ 10,501	\$ 5,023	\$ -	\$ -	\$ 152,447
-	-	-	-	11,788
46	-	-	-	22,372
-	6	1,416	-	1,422
1,243	-	-	-	4,941
-	-	-	-	931
<u>\$ 11,790</u>	<u>\$ 5,029</u>	<u>\$ 1,416</u>	<u>\$ -</u>	<u>\$ 193,901</u>
\$ 277	\$ 276	\$ 271	\$ -	\$ 34,270
47	-	1,145	-	38,874
<u>9,236</u>	<u>114</u>	<u>-</u>	<u>-</u>	<u>12,969</u>
<u>9,560</u>	<u>390</u>	<u>1,416</u>	<u>-</u>	<u>86,113</u>
-	-	-	-	931
1,329	657	-	-	67,005
-	-	-	-	5,054
-	-	-	-	4,117
901	3,982	-	-	4,883
-	-	-	-	8,300
-	-	-	-	17,498
<u>2,230</u>	<u>4,639</u>	<u>-</u>	<u>-</u>	<u>107,788</u>
<u>\$ 11,790</u>	<u>\$ 5,029</u>	<u>\$ 1,416</u>	<u>\$ -</u>	<u>\$ 193,901</u>

The notes to the basic financial statements are an integral part of this statement.

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
JUNE 30, 2016**

(Amounts expressed in thousands)

Total fund balances--governmental funds \$ 107,788

The cost of capital assets (land, buildings, furniture and equipment) purchased or constructed is reported as an expenditure in the governmental funds. The Statement of Net Position includes those capital assets among the assets of the CMS as a whole. The cost of those capital assets are allocated over their estimated useful lives (as depreciation expense) to the various programs reported as governmental activities in the Statement of Activities. Because depreciation expense does not affect financial resources, it is not reported in governmental funds.

Cost of capital assets	\$	2,806,929	
Accumulated depreciation		<u>(901,227)</u>	1,905,702

Deferred outflows of resources related to pensions 67,060

Long-term liabilities applicable to the CMS governmental activities are not due and payable in the current period and accordingly are not reported as governmental fund liabilities. All liabilities, both current and long-term, are reported in the Statement of Net Position.

Liability for compensated absences	\$	(71,402)	
Net pension liability		(205,217)	
Deferred inflows of resources related to pensions		(53,326)	
Energy Performance Contract		(1,115)	
Obligations under installment payments		(2,994)	
Obligations under capital lease		<u>(50)</u>	<u>(334,104)</u>

Net Position \$ 1,746,446

The notes to the basic financial statements are an integral part of this statement.

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CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2016
(Amounts expressed in thousands)

	MAJOR FUNDS			
	GENERAL	STATE PUBLIC SCHOOL	INDIVIDUAL SCHOOLS	CAPITAL PROJECTS
REVENUES				
State of North Carolina:				
State Public School	\$ -	\$ 756,161	\$ -	\$ -
Other:				
Donated Textbooks	-	917	-	-
Other	-	-	-	1,654
Total State	<u>-</u>	<u>757,078</u>	<u>-</u>	<u>1,654</u>
Mecklenburg County:				
County Public School	366,118	-	-	96,538
Charter Schools	38,168	-	-	-
Total County	<u>404,286</u>	<u>-</u>	<u>-</u>	<u>96,538</u>
U.S. Government Agencies:				
Title I--Education of Children of Low Income Families	-	-	-	-
Title VI-- Education of Handicapped Children	-	-	-	-
School Improvement	-	-	-	-
Improving Teacher Quality	-	-	-	-
Title III--Language Acquisition	-	-	-	-
CTE Program Involvement	-	-	-	-
Other	-	-	-	-
Total U.S. Government Agencies	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other:				
Insurance Proceeds	-	-	-	22
Miscellaneous	5,857	-	7,849	13,892
Total Other	<u>5,857</u>	<u>-</u>	<u>7,849</u>	<u>13,914</u>
Total Revenues	<u>410,143</u>	<u>757,078</u>	<u>7,849</u>	<u>112,106</u>
CURRENT OPERATING EXPENDITURES				
Instructional Programs:				
Regular	143,545	468,116	8	-
Special	22,176	119,867	-	-
School Leadership	36,566	37,931	-	-
Co-Curricular	4,312	-	7,511	-
School-Based Support	18,616	38,956	-	-
Total Instructional Programs	<u>225,215</u>	<u>664,870</u>	<u>7,519</u>	<u>-</u>

The notes to the basic financial statements are an integral part of this statement.

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CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2016
(Amounts expressed in thousands)

MAJOR FUNDS		NON-MAJOR FUND	
SPECIAL REVENUE	DIRECT FEDERAL GRANTS	STATE ADMINISTERED FEDERAL	TOTAL
\$ -	\$ -	\$ -	\$ 756,161
-	-	-	917
9,810	-	-	11,464
<u>9,810</u>	<u>-</u>	<u>-</u>	<u>768,542</u>
-	-	-	462,656
-	-	-	38,168
-	-	-	500,824
-	-	41,072	41,072
-	-	29,239	29,239
-	-	1,898	1,898
-	-	497	497
-	-	2,216	2,216
-	-	1,752	1,752
-	8,604	2,102	10,706
-	<u>8,604</u>	<u>78,776</u>	<u>87,380</u>
-	-	-	22
19,000	-	-	46,598
<u>19,000</u>	<u>-</u>	<u>-</u>	<u>46,620</u>
<u>28,810</u>	<u>8,604</u>	<u>78,776</u>	<u>1,403,366</u>
2,733	3,154	5,373	622,929
10,613	8,950	64,554	226,160
320	-	28	74,845
1,351	-	-	13,174
446	334	3,129	61,481
<u>15,463</u>	<u>12,438</u>	<u>73,084</u>	<u>998,589</u>

The notes to the basic financial statements are an integral part of this statement.

CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2016
(Amounts expressed in thousands)

	MAJOR FUNDS			
	GENERAL	STATE PUBLIC SCHOOL	INDIVIDUAL SCHOOLS	CAPITAL PROJECTS
CURRENT OPERATING EXPENDITURES (Continued)				
Support and Development:				
Regular Support	\$ 5,477	\$ 517	\$ -	\$ -
Career and Technical Support	85	402	-	-
Total Support and Development	<u>5,562</u>	<u>919</u>	<u>-</u>	<u>-</u>
Special Population Support:				
Special Population Support	1,829	341	-	-
Alternative Programs	1,353	204	-	-
Total Special Population Support	<u>3,182</u>	<u>545</u>	<u>-</u>	<u>-</u>
Technology Support:				
Technology Support	12,466	845	-	-
Total Technology Support	<u>12,466</u>	<u>845</u>	<u>-</u>	<u>-</u>
Operational Support:				
Communication Services	1,699	648	-	-
Printing and Copying	1,414	-	-	-
Public Utility and Energy	20,072	-	-	-
Custodial/Housekeeping	6,359	26,518	-	-
Transportation	6,169	60,413	-	-
Warehouse and Delivery	2,853	-	-	-
Facilities Planning	5,464	-	-	-
Maintenance of Plant	30,730	256	-	-
Total Operational Support	<u>74,760</u>	<u>87,835</u>	<u>-</u>	<u>-</u>
Financial and Human Resources:				
Financial Services	8,605	248	-	-
Insurance Claims	5,277	-	-	-
Human Resources Services	7,831	566	-	-
Staff Development Services	1,044	-	-	-
Total Financial and Human Resources	<u>22,757</u>	<u>814</u>	<u>-</u>	<u>-</u>
Accountability Services:				
Student Testing	3,114	159	-	-
Planning and Research	775	44	-	-
Total Accountability Services	<u>3,889</u>	<u>203</u>	<u>-</u>	<u>-</u>
System-Wide Pupil Support:				
Educational Media	723	-	-	-
Student Accounting	620	-	-	-
Guidance Support	9	-	-	-
Health Support	94	-	-	-
Safety and Security	2,478	-	-	-
Total System-Wide Pupil Support	<u>3,924</u>	<u>-</u>	<u>-</u>	<u>-</u>

The notes to the basic financial statements are an integral part of this statement.

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CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2016
(Amounts expressed in thousands)

MAJOR FUNDS		NON-MAJOR FUND		TOTAL
SPECIAL REVENUE	DIRECT FEDERAL GRANTS	STATE ADMINISTERED FEDERAL		
\$ 121	\$ 283	\$ 105	\$	6,503
-	-	-		487
<u>121</u>	<u>283</u>	<u>105</u>		<u>6,990</u>
15	114	1,089		3,388
373	-	1,930		3,860
<u>388</u>	<u>114</u>	<u>3,019</u>		<u>7,248</u>
272	932	-		14,515
<u>272</u>	<u>932</u>	<u>-</u>		<u>14,515</u>
377	-	-		2,724
12	-	-		1,426
7,440	-	-		27,512
-	-	6		32,883
151	-	67		66,800
-	-	-		2,853
70	-	-		5,534
113	-	-		31,099
<u>8,163</u>	<u>-</u>	<u>73</u>		<u>170,831</u>
494	-	-		9,347
-	-	-		5,277
84	6	50		8,537
180	-	-		1,224
<u>758</u>	<u>6</u>	<u>50</u>		<u>24,385</u>
6	128	-		3,407
18	-	-		837
<u>24</u>	<u>128</u>	<u>-</u>		<u>4,244</u>
-	-	-		723
-	-	-		620
-	-	-		9
-	-	-		94
<u>-</u>	<u>-</u>	<u>-</u>		<u>2,478</u>
<u>-</u>	<u>-</u>	<u>-</u>		<u>3,924</u>

The notes to the basic financial statements are an integral part of this statement.

CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2016
(Amounts expressed in thousands)

	MAJOR FUNDS			
	GENERAL	STATE	INDIVIDUAL	CAPITAL
		PUBLIC SCHOOL	SCHOOLS	PROJECTS
Policy, Leadership and Public Relations:				
Board of Education	\$ 400	\$ -	\$ -	\$ -
Legal Services	1,693	-	-	-
Audit Services	99	-	-	-
Office of Superintendent	610	177	-	-
Deputy, Associate, Assistant Superintendent	7,301	824	-	-
Public Relations and Marketing	1,718	-	-	-
Total Policy, Leadership and Public Relations	<u>11,821</u>	<u>1,001</u>	<u>-</u>	<u>-</u>
Ancillary Services:				
Community Services	-	-	-	-
Nutrition Services	469	-	-	-
Total Ancillary Services	<u>469</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Current Operating Expenditures	<u>364,045</u>	<u>757,032</u>	<u>7,519</u>	<u>-</u>
DEBT SERVICE EXPENDITURES				
Principal	646	-	-	1,654
Interest	56	-	-	-
Total Debt Service Expenditures	<u>702</u>	<u>-</u>	<u>-</u>	<u>1,654</u>
CAPITAL OUTLAY EXPENDITURES				
Building and Site Improvements	-	-	-	94,216
Furniture and Equipment	-	-	-	10,020
Vehicles	-	-	-	4,300
Total Capital Outlay Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>108,536</u>
INTERGOVERNMENTAL EXPENDITURES				
Charter Schools	38,168	-	-	-
Other	-	-	-	-
Total Intergovernmental Expenditures	<u>38,168</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>402,915</u>	<u>757,032</u>	<u>7,519</u>	<u>110,190</u>
REVENUES OVER (UNDER) EXPENDITURES	7,228	46	330	1,916
OTHER FINANCING SOURCES (USES)				
Installment Purchases Issued	-	-	-	4,300
Transfer Out	(301)	(46)	-	-
Total Other Financing Sources (Uses)	<u>(301)</u>	<u>(46)</u>	<u>-</u>	<u>4,300</u>
CHANGE IN NET FUND BALANCE	6,927	-	330	6,216
FUND BALANCE--Beginning of Year	75,872	-	4,724	6,850
FUND BALANCE--End of Year	<u>\$ 82,799</u>	<u>\$ -</u>	<u>\$ 5,054</u>	<u>\$ 13,066</u>

The notes to the basic financial statements are an integral part of this statement.

Continued on Next Page

CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2016
(Amounts expressed in thousands)

MAJOR FUNDS		NON-MAJOR FUND	
SPECIAL REVENUE	DIRECT FEDERAL GRANTS	STATE ADMINISTERED FEDERAL	TOTAL
\$ -	\$ -	\$ -	\$ 400
-	-	-	1,693
-	-	-	99
-	-	-	787
2,654	-	244	11,023
15	-	-	1,733
<u>2,669</u>	<u>-</u>	<u>244</u>	<u>15,735</u>
861	-	-	861
-	-	10	479
<u>861</u>	<u>-</u>	<u>10</u>	<u>1,340</u>
28,719	13,901	76,585	1,247,801
-	-	-	2,300
-	-	-	56
-	-	-	2,356
-	-	-	94,216
-	-	-	10,020
-	-	-	4,300
-	-	-	108,536
-	-	-	38,168
5	21	2,191	2,217
<u>5</u>	<u>21</u>	<u>2,191</u>	<u>40,385</u>
28,724	13,922	78,776	1,399,078
86	(5,318)	-	4,288
-	-	-	4,300
-	-	-	(347)
-	-	-	3,953
86	(5,318)	-	8,241
2,144	9,957	-	99,547
<u>\$ 2,230</u>	<u>\$ 4,639</u>	<u>\$ -</u>	<u>\$ 107,788</u>

The notes to the basic financial statements are an integral part of this statement.

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE WITH THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2016**
(Amounts expressed in thousands)

Total net change in fund balances-- governmental funds \$ 8,241

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for government-wide activities, those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities. This is the amount by which capital outlays exceed the depreciation in the period.

Capital outlay/equipment	\$ 98,231	
Depreciation expense	<u>(65,767)</u>	32,464
Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities.		67,060
Decrease in compensated absences		1,941
Proceeds from disposal of capital assets		(109)
Gain on disposal of capital assets		39
Reduction in obligations under energy contract		529
Pension expense		(18,441)
Increase in installment purchase		(4,300)
Reduction in obligations under capital leases and installment purchase		<u>1,771</u>
Change in net position of governmental activities	\$	<u><u>89,195</u></u>

The notes to the basic financial statements are an integral part of this statement.

CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND AND ANNUALLY BUDGETED MAJOR SPECIAL REVENUE FUNDS
(NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2016
(Amounts expressed in thousands)

	GENERAL FUND			VARIANCE FROM AMENDED BUDGET
	ORIGINAL BUDGET	AMENDED BUDGET	ACTUAL	
REVENUES				
State of North Carolina	\$ -	\$ -	\$ -	\$ -
Mecklenburg County	404,286	404,286	404,286	-
U.S. Government Agencies	-	-	-	-
Other	524	900	900	-
Total Revenues	404,810	405,186	405,186	-
EXPENDITURES				
Current Operating Expenditures:				
Instructional Programs:				
Regular	155,334	150,690	148,418	2,272
Special	21,202	23,010	23,003	7
School Leadership	37,377	36,571	36,565	6
Co-Curricular	4,030	4,417	4,417	-
School-Based Support	20,435	18,696	18,695	1
Total Instructional Programs	238,378	233,384	231,098	2,286
Support and Development	5,913	5,421	5,393	28
Special Population Support	3,529	3,187	3,187	-
Technology Support	12,966	12,682	12,682	-
Operational Support	77,222	83,785	76,186	7,599
Financial and Human Resources	16,585	17,336	17,336	-
Accountability Services	4,332	3,997	3,997	-
System-Wide Pupil Support	3,650	3,658	3,658	-
Policy, Leadership and Public Relations	12,414	11,535	11,535	-
Ancillary Services	721	349	348	1
Total Current Operating Expenditures	375,710	375,334	365,420	9,914
Intergovernmental Expenditures:				
Charter Schools	37,717	38,168	38,168	-
Other	-	-	-	-
Total Intergovernmental Expenditures	37,717	38,168	38,168	-
Debt Service				
Principal	529	529	529	-
Interest	54	54	54	-
Total Debt Service Expenditures	583	583	583	-
Total Expenditures	414,010	414,085	404,171	9,914
REVENUES OVER (UNDER) EXPENDITURES	(9,200)	(8,899)	1,015	9,914
OTHER FINANCING SOURCES (USES):				
Appropriated Fund Balance	9,200	9,200	-	(9,200)
Transfer Out	-	(301)	(301)	-
REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES	\$ -	\$ -	\$ 714	\$ 714

The notes to the basic financial statements are an integral part of this statement.

CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND AND ANNUALLY BUDGETED MAJOR SPECIAL REVENUE FUNDS
(NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2016
(Amounts expressed in thousands)

	STATE PUBLIC SCHOOL FUND			
	ORIGINAL BUDGET	AMENDED BUDGET	ACTUAL	VARIANCE FROM AMENDED BUDGET
REVENUES				
State of North Carolina	\$ 778,903	\$ 772,838	\$ 755,077	\$ (17,761)
Mecklenburg County	-	-	-	-
U.S. Government Agencies	-	-	-	-
Other	-	-	-	-
Total Revenues	<u>778,903</u>	<u>772,838</u>	<u>755,077</u>	<u>(17,761)</u>
EXPENDITURES				
Current Operating Expenditures:				
Instructional Programs:				
Regular	488,334	474,480	467,793	6,687
Special	123,200	127,048	119,672	7,376
School Leadership	38,061	37,930	37,931	(1)
Co-Curricular	-	-	-	-
School-Based Support	40,290	39,373	38,956	417
Total Instructional Programs	<u>689,885</u>	<u>678,831</u>	<u>664,352</u>	<u>14,479</u>
Support and Development	642	919	919	-
Special Population Support	373	553	547	6
Technology Support	1,102	885	885	-
Operational Support	84,036	89,375	88,036	1,339
Financial and Human Resources	632	811	814	(3)
Accountability Services	534	205	203	2
System-Wide Pupil Support	238	211	-	211
Policy, Leadership and Public Relations	1,415	1,002	1,001	1
Ancillary Services	46	-	-	-
Total Current Operating Expenditures	<u>778,903</u>	<u>772,792</u>	<u>756,757</u>	<u>16,035</u>
Intergovernmental Expenditures:				
Charter Schools	-	-	-	-
Other	-	-	-	-
Total Intergovernmental Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Total Debt Service Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>778,903</u>	<u>772,792</u>	<u>756,757</u>	<u>16,035</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>46</u>	<u>(1,680)</u>	<u>(1,726)</u>
OTHER FINANCING USES:				
Appropriated Fund Balance	-	-	-	-
Transfer Out	-	(46)	(46)	-
REVENUES UNDER EXPENDITURES AND OTHER FINANCING USES	\$ <u>-</u>	\$ <u>-</u>	\$ <u>(1,726)</u>	\$ <u>(1,726)</u>

The notes to the basic financial statements are an integral part of this statement.

CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND AND ANNUALLY BUDGETED MAJOR SPECIAL REVENUE FUNDS
(NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2016
(Amounts expressed in thousands)

	SPECIAL REVENUE			VARIANCE FROM AMENDED BUDGET
	ORIGINAL BUDGET	AMENDED BUDGET	ACTUAL	
REVENUES				
State of North Carolina	\$ 10,633	\$ 11,382	\$ 9,881	\$ (1,501)
Mecklenburg County	-	-	-	-
U.S. Government Agencies	-	-	-	-
Other	17,974	26,266	19,248	(7,018)
Total Revenues	28,607	37,648	29,129	(8,519)
EXPENDITURES				
Current Operating Expenditures:				
Instructional Programs:				
Regular	2,705	6,448	2,677	3,771
Special	10,290	12,242	10,628	1,614
School Leadership	381	351	314	37
Co-Curricular	1,103	1,573	1,351	222
School-Based Support	288	676	441	235
Total Instructional Programs	14,767	21,290	15,411	5,879
Support and Development	117	218	121	97
Special Population Support	634	855	428	427
Technology Support	-	1,944	35	1,909
Operational Support	8,604	8,254	8,165	89
Financial and Human Resources	681	1,063	747	316
Accountability Services	198	82	26	56
System-Wide Pupil Support	-	-	-	-
Policy, Leadership and Public Relations	2,812	3,070	2,562	508
Ancillary Services	794	862	861	1
Total Current Operating Expenditures	28,607	37,638	28,356	9,282
Intergovernmental Expenditures:				
Charter Schools	-	-	-	-
Other	-	10	5	5
Total Intergovernmental Expenditures	-	10	5	5
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Total Debt Service Expenditures	-	-	-	-
Total Expenditures	28,607	37,648	28,361	9,287
REVENUES OVER EXPENDITURES	-	-	768	768
OTHER FINANCING SOURCES:				
Appropriated Fund Balance	-	-	-	-
Transfer Out	-	-	-	-
REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES	\$ -	\$ -	\$ 768	\$ 768

The notes to the basic financial statements are an integral part of this statement.

CHARLOTTE MECKLENBURG BOARD OF EDUCATION
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND AND ANNUALLY BUDGETED MAJOR SPECIAL REVENUE FUNDS
(NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2016
(Amounts expressed in thousands)

	DIRECT FEDERAL GRANTS			VARIANCE FROM AMENDED BUDGET
	ORIGINAL BUDGET	AMENDED BUDGET	ACTUAL	
REVENUES				
U. S. Government Agencies	\$ 18,549	\$ 8,813	\$ 8,608	\$ (205)
Total Revenues	18,549	8,813	8,608	(205)
EXPENDITURES				
Current Operating Expenditures:				
Instructional Programs:				
Regular	4,005	3,492	3,189	303
Special	13,566	12,709	9,255	3,454
School-Based Support	410	585	335	250
Total Instructional Programs	17,981	16,786	12,779	4,007
Support and Development	491	397	283	114
Special Population Support	-	199	114	85
Technology Support	-	761	761	-
Operational Support	-	-	-	-
Financial and Human Resources	-	41	6	35
Accountability Services	68	103	103	-
System-Wide Pupil Support	-	-	-	-
Policy, Leadership and Public Relations	-	-	-	-
Total Current Operating Expenditures	18,540	18,287	14,046	4,241
Intergovernmental Expenditures:				
Other	9	21	21	-
	<u>9</u>	<u>21</u>	<u>21</u>	<u>-</u>
Total Expenditures	18,549	18,308	14,067	4,241
REVENUES (UNDER) EXPENDITURES	-	(9,495)	(5,459)	4,036
OTHER FINANCING SOURCES (USES):				
Appropriated Fund Balance	-	9,495	-	(9,495)
Transfer Out	-	-	-	-
REVENUES UNDER EXPENDITURES AND OTHER FINANCING USES	\$ -	\$ -	\$ (5,459)	\$ (5,459)

The notes to the basic financial statements are an integral part of this statement.

CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2016

(Amounts expressed in thousands)

	MAJOR FUND	NON-MAJOR FUND	
	CHILD NUTRITION PROGRAM	AFTER SCHOOL ENRICHMENT PROGRAM	TOTAL
ASSETS			
Current Assets			
Cash and Cash Equivalents	\$ 31,290	\$ 5,655	\$ 36,945
Receivables:			
U. S. Government Agencies	2,322	-	2,322
Other	214	57	271
Inventories	2,634	-	2,634
Total Current Assets	<u>36,460</u>	<u>5,712</u>	<u>42,172</u>
Noncurrent Assets			
Capital Assets, Net of Depreciation	8,766	-	8,766
Total Assets	<u>45,226</u>	<u>5,712</u>	<u>50,938</u>
 DEFERRED OUTFLOWS OF RESOURCES	 <u>973</u>	 <u>352</u>	 <u>1,325</u>
LIABILITIES			
Current Liabilities			
Accounts Payable	282	33	315
Accrued Salaries, Wages and Benefits	248	67	315
Unearned Revenue	884	100	984
Compensated Absences Due Within One Year	73	46	119
Total Current Liabilities	<u>1,487</u>	<u>246</u>	<u>1,733</u>
Noncurrent Liabilities			
Net Pension Liability	2,977	1,079	4,056
Compensated Absences Due In More Than One Year	989	621	1,610
Total Noncurrent Liabilities	<u>3,966</u>	<u>1,700</u>	<u>5,666</u>
Total Liabilities	<u>5,453</u>	<u>1,946</u>	<u>7,399</u>
 DEFERRED INFLOWS OF RESOURCES	 <u>773</u>	 <u>280</u>	 <u>1,053</u>
NET POSITION			
Net Investment in Capital Assets	8,766	-	8,766
Unrestricted Net Position	31,207	3,838	35,045
Total Net Position	<u>\$ 39,973</u>	<u>\$ 3,838</u>	<u>\$ 43,811</u>

The notes to the basic financial statements are an integral part of this statement.

CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2016
(Amounts expressed in thousands)

	MAJOR FUND	NON-MAJOR FUND	
	CHILD NUTRITION PROGRAM	AFTER SCHOOL ENRICHMENT PROGRAM	TOTAL
OPERATING REVENUES			
Food Sales	\$ 12,109	\$ -	\$ 12,109
Participant Fees	-	13,295	13,295
Total Operating Revenues	<u>12,109</u>	<u>13,295</u>	<u>25,404</u>
OPERATING EXPENSES			
Food Cost	26,401	400	26,801
Salaries	22,044	8,166	30,210
Employee Benefits	4,480	1,494	5,974
Materials and Supplies	2,219	392	2,611
Utilities	118	-	118
Depreciation	1,709	-	1,709
Contracted Services	3,464	292	3,756
Indirect Costs	3,458	1,310	4,768
Other	998	185	1,183
Total Operating Expenses	<u>64,891</u>	<u>12,239</u>	<u>77,130</u>
OPERATING INCOME (LOSS)	<u>(52,782)</u>	<u>1,056</u>	<u>(51,726)</u>
NON-OPERATING REVENUES			
U. S. Government Subsidy	52,934	-	52,934
U. S. Government Commodities	4,495	-	4,495
Other	50	-	50
Interest Revenues	177	36	213
Total Non-Operating Revenues	<u>57,656</u>	<u>36</u>	<u>57,692</u>
INCOME BEFORE CONTRIBUTIONS AND TRANSFER	<u>4,874</u>	<u>1,092</u>	<u>5,966</u>
CAPITAL CONTRIBUTIONS	743	-	743
TRANSFER IN	<u>347</u>	<u>-</u>	<u>347</u>
CHANGE IN NET POSITION	5,964	1,092	7,056
TOTAL NET POSITION--Beginning of Year	<u>34,009</u>	<u>2,746</u>	<u>36,755</u>
TOTAL NET POSITION--End of Year	<u>\$ 39,973</u>	<u>\$ 3,838</u>	<u>\$ 43,811</u>

The notes to the basic financial statements are an integral part of this statement.

CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2016
(Amounts expressed in thousands)

	MAJOR FUND	NON-MAJOR FUND	TOTAL
	CHILD NUTRITION PROGRAM	AFTER SCHOOL ENRICHMENT PROGRAM	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Participants	\$ 12,177	\$ 13,309	\$ 25,486
Cash Paid to Employees	(27,352)	(9,898)	(37,250)
Cash Paid to Suppliers	(33,035)	(2,590)	(35,625)
Net Cash Provided (Used) In Operating Activities	<u>(48,210)</u>	<u>821</u>	<u>(47,389)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
Non-Operating grants received	53,267	-	53,267
Transfer In	347	-	347
Miscellaneous revenues	50	-	50
Net Cash Provided By Non-Capital Financing Activities	<u>53,664</u>	<u>-</u>	<u>53,664</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition of Equipment	(721)	-	(721)
Net Cash Used In Capital and Related Financing Activities	<u>(721)</u>	<u>-</u>	<u>(721)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on Investments	177	36	213
Net Cash Provided By Investing Activities	<u>177</u>	<u>36</u>	<u>213</u>
INCREASE IN CASH AND CASH EQUIVALENTS			
CASH AND CASH EQUIVALENTS--Beginning of Year	26,380	4,798	31,178
CASH AND CASH EQUIVALENTS--End of Year	<u>\$ 31,290</u>	<u>\$ 5,655</u>	<u>\$ 36,945</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
Operating Income (Loss)	\$ (52,782)	\$ 1,056	\$ (51,726)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used)			
In Operating Activities:			
Depreciation	1,709	-	1,709
Loss on Disposals	4	-	4
Donated Commodities	4,495	-	4,495
Change in Assets, Deferred Outflows and Inflows of Resources and Liabilities:			
Accounts Receivable	(32)	(7)	(39)
Inventories	(532)	-	(532)
Deferred Outflows of Resources	(11)	(13)	(24)
Accounts Payable	(344)	(10)	(354)
Accrued Salaries, Wages and Benefits	-	8	8
Unearned Revenue	99	21	120
Longevity Payable	8	-	8
Compensated Absences	(79)	(7)	(86)
Net Pension Liability	2,013	738	2,751
Deferred Inflows of Resources	(2,758)	(965)	(3,723)
Total Adjustments	<u>4,572</u>	<u>(235)</u>	<u>4,337</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (48,210)</u>	<u>\$ 821</u>	<u>\$ (47,389)</u>
NON-CASH CAPITAL AND RELATED FINANCING ACTIVITIES			
Transfer of Equipment from Other Funds	<u>\$ 743</u>	<u>\$ -</u>	<u>\$ 743</u>

The State Public School Fund paid salaries and benefits of \$46 thousand to administrative personnel of the Child Nutrition Fund during the fiscal year. The General Fund paid \$301 thousand for uncollectible meal sales. The payments are reflected as a transfer on the Statement of Revenues, Expenses and Changes in Fund Net Position, page 29. The Child Nutrition Fund received donated commodities with a value of \$4.5 million during the fiscal year. The receipt of the commodities is recognized as a Non-Operating Revenue. Capital Assets of \$743 thousand were donated to the Child Nutrition Fund.

The notes to the basic financial statements are an integral part of this statement.

CHARLOTTE-MECKLENBURG BOARD OF EDUCATION

NOTES TO BASIC FINANCIAL STATEMENTS

For the Year Ended June 30, 2016

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Charlotte-Mecklenburg Board of Education conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant accounting policies.

A. Reporting Entity

The Charlotte-Mecklenburg Board of Education (the Board or CMS) is a Local Education Agency empowered by State law [Chapter 115C of the North Carolina General Statutes] with the responsibility to oversee and control the activities related to public school education in Charlotte-Mecklenburg, North Carolina. The Board receives state, local, and federal government funding and must adhere to the legal requirements of each funding entity. Although Mecklenburg County (the County) levies all taxes, the Board determines how the school system will spend the funds generated for schools. The County cannot modify the school system's budget, nor is the County entitled to share in any surpluses or required to finance any deficits of the school system. For these reasons, the Board is not fiscally dependent on the County and therefore is recognized as a primary government. The Board also receives funding from state and federal government sources and must comply with the requirements of those funding entities.

B. Basis of Presentation

Government-Wide Statements: The Statement of Net Position and the Statement of Activities display information about the Board. These statements include the financial activities of the overall government. Interfund services provided and used are not eliminated in the process of consolidation. These statements distinguish between the *governmental* and *business-type activities* of the Board. Governmental activities generally are financed through intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The Statement of Activities presents a comparison between direct expenses and program revenues for the different business-type activities of the Board and for each function of the Board's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the Board's funds. Separate statements for each fund category – *governmental* and *proprietary* – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as non-major funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities.

The Board reports the following major governmental funds:

General Fund: The General Fund is the general operating fund of the Board. The General Fund accounts for all financial resources except those that are required to be accounted for in another fund. This fund is the "Local Current Expense Fund," which is mandated by State law [G.S. 115C-426].

State Public School Fund: The State Public School Fund includes appropriations from the Department of Public Instruction for the current operating expenditures of the public school system.

Individual Schools Fund: The Individual Schools Fund includes revenues and expenditures of the activity funds of the individual schools. The primary revenue sources include funds held on the behalf of various clubs and organizations, receipts from athletic events, and proceeds from various fund raising activities. The primary expenditures are for athletic teams, club programs, activity buses, and instructional needs.

Capital Projects Fund: The Capital Projects Fund accounts for financial resources to be used for the acquisition and construction of major capital facilities (other than those financed by proprietary funds and trust funds). It is mandated by State law [G.S. 115C-426]. Capital projects are funded by Mecklenburg County appropriations and proceeds of Mecklenburg County bonds issued for public school construction.

CHARLOTTE-MECKLENBURG BOARD OF EDUCATION

NOTES TO BASIC FINANCIAL STATEMENTS

For the Year Ended June 30, 2016

Direct Federal Grants Fund: The Direct Federal Grants Fund is used to account for grant monies administered through the US Department of Education, US Department of Health and Human Services and other federal grants from various government agencies.

Special Revenue Fund: The Special Revenue Fund is used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes including local, state, and federal government grants and private donations received from individual and corporate donors.

The Board reports the following major enterprise fund:

Child Nutrition Program: The Child Nutrition Program is used to account for the food service program within the school system.

C. Measurement Focus and Basis of Accounting

Government-Wide and Proprietary Fund Financial Statements: The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the Board gives (or receives) value without directly receiving (or giving) equal value in exchange, include grants and donations. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements: Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The Board considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. These could include federal, state, and county grants, and some charges for services. Expenditures are recorded when the related fund liability is incurred, except for claims and judgments and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Acquisitions under capital leases are reported as other financing sources.

Under the terms of grant agreements, the Board funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net positions available to finance the program. It is the Board's policy to first apply cost-reimbursement grant resources to such programs and then, general revenues.

All governmental and business-type activities of the Board follow FASB Statements and Interpretations issued on or before November 30, 1989, Accounting Principles Board Opinions, and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements.

D. Budgetary Data

The *North Carolina School Budget and Fiscal Control Act* requires separate budgeting and accounting for resources entitled "Local Current Expense" (General), "State Public School", "Capital Projects", "State Administered Federal Fund", "Special Revenue Fund" and "Direct Federal Grants." These represent the principal operating resources available to the Board. Formal budgetary integration, including encumbrance accounting, is used during the fiscal year for the Governmental Funds. Budgetary comparisons, therefore, are on an encumbered, non-GAAP basis.

(Amounts expressed in thousands)

	General	State Public School Fund	Capital Projects	State Administered Federal Fund	Special Revenue Fund	Direct Federal Grants
Revenues over (under) expenditures and other financing sources (uses), Budgetary Basis	\$ 714	\$ (1,726)	\$ (74,410)	\$ (920)	\$ 768	\$ (5,459)
Decrease in Insurance Fund Balance	(320)	-	-	-	-	-
Encumbrances at June 30, 2016	49,850	3,728	85,329	920	40	651
Encumbrances at June 30, 2015	(43,317)	(2,002)	(4,703)	-	(722)	(510)
Change in Fund Balance, GAAP Basis	\$ 6,927	\$ -	\$ 6,216	\$ -	\$ 86	\$ (5,318)

CHARLOTTE-MECKLENBURG BOARD OF EDUCATION

NOTES TO BASIC FINANCIAL STATEMENTS

For the Year Ended June 30, 2016

CMS operates under an annual balanced budget adopted and administered in accordance with the *North Carolina School Budget and Fiscal Control Act*. The State law promulgates a standard budget format, which defines budgetary control at the fund, purpose/function or project level. The State law also provides for budget amendments and transfers. The budget amounts reported in the financial statements reflect approved amendments and transfers made during the year.

Annual budgets are adopted for all funds, except the individual schools fund, as required by the North Carolina General Statutes. State law for individual school funds requires no budget. All budgets are prepared using the modified accrual basis of accounting. The primary sources of revenues for the General Fund are budgeted allocations and appropriations from the State of North Carolina, Mecklenburg County and the Federal Government. Unexpended allocations from the State of North Carolina generally lapse at the end of the fiscal year; unexpended federal program allocations lapse on the program termination date. If any appropriations from Mecklenburg County are unexpended at the end of the fiscal year, they are included in the ending fund balance of the General Fund.

The appropriations in the various funds are formally budgeted and controlled at the functional level. Expenditures may not legally exceed appropriations at the functional level for all annually budgeted funds. By resolution of the Board, the Financial Officer, with the approval of the Superintendent, is authorized to transfer appropriations within a fund as follows:

- Proposed expenditures from State, Federal, or other sources of revenues, may be amended upon the receipt of information altering the anticipated revenues. A report of such budget amendments shall be made to the Board of Education on a monthly basis.
- Allocations may be transferred within a function with a report of such transfers made to the Board of Education on a monthly basis.
- Transfers between functions or from contingency appropriations may be made with a report of such transfers made to the Board of Education.
- Transfers between funds shall not be made without prior approval of the Board of Education.
- The Board and the Board of County Commissioners must approve transfers to or from the "Capital Outlay" allocation.

North Carolina state law prohibits school systems from raising funds via direct taxation or issuance of debt. Mecklenburg County raises revenue to be used by the school system for capital projects from bond issues. The Board approves capital projects on a project-by-project basis. Although projects may continue for longer than one year, detail budgets, including encumbrance accounting are used to manage the projects. Bonds are available to the school system as project costs become measurable and do not lapse at year-end. Capital project revenues recognized from the State of North Carolina represent funds available to county governments to help them meet public school facility capital needs. The Board obtains state funds through the County on a cost reimbursement basis. The funds do not lapse at year-end.

Over the course of the year, the Board approved budget amendments in the general fund totaling \$376,809. The estimates in the general fund adopted budget for interest revenue, police sales and restitution were understated. The cause of this could only be attributed to the increase in interest dollars earned on deposits and the increase in dollars collected and passed to the school district by the judiciary system.

II. Assets, Liabilities, and Fund Equity

1. Deposits

All of the Board's deposits are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits exceeding the federal depository insurance coverage level are collateralized with securities held by the Board's agents in the unit's name. Under the Pooling Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the Board, these deposits are considered to be held by the agent in the entity's name. The amount of the pledged collateral is based on an approved averaging method for non-interest bearing deposits and the actual current balance for interest-bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the Board or with the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the Board under the Pooling Method, the potential exists for under-collateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer of

CHARLOTTE-MECKLENBURG BOARD OF EDUCATION

NOTES TO BASIC FINANCIAL STATEMENTS

For the Year Ended June 30, 2016

North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method. The Board has no policy regarding custodial credit risk for deposits.

On June 30, 2016, \$1.9 million of bank balances were covered by federal depository insurance and \$36.1 million were covered by collateral using the Pooling Method. Cash related to insurance reserves of \$14.0 million is held by the Division of Insurance and Risk Management, City of Charlotte, as administrator, for payment of insurance premiums or claims.

The carrying value of cash and cash equivalents at June 30, 2016 (expressed in thousands) is:

North Carolina Short-Term Investment Fund	\$	166,119
North Carolina Capital Management Trust		562
Cash in Banks		<u>22,711</u>
	\$	<u>189,392</u>

2. Investments

State statutes authorize the Board to invest in obligations of the U.S. Treasury; obligations of any agency of the United States of America, provided the payment of interest and principal of such obligations is fully guaranteed by the United States; obligations of the State of North Carolina; bonds and notes of any North Carolina local government or public authority; certain non-guaranteed federal agencies; certain issues of commercial paper and banker's acceptances; the North Carolina Capital Management Trust (NCCMT), a SEC-registered (2a-7) money market mutual fund; and the North Carolina Short Term Investment Fund (STIF).

The STIF is managed by the staff of the Department of State Treasurer and operated in accordance with state laws and regulations. It is not registered with the SEC. It consists of an internal portion and an external portion in which the board participates. Investments are restricted to those enumerated in G.S. 147-69.1.

At June 30, 2016, the Board of Education had \$562,148 invested with the North Carolina Capital Management Trust's Term Portfolio which is unrated and has a weighted average maturity of .14 years. There was \$166,119,036 invested with the State Treasurer in the Short Term Investment Fund (STIF). The STIF is unrated and has a weighted average maturing of 1.5 years. The Board has no policy for managing interest rate risk or credit risk.

The Board's investments are reported at fair value determined by either quoted market prices or a matrix pricing model. Valuation of the underlying assets is performed by the custodian. Under the authority of G.S. 147-69.3, no unrealized gains or losses of the STIF are distributed to external participants of the fund.

All investments are measured using the market approach. The NCCMT is classified in level 1 of the fair value hierarchy and is valued using directly observable, quoted prices (unadjusted) in active markets for identical assets. The STIF is classified in level 2 of the fair value hierarchy and is valued using prices that are either directly or indirectly observable for an asset or liability.

3. Cash and Cash Equivalents

The Board pools money from several funds to facilitate disbursement and investment and to maximize investment income. Therefore, all cash and investments are essentially demand deposits and are considered cash and cash equivalents.

4. Inventories

The Board uses the purchases method to account for inventories in the governmental funds. The inventories of the Board's General Fund consist of expendable materials and supplies, which are recorded as expenditures when purchased. At the end of each fiscal year, inventory and applicable expense accounts are adjusted to reflect actual inventory on hand. The inventories are valued at average cost.

The Board uses the consumption method to account for inventories in the proprietary funds. Inventories consist of food and supplies and are recorded as expenses when consumed.

CHARLOTTE-MECKLENBURG BOARD OF EDUCATION

NOTES TO BASIC FINANCIAL STATEMENTS

For the Year Ended June 30, 2016

5. Capital Assets

Donated assets received prior to July 1, 2015 are recorded at their estimated fair value at the date of donation or forfeiture. Donated capital assets received after July 1, 2015 are recorded at acquisition value. All other capital assets are recorded at original cost. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets. Land, buildings and building improvements are recorded at historical cost or estimated historical cost if purchased or constructed.

The County holds title to certain properties, which are reflected as capital assets in the financial statements of the Board. The properties have been deeded to the County to permit the County to receive refunds of sales tax paid for construction costs. Agreements between the County and the Board give the schools full use of the facilities, full responsibility for maintenance of the facilities, and provides that the County will convey title of the property back to the Board, once all restrictions of the financing agreements and all sales tax reimbursement requirements have been met.

It is the policy of the Board to capitalize all capital assets costing \$5,000 or more with an estimated useful life of two or more years. In addition, library books purchased in large quantities are capitalized. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

	<u>Years</u>
Buildings	35 - 50
Equipment	10 - 12
Library books	7
Vehicles and motorized equipment	6
Computer equipment	3

Land and construction in progress are not depreciated.

6. Deferred outflows and inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflow of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The Board has one item that meets this criterion - contributions made to the pension plan in the current fiscal year. The statement of financial position also reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The Board has several pension related deferrals that meets this criterion.

7. Unearned Revenue

Unearned revenue in the State Public School Fund, Special Revenue Fund and Direct Federal Grants Fund is principally for summer school tuition and programs for which funds have been received but not earned.

Unearned revenue in the Enterprise Funds represents registration and program fees received for the After School Enrichment Program and prepaid lunches for the Child Nutrition Program.

8. Compensated Absences

The Board follows the State's policy for vacation and sick leave. Employees may accumulate up to fifty-five (55) days earned vacation leave with such leave being fully vested when earned. For the Board, the current portion of the accumulated vacation pay is not considered to be material. The Board's liability for accumulated earned vacation and the salary-related payments as of June 30, 2016 is recorded in the government-wide and proprietary fund financial statements on a FIFO basis. An estimate has been made, based on prior years' records, of the current portion of compensated absences. Compensated absences are reported in governmental funds only if there is unused leave still outstanding at year-end following an employee's resignation or retirement.

CHARLOTTE-MECKLENBURG BOARD OF EDUCATION

NOTES TO BASIC FINANCIAL STATEMENTS

For the Year Ended June 30, 2016

The sick leave policy of the Board provides for an unlimited accumulation of earned sick leave. Sick leave does not vest, but any unused sick leave accumulated at the time of retirement may be used in the determination of length of service for retirement benefit purposes. Since the board has no obligation for accumulated sick leave until it is actually taken, no accrual for sick leave has been made.

9. Intergovernmental Expenditures

The 1997 North Carolina General Assembly passed legislation creating charter schools, an alternative to traditional public school education. Charter schools are separate entities and are not a component unit of the local school system. As part of the funding for charter schools, the legislation requires a portion of the local county funds designated for education to be redirected to charter schools.

The portion of local education funds redirected to the charter schools operating in Mecklenburg County in 2015-2016 was \$38,168,265. The amount was calculated in accordance with the legislation and passed through the Board.

10. Net Position/Fund Balances

Net Position in the government-wide and proprietary fund financial statements is classified as net investment in capital assets; restricted; and unrestricted. Fund Balance noted as restricted net position represent constraints on resources that are either externally imposed by creditors, grantors, contributors, or the law or regulations of other governments, or imposed by law through state statute.

In the governmental fund financial statements, fund balance is composed of four classifications designed to disclose the hierarchy of constraints placed on how fund balance can be spent. The government fund types classify fund balances as follows:

Nonspendable Fund Balance – This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Inventories – portion of fund balance that is not an available resource because it represents the year-end balance of ending inventories, which are not spendable resources.

Restricted Fund Balance – This classification includes amounts that are restricted to specific purposes externally imposed by creditors or imposed by law.

Restricted for Stabilization by State Statute – portion of fund balance that is restricted by State Statute [G.S. 115C-425(a)]. The districts reserve for encumbrances and accounts receivables are included in this section.

Restricted for Individual Schools – revenue sources restricted for expenditures for the various clubs and organizations, athletic events, and various fund raising activities for which they were collected.

Restricted for Insurance Claims – portion of fund balance that is restricted to meet claims incurred or expected to be incurred as determined by actuarial studies.

Assigned Fund Balance – This classification includes a portion of fund balance that Charlotte-Mecklenburg Board of Education intends to use for specific purposes.

Special Revenue – portion of fund balance that will be used by special revenue fund activities, as determined by the governing body. A significant portion of the current year special revenue assigned fund balance is for Medicaid Fee for Service reimbursement which will be used for exceptional children support services.

Subsequent Year's Expenditures – portion of fund balance that is appropriated in the next year's budget that is not already classified in restricted or committed. The governing body approves the appropriation; however, the budget ordinance authorizes the Superintendent to transfer appropriations as disclosed in the notes to the basic financial statements at Note I (D).

Unassigned Fund Balance – This classification includes a portion of fund balance that has not been restricted, committed, or assigned to specific purposes. The general fund is the only fund that reports a positive unassigned fund balance amount.

CHARLOTTE-MECKLENBURG BOARD OF EDUCATION

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11. Defined Benefit Pension Plan

For purposes of measuring the net pension asset, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Teachers' and State Employees' Retirement System (TSERS) and additions to/deductions from TSERS' fiduciary net position have been determined on the same basis as they are reported by TSERS. For this purpose, plan member contributions are recognized in the period in which the contributions are due. The Board's employer contributions are recognized when due and the Board has a legal requirement to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of TSERS. Investments are reported at fair value.

12. Capital Assets

Capital asset activity for the year ended June 30, 2016, was as follows (expressed in thousands):

	Balance 6/30/15	Increases	Decreases & Transfers to In-Service	Ending Balance 6/30/16
Governmental Activities				
Capital assets, not being depreciated:				
Land	\$ 124,216	\$ 3,133	\$ -	\$ 127,349
Construction in progress	87,479	87,833	(84,370)	90,942
Total capital assets not being depreciated	211,695	90,966	(84,370)	218,291
Capital assets being depreciated:				
Buildings and Improvements	2,307,489	76,240	-	2,383,729
Equipment, Library and Vehicles	193,892	15,395	(4,378)	204,909
Total capital assets being depreciated	2,501,381	91,635	(4,378)	2,588,638
Total Assets	2,713,076	182,601	(88,748)	2,806,929
Less accumulated depreciation for:				
Buildings and Improvements	(701,806)	(52,699)	-	(754,505)
Equipment, Library and Vehicles	(137,962)	(13,068)	4,308	(146,722)
Total accumulated depreciation	(839,768)	(65,767)	4,308	(901,227)
Government activities capital assets, net	\$ 1,873,308	\$ 116,834	\$ (83,583)	\$ 1,905,702
Business-type Activities				
Child Nutrition Fund:				
Capital assets being depreciated:				
Equipment & Vehicles	\$ 31,018	\$ 1,463	\$ (400)	\$ 32,081
Less accumulated depreciation for:				
Equipment & Vehicles	(22,002)	(1,709)	396	(23,315)
Business-type activities capital assets, net	\$ 9,016	\$ (246)	\$ (4)	\$ 8,766

Depreciation expense was charged to functions/programs of CMS as follows (expressed in thousands):

Governmental activities:	
Regular Instructional	\$ 62,170
Business Support	3,499
Co-curricular	85
Special Instructional	13
	<u>\$ 65,767</u>

13. Retirement Plan, Other Employment and Post-Employment Benefits

a. Teachers' and State Employees' Retirement System

Plan Description. The Board is a participating employer in the statewide Teachers' and State Employees' Retirement System (TSERS), a cost-sharing multiple-employer defined benefit pension plan administered by the State of North Carolina. TSERS membership is comprised of employees of the State (state agencies and institutions), universities, community colleges, and certain proprietary component units along with the employees of Local Education Agencies

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and charter schools. Article 1 of G.S. Chapter 135 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Management of the plan is vested in the TSERS Board of Trustees, which consists of 13 members – nine appointed by the Governor, one appointed by the state Senate, one appointed by the

state House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio members. The Teachers' and State Employees' Retirement System is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes financial statements and required supplementary information for TSERS. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, by calling (919) 981-5454, or at www.osc.nc.gov.

Benefits Provided. TSERS provides retirement and survivor benefits. Retirement benefits are determined as 1.82% of the member's average final compensation times the member's years of creditable service. A member's average final compensation is calculated as the average of a member's four highest consecutive years of compensation.

General employee plan members are eligible to retire with full retirement benefits at age 65 with five years of creditable service (or 10 years of creditable service for members joining TSERS on or after August 1, 2011), at age 60 with 25 years of creditable service, or at any age with 30 years of creditable service. General employee plan members are eligible to retire with partial retirement benefits at age 50 with 20 years of creditable service or at age 60 with five years of creditable service (or 10 years of creditable service for members joining TSERS on or after August 1, 2011). Survivor benefits are available to eligible beneficiaries of members who die while in active service or within 180 days of their last day of service and who have either completed 20 years of creditable service regardless of age or have completed five years of service and have reached age 60 (10 years for members joining on or after August 1, 2011). Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions. The plan does not provide for automatic post-retirement benefit increases. Increases are contingent upon actuarial gains of the plan.

TSERS plan members who are LEOs are eligible to retire with full retirement benefits at age 55 with five years of creditable service as an officer (or 10 years of creditable service for members joining TSERS on or after August 1, 2011), or at any age with 30 years of creditable service. LEO plan members are eligible to retire with partial retirement benefits at age 50 with 15 years of creditable service as an officer. Survivor benefits are available to eligible beneficiaries of LEO members who die while in active service or within 180 days of their last day of service and who also have either completed 20 years of creditable service regardless of age, or have completed 15 years of service as a LEO and have reached age 50, or have completed five years of creditable service as a LEO and have reached age 55, or have completed 15 years of creditable service as a LEO if killed in the line of duty. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions.

Contributions. Contribution provisions are established by General Statute 135-8 and may be amended only by the North Carolina General Assembly. Board employees are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the TSERS Board of Trustees. The Board's contractually required contribution rate for the year ended June 30, 2015, was 9.15% of covered payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year. Contributions to the pension plan from the Board were \$68.4 million for the year ended June 30, 2016.

Refunds of Contributions. Board employees who have terminated service as a contributing member of TSERS, may file an application for a refund of their contributions. By state law, refunds to members with at least five years of service include 4% interest. State law requires a 60 day waiting period after service termination before the refund may be paid. The acceptance of a refund payment cancels the individual's right to employer contributions or any other benefit provided by TSERS.

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

At June 30, 2016, the Board reported a liability of \$209.2 million for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2015. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2014. The total pension liability was then rolled forward to the measurement date of June 30, 2015 utilizing update procedures incorporating the actuarial assumptions. The Board's proportion of the net pension liability was based on a projection of the Board's long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension

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plan of all participating TSERS employers, actuarially determined. At June 30, 2015 and at June 30, 2014, the Board's proportion was 5.7%.

For the year ended June 30, 2016, the Board recognized pension expense of \$18.4 million. At June 30, 2016, the Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experiences	\$ -	\$ 23,794
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	22,673
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	7,912
Employer contributions subsequent to the measurement date	68,385	-
	\$ 68,385	\$ 54,379

\$68.39 million reported as deferred outflows of resources related to pensions resulting from Board contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2017	\$	(29,647)
2018		(29,647)
2019		(28,596)
2020		33,511
2021		-
Thereafter		-
	\$	(54,379)

Actuarial Assumptions. The total pension liability in the December 31, 2014 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 percent
Salary increases	4.25 to 9.10 percent, including inflation and productivity factor
Investment rate of return	7.25 percent, net of pension plan investment expense, including inflation

The plan currently uses mortality tables that vary by age, gender, employee group (i.e. general, law enforcement officer) and health status (i.e. disabled and healthy). The current mortality rates are based on published tables and based on studies that cover significant portions of the U.S. population. The healthy mortality rates also contain a provision to reflect future mortality improvements.

The actuarial assumptions used in the December 31, 2014 valuation were based on the results of an actuarial experience study for the period January 1, 2005 through December 31, 2009.

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Future ad hoc COLA amounts are not considered to be substantively automatic and are therefore not included in the measurement.

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. Global public equity return projections are established through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies' return projections reflect the foregoing and historical data analysis. These projections 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 as of June 30, 2014 are summarized in the following table:

Asset Class	Target Allocation	Long- Term Expected Real Rate of Return
Fixed Income	29.0%	2.2%
Global Equity	42.0%	5.8%
Real Estate	8.0%	5.2%
Alternatives	8.0%	9.8%
Credit	7.0%	6.8%
Inflation Protection	6.0%	3.4%
Total	100%	

The information above is based on 30 year expectations developed with the consulting actuary for the 2014 asset liability and investment policy study for the North Carolina Retirement Systems, including TSERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.19%. All rates of return and inflation are annualized.

Discount rate. The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the County's proportionate share of the net pension asset to changes in the discount rate. The following, expressed in thousands, presents the Board's proportionate share of the net pension liability calculated using the discount rate of 7.25 percent, as well as what the Board's proportionate share of the net pension asset or net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	1% Decrease Rate (6.25%)	Discount Rate (7.25%)	1% Increase Rate (8.25%)
Board's proportionate share of the net pension liability (asset)	\$629,851	\$209,272	(\$147,638)

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued Comprehensive Annual Financial Report (CAFR) for the State of North Carolina.

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b. Other Postemployment Benefits

1. Healthcare Benefits

Plan Description. The postemployment healthcare benefits are provided through a cost-sharing multiple-employer defined benefit plan administered by the Executive Administrator and the Board of Trustees of the Comprehensive Major Medical Plan (the Plan). The Executive Administrator and the Board of Trustees of the Plan establishes premium rates except as may be established by the General Assembly in an appropriation act. The Plan's benefit and contribution provisions are established by Chapter 135-7, Article 1, and Chapter 135, Article 3 of the General Statutes and may be amended only by the North Carolina General Assembly. By General Statute, the Plan accumulates contributions from employers and any earnings on those contributions in the Retiree Health Benefit Fund. These assets shall be used to provide health benefits to retired and disabled employees and their applicable beneficiaries. These contributions are irrevocable. Also by law, these assets are not subject to the claims of creditors of the employers making contributions to the Plan.

The State of North Carolina issues a publicly available financial report that includes financial statements and required supplementary information for the State's Comprehensive Major Medical Plan (also, referred to as the State Health Plan). An electronic version of this report is available by accessing the North Carolina Office of the State Controller's Internet home page <http://www.ncosc.net/> and clicking on "Financial Reports", or by calling the State Controller's Financial Reporting Section at (919) 981-5454 or by email: osc.web.team@osc.nc.gov.

Funding Policy. The Comprehensive Major Medical Plan is administered by the Executive Administrator and Board of Trustees of the Plan, which establishes premium rates except as, may be established by the General Assembly in an appropriation act. The healthcare benefits for retired and disabled employees are the same as for active employees, except that the coverage becomes secondary when former employees become eligible for Medicare. For employees first hired on and after October 1, 2006, future coverage as retired employees is subject to the requirement that the future retiree have 20 or more years of retirement service credit in order to receive coverage on a noncontributory basis. Employees first hired on and after October 1, 2006 with 10 but less than 20 years of retirement service credit are eligible for coverage on a partially contributory basis. For such future retirees, the State will pay 50% of the State Health Plan's total noncontributory premium. For employees hired before October 1, 2006, healthcare benefits are provided to retirees (at no charge to the retirees) who have at least five years of contributing retirement membership prior to disability or retirement. In addition, persons who became surviving spouses of retirees prior to October 1, 1986, receive the same coverage as retirees at the State's expense.

Contributions are determined as a percentage of covered monthly payrolls. Annually, the monthly contribution rates to the Plan, which are intended to finance benefits and administrative expenses on a pay-as-you-go basis, are determined by the General Assembly in the Appropriations Bill. For the fiscal years ended June 30, 2016, 2015, and 2014, the School Board paid all annual required contributions to the Plan for postemployment healthcare benefits of \$41.3 million, \$40.0 million, and \$37.4 million, respectively. These contributions represented 5.6%, 5.49%, and 5.4% of covered payroll, respectively.

2. Long-term Disability Benefits

Plan Description. Short-term and long-term disability benefits are provided through the Disability Income Plan of North Carolina (DIPNC), a cost-sharing, multiple-employer defined benefit plan. The DIPNC is administered by the Board of Trustees of the Teachers' and State Employees' Retirement System. Long-term disability benefits are payable as another postemployment benefit from DIPNC after the conclusion of the short-term disability period or after salary continuation payments cease, whichever is later, for as long as an employee is disabled. Benefit and contribution provisions are established by Chapter 135, Article 6, of the General Statutes and may be amended only by the North Carolina General Assembly. The Plan accumulates contributions from employers and any earnings on those contributions in the Disability Income Plan Trust Fund. The plan does not provide for automatic post-retirement benefit increases.

The State of North Carolina issues a publicly available financial report that includes financial statements and required supplementary information for the DIPNC. An electronic version of this report is available by accessing the North Carolina Office of the State Controller's Internet home page <http://www.ncosc.net/> and clicking on "Financial Reports", or by calling the State Controller's Financial Reporting Section at (919) 981-5454.

Funding Policy. An employee is eligible to receive long-term disability benefits provided the following requirements are met: (1) the employee has five or more years of contributing membership service in the Teachers' and State Employees' Retirement System of North Carolina, earned within 96 months prior to the end of the short-term

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disability period or cessation of salary continuation payments, whichever is later; (2) the employee must make application to receive long-term benefits within 180 days after the conclusion of the short-term disability period or after salary continuation payments cease or after monthly payments for Workers' Compensation cease (excluding monthly payments for permanent partial benefits), whichever is later; (3) the employee must be certified by the Medical Board to be mentally or physically disabled for the further performance of his/her usual occupation; (4) the disability must have been continuous, likely to be permanent, and incurred at the time of active employment; (5) the employee must not be eligible to receive an unreduced retirement benefit from the Retirement System; and (6) the employee must terminate employment as a permanent, full-time employee. An employee is eligible to receive an unreduced retirement benefit from the Retirement System after (1) reaching the age of 65 and completing five years of creditable service, or (2) reaching the age of 60 and completing 25 years of creditable service, or (3) completing 30 years of creditable service, at any age.

For members with five or more years of membership service as of July 31, 2007, the monthly long-term disability benefit is equal to 50% of one-twelfth of an employee's annual base rate of compensation last payable to the participant or beneficiary prior to the beginning of the short-term disability period, plus the like percentage of one twelfth of the annual longevity payment to which the participant or beneficiary would be eligible. The monthly benefits are subject to a maximum of \$3,000 per month reduced by any primary Social Security disability benefits and by monthly payments for Workers' Compensation to which the participant or beneficiary may be entitled. The monthly benefit shall be further reduced by the amount of any monthly payments from the Department of Veterans Affairs, any other federal agency or any payments made under the provisions of G.S.127A-108, to which the participant or beneficiary may be entitled on account of the same disability. Provided in any event, the benefits payable shall be no less than \$10 a month. When an employee qualifies for an unreduced service retirement allowance from the Retirement System, the benefits payable from DIPNC will cease, and the employee will commence retirement under the TSERS. For members who obtain five years of membership service on or after August 1, 2007, the monthly long-term disability benefit is reduced by the primary Social Security retirement benefit to which you might be entitled should you become age 62 during the first 36 months. After the first 36 months of the long-term disability period, the long-term disability benefit is reduced by an amount equal to a primary Social Security disability benefit. If approved for long-term disability benefits, an irrevocable election may be made to forfeit the long-term disability benefit and retire on an early service retirement allowance or receive a return of contributions from the Retirement System. When an employee qualifies for an unreduced service retirement allowance from the Retirement System, the benefits payable from DIPNC will cease, and the employee will commence retirement under the TSERS.

The Board's contributions are established in the Appropriations Bill by the General Assembly. Benefit and contribution provisions are established by Chapter 135, Article 6, of the General Statutes and may be amended only by the North Carolina General Assembly. The contributions cannot be separated between the amounts that relate to other postemployment benefits and employment benefits for active employees.

Those individuals who are receiving extended short-term disability benefit payments cannot be separated from the number of members currently eligible to receive disability benefits as another postemployment benefit. For the fiscal years ended June 30, 2016, 2015, and 2014, the Board paid all annual required contributions to the DIPNC for disability benefits of \$3.0 million, \$3.0 million, and \$3.0 million, respectively. These contributions represented .41%, .41%, and .44% of covered payroll, respectively.

Death benefits are provided through the Death Benefit Trust Plan (Death Plan) for member of the Plan, a multiple-employer State administered cost-sharing plan funded on a one-year term cost basis. Lump sum death benefits are provided to employees (1) who die in active State service after one year of contributing membership service in the Plan, or (2) who die within 180 days after the retirement or termination of State service and have at least one year of contributing membership service in the Plan at the time of death. The death benefit payment is equal to the employee's sequentially highest 12 months salary during the 24 months prior to death, but must be a least \$25,000 and no more than \$50,000.

Charlotte-Mecklenburg Schools does provide benefit eligible employees with paid basic term life insurance of \$10,000. Employees who are permanent full-time or part-time employees are eligible to receive the paid benefit. The benefit does not continue post-employment. The benefit is paid in the event of the employee's death while employed with CMS to the employee's designated beneficiary.

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14. Commitments and Contingencies

State law requires that all contracts be recorded as encumbrances when signed. At year end, the Board's commitments with contractors for school construction totaled approximately \$76 million. These commitments will be funded by future revenues from Mecklenburg County.

CMS is involved in various pending and threatened claims and legal actions pertaining to the normal course of business activities. In the opinion of CMS's management, the ultimate resolution of these contingencies individually or in the aggregate will not have a material adverse effect on CMS's financial position.

CMS receives funds from state and federal grantor agencies that require periodic audits of the grant funds. Certain costs may be questioned during the audits as to appropriateness under the grant terms, and such questioned costs could result in a refund of grant monies to the grantor agency. CMS's management believes any required refunds resulting from such audits would be immaterial.

15. Risk Management

On July 1, 1993, the board established a Self-Funded Loss Program (the Program) administered by the Risk Management Division of the City of Charlotte Finance Department. The Program includes the following areas of risks: Commercial General Liability, Automobile Liability and Physical Damage, and Workers' Compensation. Property and other insurance coverage is purchased for risks that are best covered by an independent insurance carrier. There has been minimal change in the level of insurance coverage between years and no settlements by independent carriers have exceeded insurance coverage in the last three years.

The Program establishes a Loss Fund for accumulating resources to meet the financial needs of the Program not otherwise covered by insurance contracts. Contributions will be made to the fund as needed, preferably annually, in amounts believed to be sufficient to meet claims incurred or expected to be incurred as determined by actuarial studies. Payments for claims under the terms of the Program are limited to a total of \$1 million per any one occurrence for General Liability and Automobile Liability, \$500,000 per any one claim for Workers Compensation and \$25,000 per any one claim for property damage.

The Program is reported as part of the General Fund. The excess of expenditures over revenues in the amount of \$320,000 results in the decrease in retained earnings from fiscal year 2015. The loss decreases the prior year's net position of \$4.43 million to \$4.11 million.

The accounts payable related to self-insurance in the General Fund for the current and prior year is based on GASB Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Claims liabilities are based on the estimated ultimate cost of settling the claims, which includes incremental claim adjustment expenditures/expenses (i.e. outside legal assistance) and estimated recoveries on unsettled claims as required by GASB Statement No. 30. The current portion of the claims liability was determined by using the average of the claims paid over the past three years. The changes in the accounts payable are as follows:

	2016	2015
Accounts payable, Beginning of year	\$ 9,325	\$ 7,550
Payments	(2,727)	(3,598)
Additions	3,324	5,373
Accounts payable, End of year	\$ 9,922	\$ 9,325

In accordance with G.S. 115C-442, the Board's employees who have custody of the Board's monies at any given time are performance bonded through a commercial surety bond. The finance officer is bonded for \$250,000. The remaining employees who have access to funds are bonded under a blanket bond for \$250,000.

16. Long-Term Obligations

a. Capital Leases

The Board leases equipment that is accounted for in the General Fund and is reflected in the government-wide statements. Assets recorded under capital leases at June 30, 2016 amounted to \$1.23 million. Accumulated depreciation relating to these assets was \$1.19 million.

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Under the terms of these leases, the Board's obligation to pay is contingent upon continued appropriation of funds by Mecklenburg County for that purpose. At the end of the lease period, the lessor will transfer title of the equipment to the Board.

The following is a schedule by year of future minimum lease payments and present value of the net minimum lease payments as of June 30, 2016 (expressed in thousands):

Year Ending June 30:

Total Minimum Lease Payments:	
2017	\$ 49.0
Less: Interest	0.1
Present Value of Net Minimum Lease Payments	\$ 48.9

The Board also has various annual lease agreements principally for office equipment, which are classified as operating leases. Operating lease expense for the year ended June 30, 2016 totaled \$780,000.

b. Installment Purchases

The Board is authorized to finance the purchase of school buses under G.S. 115C-528(a). Session law 2003-284, section 7.25 authorized the State Board of Education to allot monies for the payment, on financing contracts entered into pursuant to G.S. 115C-528. The State has accepted the bid to purchase Thomas Built Buses through a special third party financing arrangement.

The future minimum payment of the installment purchase as of June 30, 2016 (expressed in thousands), is as follows:

<u>Year Ending June 30</u>	<u>Government Activities</u>
2017	\$ 1,825
2018	1,170
Total Payment	\$ 2,995

c. Compensated Absences

The Board follows the State's policy for vacation leave. Employees may accumulate up to fifty-five (55) days earned vacation leave with such leave being fully vested when earned. Compensated absences as of June 30, 2016 are as follows:

Government Activities	\$	71,402
Proprietary Funds	\$	1,729

d. Energy Performance Contract

The Board has an Energy Performance Contract Agreement for the purpose of furnishing certain professional services designed to reduce energy consumption and operational costs. The agreement is financed by Wells Fargo Bank. Energy savings resulting from the project are expected to equal or exceed the total costs payable.

The annual debt service requirements for the Energy Performance Contract Agreement (expressed in thousands) are as follows:

<u>Year Ending</u>	<u>Principal</u>	<u>Interest</u>
2017	548	35
2018	567	15
Total Payments	\$ 1,115	\$ 50

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e. Debt Outstanding (expressed in thousands)

The following is a summary of changes in the Board's debt outstanding for the fiscal year ended June 30, 2016:

Governmental Activities	Balance July 1, 2015	Increases	Decreases	Balance June 30, 2016	Current Portion
Capital Leases	\$ 166	\$ -	\$ 117	\$ 49	\$ 49
Installment purchases	349	4,300	1,654	2,995	1,825
Compensated absences	73,343	1,562	3,503	71,402	6,178
Energy Performance Contract	1,644	-	529	1,115	548
Total Governmental	<u>\$ 75,502</u>	<u>\$ 5,862</u>	<u>\$ 5,803</u>	<u>\$ 75,561</u>	<u>\$ 8,600</u>
Business Type Activities					
Compensated absences	\$ 1,815	\$ -	\$ 86	\$ 1,729	\$ 119
Total Business	<u>\$ 1,815</u>	<u>\$ -</u>	<u>\$ 86</u>	<u>\$ 1,729</u>	<u>\$ 119</u>

Compensated absences and capital leases are typically liquidated by the general and other governmental funds.

17. Interfund Balances and Activity (expressed in thousands)

Transfers to/from other funds for the year ended June 30, 2016, consist of the following:	Amount
From the State Public School Fund to the Child Nutrition Fund for administrative costs	\$ 46
From the General Fund to the Child Nutrition Fund for uncollectible meals sales	301
	<u>\$ 347</u>

18. Fund Balance (expressed in thousands)

The Board of Education has a revenue spending policy that provides guidance for programs with multiple revenue sources. The Finance Officer will use resources in the following hierarchy: bond proceeds, federal funds, State funds, local non-board of education funds, board of education funds. For purposes of fund balance classification, expenditures are to be spent from restricted fund balance first, followed in-order by committed fund balance, assigned fund balance and lastly, unassigned fund balance. The Finance Officer has the authority to deviate from this policy if it is in the best interest of the Board of Education.

The following schedule provides management and citizens with information on the portion of General fund balance that is available for appropriation.

Total fund balance – General Fund	\$ 82,799
Less:	
Inventories	931
Stabilization by State Statute	51,953
Insurance Claims	4,117
Appropriated Fund Balance in 2017 budget	8,300
Remaining Fund Balance	<u>\$ 17,498</u>

CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2016

19. Encumbrances (expressed in thousands)

Encumbrances are amounts needed to pay any commitments related to purchase orders and contracts that remain unperformed at year-end.

General Fund	\$	49,850
State Public School Fund	\$	3,728
Capital Projects Fund	\$	133,380
State Administered Federal Fund	\$	920
Special Revenue Fund	\$	40
Direct Federal Grants Fund	\$	651

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Required Supplementary Information

CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE BOARD'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM
FOR THE LAST THREE FISCAL YEARS*

(Amounts expressed in thousands)

	<u>2016</u>		<u>2015</u>		<u>2014</u>
Board's proportion of the net pension liability (asset)	5.679%		5.698%		5.666%
Board's proportionate share of the net pension liability (asset)	\$ 209,272	\$	66,800	\$	344,002
Board's covered-employee payroll	\$ 736,769	\$	695,981	\$	704,973
Board's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	28.40%		9.60%		48.80%
Plan fiduciary net position as a percentage of the total pension liability	94.64%		98.24%		90.60%

* The amounts presented for each fiscal year were determined as of the prior fiscal year ending June 30.

CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
SCHEDULE OF BOARD CONTRIBUTIONS
TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM
FOR THE LAST THREE FISCAL YEARS
(Amounts expressed in thousands)

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 68,385	\$ 66,636	\$ 60,166
Contributions in relation to the contractually required contribution	<u>68,385</u>	<u>66,636</u>	<u>60,166</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Board's covered-employee payroll	\$ 751,856	\$ 736,769	\$ 695,981
Contributions as a percentage of covered-employee payroll	9.10%	9.04%	8.64%

CHARLOTTE MECKLENBURG BOARD OF EDUCATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CAPITAL PROJECTS FUND
(NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2016
(Amounts expressed in thousands)

	BUDGET	ACTUAL	VARIANCE FROM BUDGET
REVENUES			
Mecklenburg County:			
Appropriation	\$ 13,960	\$ 12,215	\$ (1,745)
Land Proceed	4,228	2,114	(2,114)
Capital Improvement Fund	270,385	84,323	(186,062)
	<u>288,573</u>	<u>98,652</u>	<u>(189,921)</u>
State:			
School Bus	1,654	1,654	-
	<u>1,654</u>	<u>1,654</u>	<u>-</u>
Other:			
Sale of School Property	10,944	10,944	-
Insurance Proceeds on Property			
Damage and Loss	22	22	-
Interest	33	33	-
Other	902	801	(101)
	<u>11,901</u>	<u>11,800</u>	<u>(101)</u>
Total Revenues	<u>302,128</u>	<u>112,106</u>	<u>(190,022)</u>
EXPENDITURES			
Land and Buildings:			
Land:			
Purchase of New Sites	7,718	3,361	4,357
Buildings:			
General Contracts	130,469	119,574	10,895
Heating Contracts	1,530	1,530	-
Electrical Contracts	1,704	1,703	1
Plumbing Contracts	53	53	-
Architect Fees	13,341	7,704	5,637
Miscellaneous Contracts	131,153	33,117	98,036
	<u>278,250</u>	<u>163,681</u>	<u>114,569</u>
Improvements to Sites	2,057	1,956	101
Furniture, Fixtures and Equipment	12,743	10,248	2,495
Vehicles	1,795	7,270	(5,475)
Total Expenditures	<u>302,563</u>	<u>186,516</u>	<u>116,047</u>
REVENUES UNDER EXPENDITURES	<u>(435)</u>	<u>(74,410)</u>	<u>(73,975)</u>
OTHER FINANCING SOURCES			
Appropriated Fund Balance	435	-	(435)
REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES (USES)	<u>\$ -</u>	<u>\$ (74,410)</u>	<u>\$ (74,410)</u>

CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2016
(Amounts expressed in thousands)

	CHILD NUTRITION PROGRAM			AFTER SCHOOL ENRICHMENT PROGRAM		
	BUDGET	ACTUAL	VARIANCE	BUDGET	ACTUAL	VARIANCE
OPERATING REVENUES						
Food Sales	\$ 12,109	\$ 12,109	\$ -	\$ -	\$ -	\$ -
Participant Fees	-	-	-	13,369	13,295	(74)
Total Operating Revenues	<u>12,109</u>	<u>12,109</u>	<u>-</u>	<u>13,369</u>	<u>13,295</u>	<u>(74)</u>
OPERATING EXPENSES						
Food Costs	28,620	26,401	2,219	501	400	101
Salaries and Benefits	27,281	26,524	757	10,227	9,660	567
Other Operating Expenses	13,222	10,257	2,965	2,677	2,179	498
Depreciation	1,709	1,709	-	-	-	-
Total Operating Expenses	<u>70,832</u>	<u>64,891</u>	<u>5,941</u>	<u>13,405</u>	<u>12,239</u>	<u>1,166</u>
OPERATING INCOME (LOSS)	<u>(58,723)</u>	<u>(52,782)</u>	<u>5,941</u>	<u>(36)</u>	<u>1,056</u>	<u>1,092</u>
NON-OPERATING REVENUES:						
U.S. Government Subsidy	52,934	52,934	-	-	-	-
U.S. Government Commodities	4,475	4,495	20	-	-	-
Other	47	50	3	-	-	-
Interest Income	177	177	-	36	36	-
Total Non-Operating Revenues	<u>57,633</u>	<u>57,656</u>	<u>23</u>	<u>36</u>	<u>36</u>	<u>-</u>
INCOME (LOSS) BEFORE TRANSFER	<u>(1,090)</u>	<u>4,874</u>	<u>5,964</u>	<u>-</u>	<u>1,092</u>	<u>1,092</u>
OTHER FINANCING SOURCES:						
Capital Contributions	743	743	-	-	-	-
Transfer In	347	347	-	-	-	-
Total Other Financing Sources	<u>1,090</u>	<u>1,090</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CHANGE IN NET POSITION	<u>\$ -</u>	<u>5,964</u>	<u>\$ 5,964</u>	<u>\$ -</u>	<u>1,092</u>	<u>\$ 1,092</u>
NET POSITION--Beginning of Year		<u>34,009</u>			<u>2,746</u>	
NET POSITION--End of Year		<u>\$ 39,973</u>			<u>\$ 3,838</u>	

CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - STATE ADMINISTERED FEDERAL FUND
(NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2016
(Amounts expressed in thousands)

	BUDGET	ACTUAL	VARIANCE FROM BUDGET
REVENUES			
U. S. Government Agencies	\$ 108,578	\$ 77,097	\$ (31,481)
Total Revenues	<u>108,578</u>	<u>77,097</u>	<u>(31,481)</u>
EXPENDITURES			
Current Operating Expenditures:			
Instructional Programs:			
Regular	11,566	5,545	6,021
Special	83,372	63,721	19,651
School Leadership	28	28	-
School-Based Support	4,313	3,073	1,240
Total Instructional Programs	<u>99,279</u>	<u>72,367</u>	<u>26,912</u>
Support and Development	106	105	1
Special Population Support	4,764	3,019	1,745
Technology Support	-	-	-
Operational Support	969	71	898
Financial and Human Resources	69	10	59
Accountability Services	-	-	-
Policy, Leadership and Public Relations	385	244	141
Ancillary Services	10	10	-
Total Current Operating Expenditures	<u>105,582</u>	<u>75,826</u>	<u>29,756</u>
Intergovernmental Expenditures:			
Other	2,996	2,191	805
Total Intergovernmental Expenditures	<u>2,996</u>	<u>2,191</u>	<u>805</u>
Total Expenditures	<u>108,578</u>	<u>78,017</u>	<u>30,561</u>
REVENUES UNDER EXPENDITURES	\$ <u>-</u>	\$ <u>(920)</u>	\$ <u>(920)</u>

COMPREHENSIVE ANNUAL

FINANCIAL REPORT

Statistical Section

STATISTICAL SECTION
(UNAUDITED)

This section of Charlotte Mecklenburg Schools' Comprehensive Annual Financial Report presents detailed information for understanding what the information in the financial statements, note disclosures, and required supplementary information says about CMS' overall financial health.

Contents **Page**

Financial Trends.....54-92

These schedules provide trend information to help the reader understand how CMS' financial performance and well-being have changed over time.

Revenue Capacity.....93-95

Since CMS revenues are primarily provided by Mecklenburg County, these schedules on the county's revenue sources are relevant to an understanding of Mecklenburg County's most significant local revenue source, the property tax.

Debt Capacity.....96

Since CMS construction funding is primarily provided by Mecklenburg County, these schedules of the county's debt capacity assist the reader in assessing the affordability of Mecklenburg County's current levels of outstanding debt and Mecklenburg County's ability to issue additional debt in the future.

Demographic and Economic Information.....97-98

Details found in these schedules offer demographic and economic indicators to aid the reader in understanding the environment within which CMS' financial activities take place.

Operating Information.....99-109

These schedules contain select operating indicators to help the reader understand how the information in CMS' financial report relates to the services CMS provides and the activities it performs.

Charlotte-Mecklenburg Board of Education

Facts and Information About

Mecklenburg County, North Carolina

Charlotte-Mecklenburg was first settled by Scots-Irish immigrants in the 1740's. The County of Mecklenburg was established in 1762 and the City of Charlotte was incorporated in 1768. The city was named for Queen Charlotte, wife of England's King George III. The county was named for her birthplace, the German principality of Mecklenburg.

Charlotte grew as a crossroads of commerce with effective government and a strong business environment. In 1799, America's first major gold discovery occurred near Charlotte. The city quickly became the center of gold production in the United States until the California Gold Rush of 1849.

The Charlotte area became industrialized in the late 19th century when the "Cotton Mill Campaign" brought the textile industry from the New England area to the Carolinas. The first graded school system was established in Charlotte in 1882 with an enrollment of 500. Prior to that there had been a separate male academy and female institute. By 1903, over half of the textile production in the United States was located within a 100 mile radius of Charlotte. The Charlotte school system had grown to 2,600 pupils, the largest school system south of Baltimore.

By 1949, the Charlotte school system had an enrollment of 20,000 students and employed 672 staff. Railroads and the early development of an excellent state highway system encouraged the development of wholesale and distribution facilities in Charlotte to serve the Carolinas and Southeastern United States. Today, because of on-going attention to transportation development, over half of the population of the United States can be reached from Charlotte within one hour's flight time or one day by truck.

In 1960, the city and county school systems were consolidated resulting in the Charlotte-Mecklenburg Board of Education.

Facts of interest about the Charlotte-Mecklenburg Schools:

County area served	527 square miles
Number of schools	
Elementary	97
PreK-8	9
Middle	30
High	28
Special Programs	4
Number of support facilities	13
Class Size:	
Grades K-3	20 student average
Grades 4-9	23 student average
Grades 10-12	23 student average
Pupil Transportation data:	
Total number of buses	1,022
Total average number of students transported daily	92,732
Average miles traveled daily	107,000
Average number of routes	1,003
Cost per mile	\$3.43

A Profile of the Charlotte-Mecklenburg Schools

The Charlotte-Mecklenburg School System serves more than 145,000 students and has experienced continued enrollment growth for the past few years. The school system is consolidated and serves students who live in the city of Charlotte, in Mecklenburg County and in all the small towns and communities throughout the county.

The Charlotte-Mecklenburg School System does not discriminate against any person on the basis of sex, national origin, race, ethnic background, color, religion, age or disability in any of its educational or employment programs or activities.

The system operates 97 elementary schools, 9 PreK-8 schools, 30 middle schools, 28 high schools and 4 special programs.

ORGANIZATION

The Charlotte-Mecklenburg Board of Education has nine members, three elected at large and six elected by district. Members serve four-year terms. The Board appoints the superintendent.

The school system is administratively divided into seven geographic communities. Under this plan, each school becomes more closely aligned with the community it serves. It puts resources and administration closer to the parents and other members of the public. Learning Community Superintendents are assigned administrative responsibilities for these sections. There is a rich variety of school offerings that attend to the learning styles and interest of all students. Many schools use new and innovative techniques and strategies, and technology is stressed in all schools.

Performance Standards have been developed for all grades and courses and criterion-referenced tests ensure that high standards are maintained. Site-based management is an expectation for all schools.

ELEMENTARY SCHOOLS

The school system provides free kindergarten. Attendance is not required but is recommended highly. Students must be five years old on or before August 31 to be eligible for kindergarten.

The elementary curriculum is standardized to ensure that each child receives a quality education in the basics of language arts, social studies, math, science, health and physical education. A strong emphasis is placed on literacy in the primary grades and computers are used in all elementary schools.

MIDDLE SCHOOLS

Middle schools, for grades six through eight, use a team approach where each instructional team teaches one group of students. This approach allows teachers to personalize instruction and helps ease the transition from elementary school.

The middle school instructional program emphasizes language arts, math, science and social studies while allowing students to explore interests through pre-vocational, fine arts, and foreign language courses. There is a diversified program of physical activities which includes intramural sports.

MAGNET SCHOOLS

The Charlotte-Mecklenburg School System is committed to the magnet school concept, with 9 magnet programs operating in 45 schools. Each program focuses on an area of special interest such as Visual and Performing Arts, STEM, World Language, and IB, or an instructional style such as Montessori or Traditional. Selection is based on application with approximately 19,000 students attending magnet programs.

A Profile of the Charlotte-Mecklenburg Schools

HIGH SCHOOLS

The Charlotte-Mecklenburg School System has stringent graduation requirements. A hybrid form of the Four by Four Scheduling Format is used in the high schools.

High schools offer a variety of courses from those that reinforce basic skills to advanced ones. Students may earn college credits or take advanced vocational courses through a special agreement with Central Piedmont Community College.

Fifty-four percent of the system's high school students, compared to only forty-six percent nationwide, take the Scholastic Aptitude Test. (SAT). Local scores are above the national average but above the state average. Programs are in place in each high school to help students boost their scores. All 10th graders take the preliminary SAT as exposure to the actual test.

STUDENTS WITH SPECIAL NEEDS

The school system provides services to students with special education needs. Programs operate for students who meet eligibility in the following areas: Intellectually Impaired, Learning Disabled, Traumatic Brain Injury, Emotionally Disabled, Orthopedic Impairment, Autism Spectrum Disorder, Speech Language Impairment, Visual Impairment, Deafness, Hearing Impairment or Other Health Impairment. Most services are provided in the regular school setting. Services are also provided in separate programs located at Metro School and Lincoln Heights Academy.

Services are also provided in separate programs at Dolly Tate Teenage Parent Services for pregnant students, Hawthorne High for students with difficulties in traditional school settings, a Child's Place for students whose families are homeless, Turning Point Academy for students at risk of dropping out, and Northwest School of the Arts for the artistically talented.

A program also is available for students whose native language is not English. The English as a Second Language program concentrates on helping students adjust to a new language and culture so they can be successful in a regular classroom setting.

BEFORE AND AFTER SCHOOL CARE

Mecklenburg County has a high percentage of working parents. As a result, before and after school care for children is a problem for many parents.

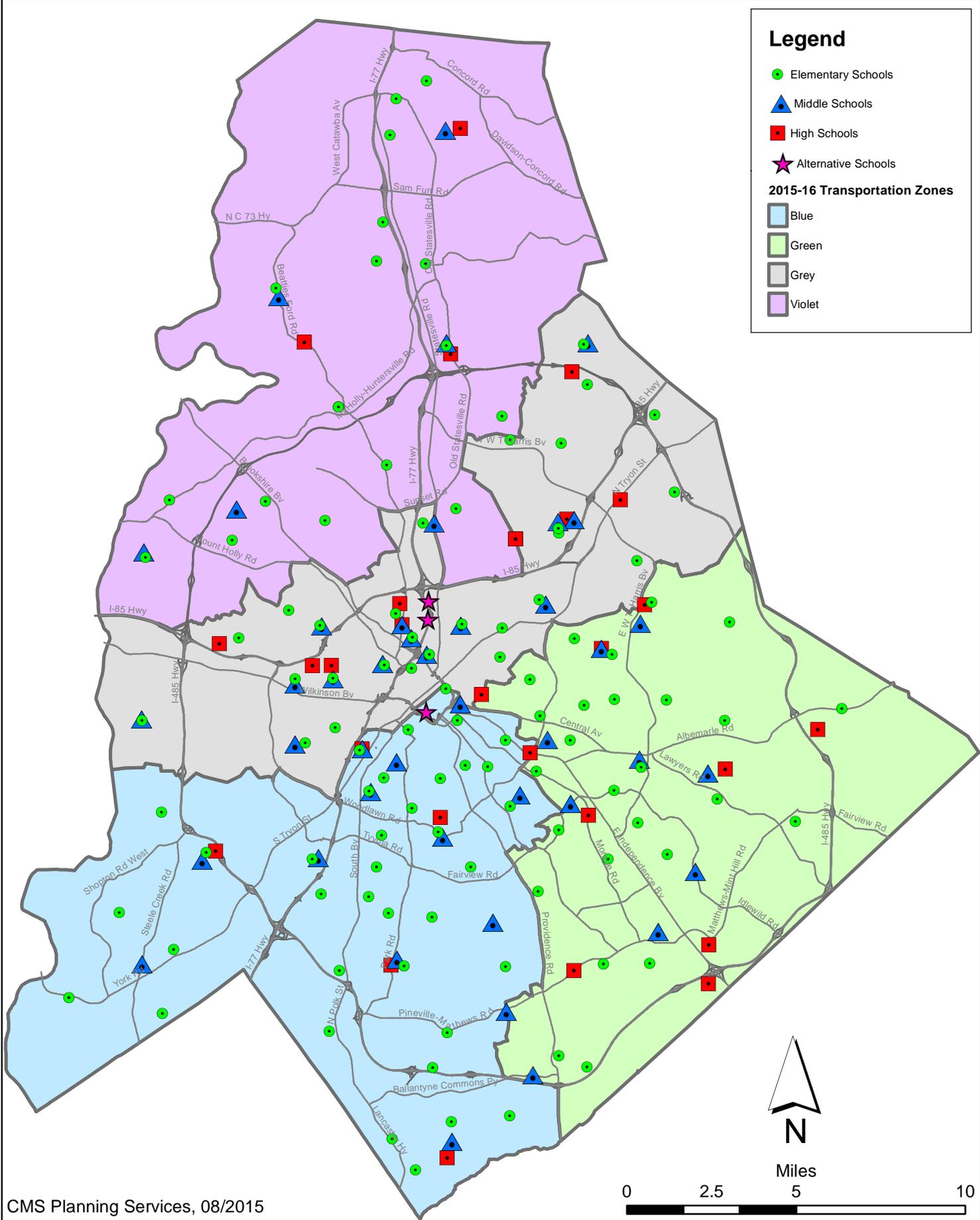
In response to that problem, before school and after school care is provided at many schools. The programs serve children in pre-kindergarten through middle school for a weekly fee.

The programs offer students supervised recreational, snack and homework time and opportunities for cultural enrichment.

PRE-KINDERGARTEN PROGRAM

The Pre-Kindergarten Program, initiated in 1996, serves over 3,700 four year olds at distributed sites. This innovative and creative full day program focusing on language development and literacy is designed for children who demonstrate educational need. The program is funded by federal and local sources.

Charlotte-Mecklenburg Board of Education 2015-16 School / Program Locations



**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
COMPARATIVE AVERAGE DAILY MEMBERSHIP - SCHOOLS AND SPECIAL PROGRAMS
FOR THE YEARS ENDED JUNE 30, 2016 AND 2015**

	ADM 2016	ADM 2015		ADM 2016	ADM 2015
PRESCHOOL PROGRAM:					
Distributed Sites	3,760	3,502			
Total Preschools	<u>3,760</u>	<u>3,502</u>			
ELEMENTARY SCHOOLS:					
Albemarle Road	1,172	1,316	Matthews	985	995
Allenbrook	539	550	McAlpine	519	497
Bain	966	904	McKee Road	551	514
Ballantyne	887	865	Merry Oaks	663	700
Barnette	667	633	Montclair	430	647
Barringer	600	623	Morehead	1,066	1,137
Beverly Woods	781	749	Myers Park	688	719
Berewick	665	609	Nathaniel Alexander	813	826
Billingsville	306	571	Nations Ford	750	734
Blythe	1,127	1,085	Newell	868	825
Briarwood	740	738	Oakdale	685	676
Chantilly	265	269	Oakhurst	588	-
Clear Creek	623	659	Oaklawn	512	518
Collinswood	756	746	Olde Providence	726	722
Cornelius	651	614	Palisades Park	732	694
Cotswold	837	840	Park Road	455	433
Croft Community	633	657	Parkside	438	-
Crown Point	701	732	Paw Creek	528	549
Davidson	721	697	Pineville	807	825
David Cox Road	682	793	Pinewood	481	527
Devonshire	656	675	Piney Grove	865	858
Dilworth	731	707	Polo Ridge	1,077	1,035
Eastover	415	465	Providence Spring	904	870
Elizabeth Lane	1,032	940	Rama Road	579	589
Elon Park	1,123	1,114	Reedy Creek	818	751
Elizabeth Traditional	531	531	River Gate	824	825
Endhaven	728	722	River Oaks	630	637
First Ward	516	506	Sedgefield	398	430
Grand Oak	583	607	Selwyn	874	851
Greenway Park	581	620	Shamrock Gardens	463	441
Joseph W. Grier	804	822	Sharon	815	822
J.H. Gunn	816	730	Smithfield	677	646
J.V. Washam	1,015	1,008	Starmount	453	-
Hawk Ridge	932	893	Statesville Road	556	545
Hickory Grove	630	1,008	Steele Creek	786	745
Highland Creek	708	1,107	Sterling	656	686
Hidden Valley	982	998	Stoney Creek	834	846
Highland Mill Montessori	219	231	Torrence Creek	526	488
Highland Renaissance	523	502	Trillium Springs Montessori	108	53
Hornets Nest	668	608	Tuckaseegee	820	844
Huntersville	766	728	University Meadows	653	682
Huntingtowne Farms	737	933	University Park	455	389
Idlewild	957	910	Irwin Academic Center	499	501
Lake Wylie	659	640	Whitewater Academy	807	795
Lansdowne	600	636	Winding Springs	902	857
Lawrence Orr	692	-	Windsor Park	784	941
Lebanon Road	807	797	Winget Park	472	445
Long Creek	463	482	Winterfield	696	740
Mallard Creek	761	800	Total Elementary Schools	<u>67,170</u>	<u>66,220</u>
			PK-8:		
			Ashley Park PreK-8 School	583	585
			Berryhill School	695	684
			Bruns Avenue Academy	812	788
			Druid Hills Academy	606	658
			Mountain Island Lake Academy	889	737
			Reid Park Academy	802	793
			Thomasboro Academy	720	759
			Walter G. Byers School	483	517
			Westerly Hills Academy	602	624
			Total PK-8 Schools	<u>6,192</u>	<u>6,145</u>

Source: Charlotte-Mecklenburg Schools Planning Services. Membership for the ninth month of the 2015-2016 school year.

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
COMPARATIVE AVERAGE DAILY MEMBERSHIP - SCHOOLS AND SPECIAL PROGRAMS
FOR THE YEARS ENDED JUNE 30, 2016 AND 2015**

	ADM 2016	ADM 2015		ADM 2016	ADM 2015
MIDDLE SCHOOLS:			Leadership & Development at Olympic	403	549
Albemarle Road	1,165	1,212	TEAM at Olympic	204	152
J. McKnitt Alexander	792	847	METS at Olympic	598	578
Bailey Road	1,590	1,628	Biotech, Health, & Public Admin. at Olympic	567	520
Bradley	1,082	1,148	Performance Learning Center	238	138
Carmel	1,045	1,027	Providence	1,960	1,941
Cochrane	725	696	Rocky River	1,600	1,656
Community House	1,771	1,762	South Mecklenburg	2,777	2,760
Crestdale	802	862	Zebulon B. Vance	1,584	1,665
Coulwood	667	698	W.A. Hough	2,516	2,372
Eastway	915	944	West Charlotte	1,453	1,627
Alexander Graham	1,389	1,431	West Mecklenburg	1,850	1,893
Robert F. Kennedy	773	717	Total High Schools	<u>39,549</u>	<u>38,734</u>
McClintock	912	857			
James Martin	1,055	1,113	SPECIAL SCHOOLS		
Jay M. Robinson	1,098	1,103	Turning Point Academy	317	330
Marie G. Davis Military Academy	680	621	Metro School	243	234
Martin Luther King Jr.	1,044	1,104	Lincoln Heights Academy	104	119
Mint Hill	1,163	1,255	Northwest School of the Arts	983	972
Northeast	700	750	Total Special Schools	<u>1,647</u>	<u>1,655</u>
Northridge	740	795			
Piedmont	1,028	977	TOTAL AVERAGE DAILY		
Quail Hollow	934	955	MEMBERSHIP (ADM)	<u>145,154</u>	<u>144,087</u>
Randolph	1,133	1,152	(Does not include Pre-K)		
Ranson	968	1,104	TOTAL AVERAGE DAILY		
Ridge Road	1,195	1,276	ATTENDANCE (ADA)	<u>139,957</u>	<u>138,870</u>
Sedgefield	723	719			
E.E. Waddell Language Academy	1,373	1,380	ADA/ADM	<u>96.4%</u>	<u>96.4%</u>
South Charlotte	878	850			
Southwest	1,392	1,419			
Whitewater	864	931			
Total Middle Schools	<u>30,596</u>	<u>31,333</u>			
HIGH SCHOOLS:					
Ardrey Kell	2,819	2,641			
Berry Academy of Technology	1,616	1,627			
Cato Middle College High	188	157			
Charlotte Engineering Early College	184	95			
David W. Butler	2,054	1,999			
East Mecklenburg	1,760	1,745			
Garinger	1,666	1,654			
Harry P. Harding	1,481	1,529			
Hawthorne High	127	112			
Hopewell	1,618	1,557			
Independence	2,339	2,231			
Levine Middle College High	184	105			
Mallard Creek	2,468	2,434			
Myers Park	2,753	2,664			
North Mecklenburg	1,935	1,814			
Renaissance at Olympic	607	519			

Source: Charlotte-Mecklenburg Schools Planning Services. Membership for the ninth month of the 2015-2016 school year.

CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
NET POSITION BY COMPONENTS
FOR THE LAST TEN FISCAL YEARS
(Amounts expressed in thousands)

	Fiscal Year				
	<u>6/30/2007</u>	<u>6/30/2008</u>	<u>6/30/2009</u>	<u>6/30/2010</u>	<u>6/30/2011</u>
Governmental activities					
Net Investment in capital assets	\$ 1,495,263	\$ 1,635,624	\$ 1,806,272	\$ 1,842,883	\$ 1,809,700
Restricted	3,115	3,123	3,111	3,197	69,707
Unrestricted	<u>26,163</u>	<u>20,837</u>	<u>18,380</u>	<u>37,392</u>	<u>(13,592)</u>
Total governmental activities net position	<u>1,524,541</u>	<u>1,659,584</u>	<u>1,827,763</u>	<u>1,883,472</u>	<u>1,865,815</u>
Business-type activities					
Net Investment in capital assets	7,777	8,904	9,524	10,706	10,341
Unrestricted	<u>13,274</u>	<u>15,065</u>	<u>17,003</u>	<u>20,731</u>	<u>24,663</u>
Total business-type activities net position	<u>21,051</u>	<u>23,969</u>	<u>26,527</u>	<u>31,437</u>	<u>35,004</u>
Primary government					
Net Investment in capital assets	1,503,040	1,644,528	1,815,796	1,853,589	1,820,041
Restricted	3,115	3,123	3,111	3,197	69,707
Unrestricted	<u>39,437</u>	<u>35,902</u>	<u>35,383</u>	<u>58,123</u>	<u>11,071</u>
Total primary government net position	<u>\$ 1,545,592</u>	<u>\$ 1,683,553</u>	<u>\$ 1,854,290</u>	<u>\$ 1,914,909</u>	<u>\$ 1,900,819</u>

Continued on next page

CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
NET POSITION BY COMPONENTS
FOR THE LAST TEN FISCAL YEARS
(Amounts expressed in thousands)

		Fiscal Year							
		<u>6/30/2012</u>	<u>6/30/2013</u>	<u>6/30/2014</u>	<u>6/30/2015</u>	<u>6/30/2016</u>			
\$	1,768,069	\$	1,794,832	\$	1,830,641	\$	1,872,793	\$	1,902,658
	70,163		55,711		57,893		62,675		76,176
	(8,893)		(31,498)		(37,853)		(278,217)		(232,388)
	<u>1,829,339</u>		<u>1,819,045</u>		<u>1,850,681</u>		<u>1,657,251</u>		<u>1,746,446</u>
	9,714		8,920		8,477		9,016		8,766
	<u>29,494</u>		<u>29,440</u>		<u>30,205</u>		<u>27,739</u>		<u>35,045</u>
	<u>39,208</u>		<u>38,360</u>		<u>38,682</u>		<u>36,755</u>		<u>43,811</u>
	1,777,783		1,803,752		1,839,118		1,881,809		1,911,424
	70,163		55,711		57,893		62,675		76,176
	<u>20,601</u>		<u>(2,058)</u>		<u>(7,648)</u>		<u>(250,478)</u>		<u>(197,343)</u>
\$	<u><u>1,868,547</u></u>	\$	<u><u>1,857,405</u></u>	\$	<u><u>1,889,363</u></u>	\$	<u><u>1,694,006</u></u>	\$	<u><u>1,790,257</u></u>

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
FOR THE LAST NINE FISCAL YEARS**
(Amounts expressed in thousands)

	<u>Fiscal Year</u>				
<u>Functions/Programs</u>	<u>6/30/2008</u>	<u>6/30/2009</u>	<u>6/30/2010</u>	<u>6/30/2011</u>	<u>6/30/2012</u>
Primary government:					
EXPENSES					
Governmental Activities:					
Instructional Programs					
Regular	\$ 592,396	\$ 660,155	\$ 575,153	\$ 583,406	\$ 626,593
Special	187,856	197,082	190,130	196,333	193,693
School Leadership	67,007	68,850	64,696	65,811	66,231
Co-Curricular	12,277	11,702	11,287	11,787	11,805
School-Based Support	59,148	54,521	54,238	51,180	49,344
Support and Development	5,794	5,882	5,728	5,662	5,304
Special Population Support	7,304	6,575	6,619	6,662	6,655
Technology Support	12,667	14,962	16,628	15,076	14,313
Operational Support	178,293	185,100	158,984	167,760	167,319
Financial and Human Resources	26,658	28,940	25,963	28,654	27,919
Accountability Services	5,710	8,407	6,568	7,791	7,480
System-Wide Pupil Support	3,502	3,542	3,054	2,950	3,227
Policy, Leadership and Public Relations	15,460	14,101	13,710	10,429	11,434
Community Services	1,224	1,376	1,527	1,017	986
Debt Service-Interest	2,601	6,455	238	9,485	3,709
Total Governmental Activities Expenses	<u>1,177,897</u>	<u>1,267,650</u>	<u>1,134,523</u>	<u>1,164,003</u>	<u>1,196,012</u>
Business Type Activities:					
After School Program	15,092	15,579	14,085	14,211	12,002
Child Nutrition	58,103	60,686	59,035	60,862	60,496
Total Business Type Activities Expenses	<u>73,195</u>	<u>76,265</u>	<u>73,120</u>	<u>75,073</u>	<u>72,498</u>
TOTAL PRIMARY GOVERNMENT EXPENSES	<u>1,251,092</u>	<u>1,343,915</u>	<u>1,207,643</u>	<u>1,239,076</u>	<u>1,268,510</u>
REVENUES					
Governmental Activities:					
Charges for services:					
Instructional Programs - Regular	382	510	355	559	538
Community Services	904	1,397	1,682	1,797	1,975
Operating Grants and Contributions	76,709	82,807	145,049	161,565	121,101
Total Governmental Activities Revenues	<u>77,995</u>	<u>84,714</u>	<u>147,086</u>	<u>163,921</u>	<u>123,614</u>
Business Type Activities:					
Charges for services:					
After School Program	15,110	15,647	14,583	14,718	13,156
Child Nutrition	23,193	22,842	20,301	18,216	16,627
Operating Grants and Contributions:					
After School Program	84	-	-	-	-
Child Nutrition	34,416	38,039	40,583	44,225	46,072
Capital Grants and Contributions:					
Child Nutrition	2,162	1,309	1,777	765	170
Total Business Type Activities Revenues	<u>74,965</u>	<u>77,837</u>	<u>77,244</u>	<u>77,924</u>	<u>76,025</u>
TOTAL PRIMARY GOVERNMENT REVENUES	<u>152,960</u>	<u>162,551</u>	<u>224,330</u>	<u>241,845</u>	<u>199,639</u>

"Continued on next page"

NOTE:

Due to significant changes in function-level expense coding classification in Governmental Activities during the fiscal year ended June 30, 2008, comparisons cannot be made between purpose-level expenses for prior years.

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
FOR THE LAST NINE FISCAL YEARS**
(Amounts expressed in thousands)

	<u>Fiscal Year</u>	<u>Fiscal Year</u>	<u>Fiscal Year</u>	<u>Fiscal Year</u>
<u>Functions/Programs</u>	<u>6/30/2013</u>	<u>6/30/2014</u>	<u>6/30/2015</u>	<u>6/30/2016</u>
Primary government:				
EXPENSES				
Governmental Activities:				
Instructional Programs				
Regular	\$ 674,212	\$ 658,029	\$ 690,385	\$ 705,467
Special	197,054	203,086	215,586	217,382
School Leadership	71,219	72,628	62,045	71,223
Co-Curricular	12,337	12,700	12,663	13,100
School-Based Support	56,544	58,368	57,790	58,872
Support and Development	5,526	5,515	6,998	6,700
Special Population Support	6,605	6,944	6,770	6,911
Technology Support	15,447	15,169	16,209	14,498
Operational Support	182,972	168,947	163,761	173,325
Financial and Human Resources	27,139	27,683	32,305	26,077
Accountability Services	6,854	6,164	4,475	4,087
System-Wide Pupil Support	3,248	3,145	2,909	3,772
Policy, Leadership and Public Relations	12,847	15,579	15,535	15,183
Community Services	1,142	1,262	873	1,289
Debt Service-Interest	653	582	354	173
Total Governmental Activities Expenses	<u>1,273,799</u>	<u>1,255,801</u>	<u>1,288,658</u>	<u>1,318,059</u>
Business Type Activities:				
After School Program	12,585	13,718	12,106	12,239
Child Nutrition	66,554	65,004	65,527	64,891
Total Business Type Activities Expenses	<u>79,139</u>	<u>78,722</u>	<u>77,633</u>	<u>77,130</u>
TOTAL PRIMARY GOVERNMENT EXPENSES	<u>1,352,938</u>	<u>1,334,523</u>	<u>1,366,291</u>	<u>1,395,189</u>
REVENUES				
Governmental Activities:				
Charges for services:				
Instructional Programs - Regular	815	138	960	558
Community Services	969	1,032	2,112	1,770
Operating Grants and Contributions	120,477	99,024	111,283	102,429
Total Governmental Activities Revenues	<u>122,261</u>	<u>100,194</u>	<u>114,355</u>	<u>104,757</u>
Business Type Activities:				
Charges for services:				
After School Program	13,426	12,678	13,141	13,295
Child Nutrition	16,035	15,204	11,908	12,109
Operating Grants and Contributions:				
After School Program	-	-	-	-
Child Nutrition	48,207	49,737	55,334	57,479
Capital Grants and Contributions:				
Child Nutrition	-	790	214	743
Total Business Type Activities Revenues	<u>77,668</u>	<u>78,409</u>	<u>80,597</u>	<u>83,626</u>
TOTAL PRIMARY GOVERNMENT REVENUES	<u>199,929</u>	<u>178,603</u>	<u>194,952</u>	<u>188,383</u>

"Continued on next page"

NOTE:

Due to significant changes in function-level expense coding classification in Governmental Activities during the fiscal year ended June 30, 2008, comparisons cannot be made between purpose-level expenses for prior years.

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
FOR THE LAST NINE FISCAL YEARS**
(Amounts expressed in thousands)

	<u>Fiscal Year</u>				
	<u>6/30/2008</u>	<u>6/30/2009</u>	<u>6/30/2010</u>	<u>6/30/2011</u>	<u>6/30/2012</u>
Net (Expense)/Revenue					
Governmental Activities	(1,099,902)	(1,182,936)	(987,437)	(1,000,082)	(1,072,398)
Business Type Activities	<u>1,770</u>	<u>1,572</u>	<u>4,124</u>	<u>2,851</u>	<u>3,527</u>
TOTAL PRIMARY GOVERNMENT NET EXPENSES	<u>(1,098,132)</u>	<u>(1,181,364)</u>	<u>(983,313)</u>	<u>(997,231)</u>	<u>(1,068,871)</u>
General Revenues and Other Changes in Net Position					
Unrestricted State Appropriations-Operating	680,075	704,112	628,705	627,573	657,062
Unrestricted State Appropriations-Capital	7,298	5,825	4,267	8,859	3,028
Unrestricted Mecklenburg County Appropriations-Operating	341,367	346,367	311,067	302,250	327,880
Unrestricted Mecklenburg County Appropriations-Capital	172,293	248,610	76,519	13,019	19,832
Interest Income	4,148	2,684	1,500	911	676
Miscellaneous	30,271	44,064	24,716	30,330	27,961
Transfers	<u>(515)</u>	<u>(535)</u>	<u>(517)</u>	<u>(517)</u>	<u>(517)</u>
Total Governmental Activities	<u>1,234,937</u>	<u>1,351,127</u>	<u>1,046,257</u>	<u>982,425</u>	<u>1,035,922</u>
Business Type Activities					
Interest Income	633	451	269	199	160
Transfers	<u>515</u>	<u>535</u>	<u>517</u>	<u>517</u>	<u>517</u>
Total Business Type Activities Revenues	<u>1,148</u>	<u>986</u>	<u>786</u>	<u>716</u>	<u>677</u>
TOTAL PRIMARY GOVERNMENT	<u>1,236,085</u>	<u>1,352,113</u>	<u>1,047,043</u>	<u>983,141</u>	<u>1,036,599</u>
Change in Net Position					
Governmental Activities	135,035	168,191	58,820	(17,657)	(36,476)
Business Type Activities	<u>2,918</u>	<u>2,558</u>	<u>4,910</u>	<u>3,567</u>	<u>4,204</u>
TOTAL PRIMARY GOVERNMENT	<u>\$ 137,953</u>	<u>\$ 170,749</u>	<u>\$ 63,730</u>	<u>\$ (14,090)</u>	<u>\$ (32,272)</u>

NOTE:

Due to significant changes in function-level expense coding classification in Governmental Activities during the fiscal year ended June 30, 2008, comparisons cannot be made between purpose-level expenses for prior years.

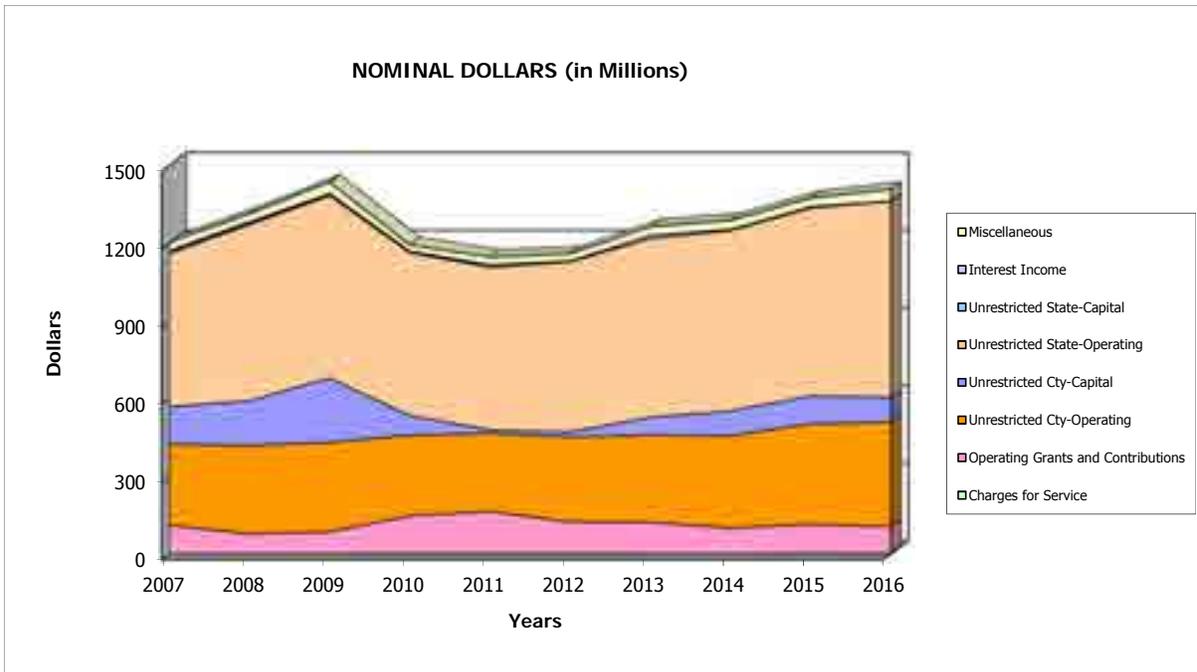
CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
FOR THE LAST NINE FISCAL YEARS
(Amounts expressed in thousands)

	<u>Fiscal Year</u>	<u>Fiscal Year</u>	<u>Fiscal Year</u>	<u>Fiscal Year</u>
	<u>6/30/2013</u>	<u>6/30/2014</u>	<u>6/30/2015</u>	<u>6/30/2016</u>
Net (Expense)/Revenue				
Governmental Activities	(1,151,538)	(1,155,607)	(1,174,303)	(1,213,302)
Business Type Activities	(1,471)	(313)	2,964	6,496
TOTAL PRIMARY GOVERNMENT NET EXPENSES	<u>(1,153,009)</u>	<u>(1,155,920)</u>	<u>(1,171,339)</u>	<u>(1,206,806)</u>
General Revenues and Other Changes in Net Position				
Unrestricted State Appropriations-Operating	689,568	696,584	725,253	756,161
Unrestricted State Appropriations-Capital	12,409	4,691	4,835	1,654
Unrestricted Mecklenburg County Appropriations-Operating	337,433	356,545	388,237	404,286
Unrestricted Mecklenburg County Appropriations-Capital	68,748	95,420	108,232	96,538
Interest Income	405	403	491	789
Miscellaneous	33,198	34,117	32,637	43,416
Transfers	(517)	(517)	(517)	(347)
Total Governmental Activities	<u>1,141,244</u>	<u>1,187,243</u>	<u>1,259,168</u>	<u>1,302,497</u>
Business Type Activities				
Interest Income	106	118	134	213
Transfers	517	517	517	347
Total Business Type Activities Revenues	<u>623</u>	<u>635</u>	<u>651</u>	<u>560</u>
TOTAL PRIMARY GOVERNMENT	<u>1,141,867</u>	<u>1,187,878</u>	<u>1,259,819</u>	<u>1,303,057</u>
Change in Net Position				
Governmental Activities	(10,294)	31,636	84,865	89,195
Business Type Activities	(848)	322	3,615	7,056
TOTAL PRIMARY GOVERNMENT	<u>\$ (11,142)</u>	<u>\$ 31,958</u>	<u>\$ 88,480</u>	<u>\$ 96,251</u>

NOTE:

Due to significant changes in function-level expense coding classification in Governmental Activities during the fiscal year ended June 30, 2008, comparisons cannot be made between purpose-level expenses for prior years.

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
GENERAL SCHOOL SYSTEM REVENUES BY SOURCE - GOVERNMENT-WIDE
FOR THE LAST TEN FISCAL YEARS**

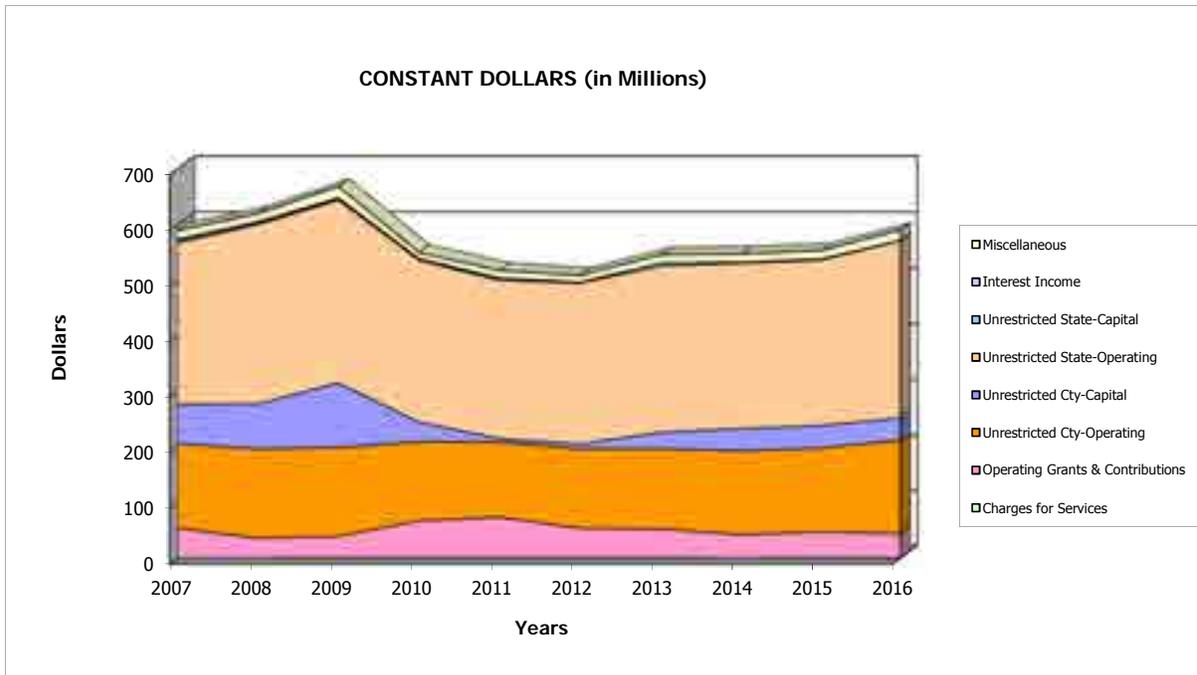


NOMINAL DOLLARS (in Millions)									
Year	Total	Program Revenue		General Revenues				Interest Income	Miscellaneous
		Charges for Services	Operating Grants and Contributions	Unrestricted County Appropriations - Operating	Unrestricted County Appropriations - Capital	Unrestricted State Appropriations - Operating	Unrestricted State Appropriations - Capital		
2007	1,203.8	1.1	109.5	313.6	144.8	589.9	9.4	4.0	31.5
2008	1,312.8	1.3	76.7	341.4	172.1	680.1	7.3	4.1	29.8
2009	1,435.8	1.9	82.8	346.4	248.6	704.1	5.8	2.7	43.5
2010	1,193.3	2.0	145.0	311.1	76.5	628.7	4.3	1.5	24.2
2011	1,146.4	2.4	161.6	302.2	13.0	627.6	8.9	0.9	29.8
2012	1,159.5	2.5	121.1	327.9	19.8	657.1	3.0	0.7	27.4
2013	1,255.3	1.8	120.5	337.4	68.7	689.6	12.4	0.4	33.2
2014	1,287.9	1.2	99.0	356.5	95.4	696.6	4.7	0.4	34.1
2015	1,374.0	3.1	111.3	388.2	108.2	725.3	4.8	0.5	32.6
2016	1,407.6	2.3	102.4	404.3	96.5	756.2	1.7	0.8	43.4

NOTES:
Miscellaneous Revenue includes Miscellaneous and Transfers.

Nominal dollars reflect actual dollars of the period of the transaction.

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
GENERAL SCHOOL SYSTEM REVENUES BY SOURCE - GOVERNMENT-WIDE
FOR THE LAST TEN FISCAL YEARS**

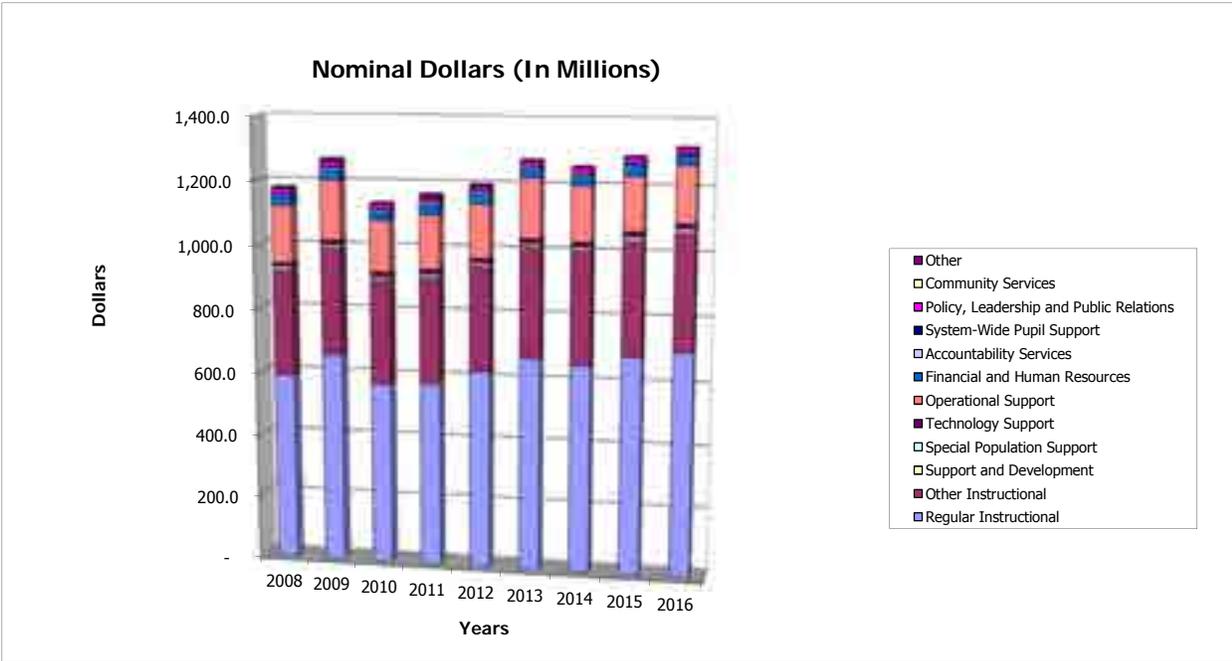


CONSTANT DOLLARS (in Millions)									
Year	Total	Program Revenue		General Revenues					
		Charges for Services	Operating Grants and Contributions	Unrestricted County Appropriations - Operating	Unrestricted County Appropriations - Capital	Unrestricted State Appropriations - Operating	Unrestricted State Appropriations - Capital	Interest Income	Miscellaneous
2007	589.7	0.5	53.6	153.6	70.9	289.0	4.6	2.0	15.4
2008	620.2	0.6	36.2	161.3	81.3	321.3	3.5	1.9	14.1
2009	668.9	0.9	38.6	161.4	115.8	328.0	2.7	1.3	20.3
2010	550.6	0.9	66.9	143.5	35.3	290.1	2.0	0.7	11.2
2011	518.5	1.1	73.1	136.6	5.9	283.9	4.0	0.4	13.5
2012	509.5	1.1	53.2	144.1	8.7	288.8	1.3	0.3	12.0
2013	546.3	0.8	52.1	145.8	29.7	298.0	5.4	0.2	14.3
2014	548.1	0.5	42.1	151.7	40.6	296.5	2.0	0.2	14.5
2015	580.5	1.3	47.0	151.7	40.6	296.5	2.0	0.2	14.5
2016	590.7	1.0	43.0	169.7	40.4	317.4	0.7	0.3	18.2

NOTES:
Miscellaneous Revenue includes Miscellaneous and Transfers.

Constant dollars reflect dollars having a constant general purchasing power as shown by the Consumer Price Index for all Urban Consumers (CPI-U) (Calendar years 1982-1984 = 100).

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
GENERAL SCHOOL SYSTEM EXPENDITURES BY SOURCE - GOVERNMENT-WIDE
FOR THE LAST NINE YEARS**



NOMINAL DOLLARS (in Millions)													
Year	Total	Regular Instructional	Other Instructional	Support and Development	Special Population Support	Technology Support	Operational Support	Financial and Human Resources	Accountability Services	System-Wide Pupil Support	Policy, Leadership and Public Relations	Community Services	Other
2008	1,178.0	592.4	326.3	5.8	7.3	12.7	178.3	26.7	5.7	3.5	15.5	1.2	2.6
2009	1,267.6	660.0	332.2	5.9	6.6	15.0	185.1	28.9	8.4	3.5	14.1	1.4	6.5
2010	1,134.5	575.1	320.4	5.7	6.6	16.6	159.0	26.0	6.6	3.1	13.7	1.5	0.2
2011	1,164.0	583.4	325.1	5.7	6.7	15.1	167.8	28.6	7.8	2.9	10.4	1.0	9.5
2012	1,196.0	626.6	321.1	5.3	6.7	14.3	167.3	27.9	7.5	3.2	11.4	1.0	3.7
2013	1,273.8	674.2	337.2	5.5	6.6	15.4	183.0	27.1	6.9	3.2	12.9	1.1	0.7
2014	1,255.8	658.0	346.8	5.5	6.9	15.2	168.9	27.7	6.2	3.1	15.6	1.3	0.6
2015	1,288.7	690.4	348.1	7.0	6.8	16.2	163.8	32.3	4.5	2.9	15.5	0.9	0.3
2016	1,318.1	705.5	360.5	6.7	6.9	14.5	173.3	26.1	4.1	3.8	15.2	1.3	0.2

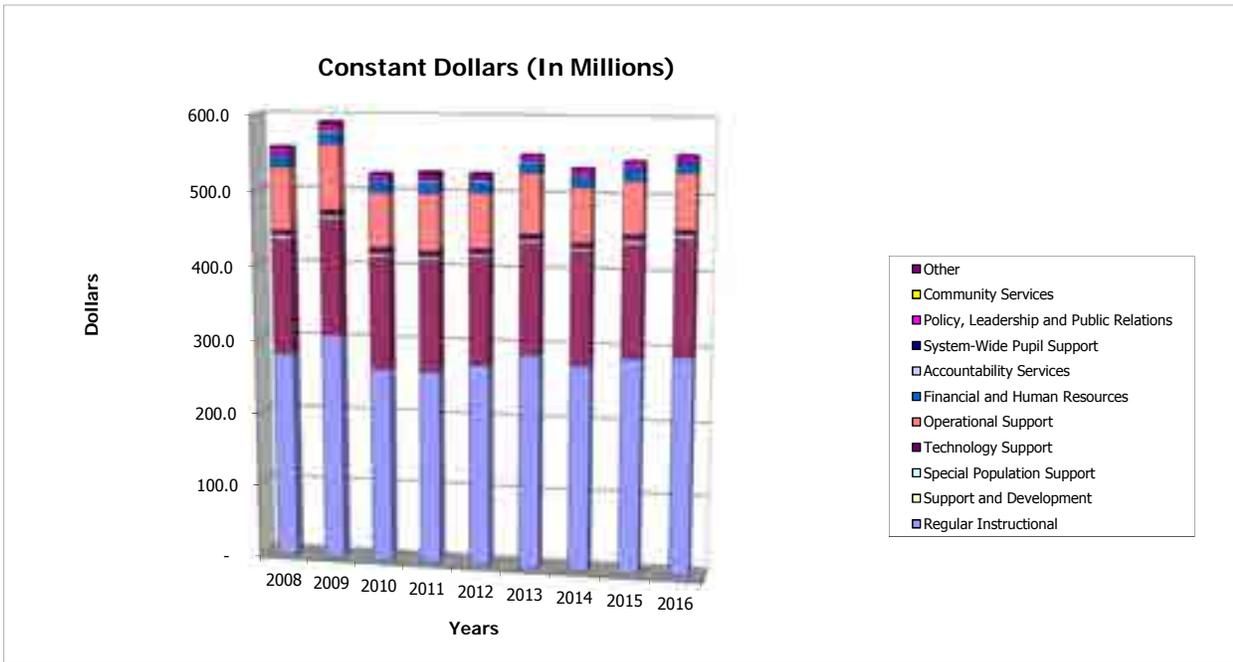
NOTES:

Other Instructional Expenditures includes Special, School Leadership, Co-Curricular and School-Based Support.

Nominal dollars reflect actual dollars of the period of the transaction. Constant dollars reflect dollars having a constant general purchasing power as shown by the Consumer Price Index for all Urban Consumers (CPI-U) (Calendar years 1982-84=100).

Due to significant changes in function-level expense coding classification in Governmental Activities during the year, comparisons cannot be made between purpose-level expenses for the years ended June 30, 2008 and prior years.

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
GENERAL SCHOOL SYSTEM EXPENDITURES BY SOURCE - GOVERNMENT-WIDE
FOR THE LAST NINE YEARS**



CONSTANT DOLLARS (in Millions)													
Year	Total	Regular Instructional	Other Instructional	Support and Development	Special Population Support	Technology Support	Operational Support	Financial and Human Resources	Accountability Services	System-Wide Pupil Support	Policy, Leadership and Public Relations	Community Services	Other
2008	556.5	279.8	154.1	2.8	3.5	6.0	84.2	12.6	2.7	1.7	7.3	0.6	1.2
2009	590.6	307.5	154.8	2.7	3.1	7.0	86.2	13.5	3.9	1.6	6.6	0.7	3.0
2010	523.4	265.3	147.8	2.6	3.0	7.7	73.4	12.0	3.1	1.4	6.3	0.7	0.1
2011	526.5	263.9	147.1	2.6	3.0	6.8	75.9	12.9	3.5	1.3	4.7	0.5	4.3
2012	525.5	275.4	141.1	2.3	2.9	6.3	73.5	12.3	3.3	1.4	5.0	0.4	1.6
2013	550.5	291.4	145.7	2.4	2.8	6.6	79.1	11.7	3.0	1.4	5.6	0.5	0.3
2014	534.4	280.0	147.6	2.3	2.9	6.5	71.9	11.8	2.6	1.3	6.6	0.6	0.3
2015	544.5	291.7	147.1	3.0	2.9	6.9	69.2	13.6	1.9	1.2	6.5	0.4	0.1
2016	553.2	296.1	151.3	2.8	2.9	6.1	72.7	11.0	1.7	1.6	6.4	0.5	0.1

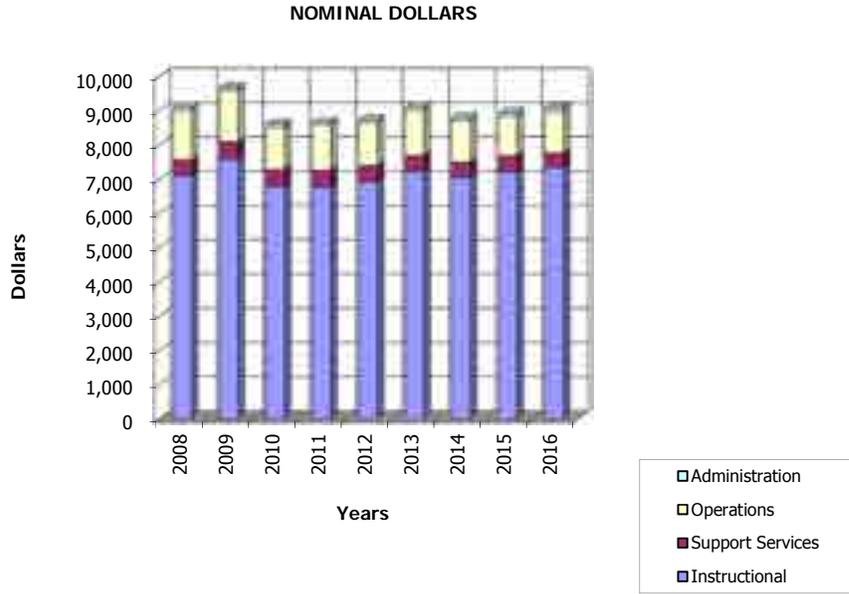
NOTES:

Other Instructional Expenditures includes Special, School Leadership, Co-Curricular and School-Based Support.

Nominal dollars reflect actual dollars of the period of the transaction. Constant dollars reflect dollars having a constant general purchasing power as shown by the Consumer Price Index for all Urban Consumers (CPI-U) (Calendar years 1982-84=100).

Due to significant changes in function-level expense coding classification in Governmental Activities during the year, comparisons cannot be made between purpose-level expenses for the years ended June 30, 2008 and prior years.

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
OPERATIONAL EXPENDITURES GOVERNMENT-WIDE PER PUPIL
FOR THE LAST NINE FISCAL YEARS**



NOMINAL DOLLARS						
Year	Ave. Daily Membership	Expenditures				Total per Pupil
		Instructional	Support Services	Operations	Administration	
2008	129,379	7,101	476	1,408	119	9,104
2009	130,869	7,582	522	1,474	108	9,686
2010	131,709	6,799	490	1,221	104	8,614
2011	134,175	6,771	498	1,328	78	8,675
2012	136,747	6,930	474	1,258	84	8,746
2013	139,772	7,236	464	1,322	92	9,114
2014	142,466	7,053	454	1,199	109	8,815
2015	144,087	7,207	484	1,145	108	8,944
2016	145,154	7,344	427	1,204	105	9,080

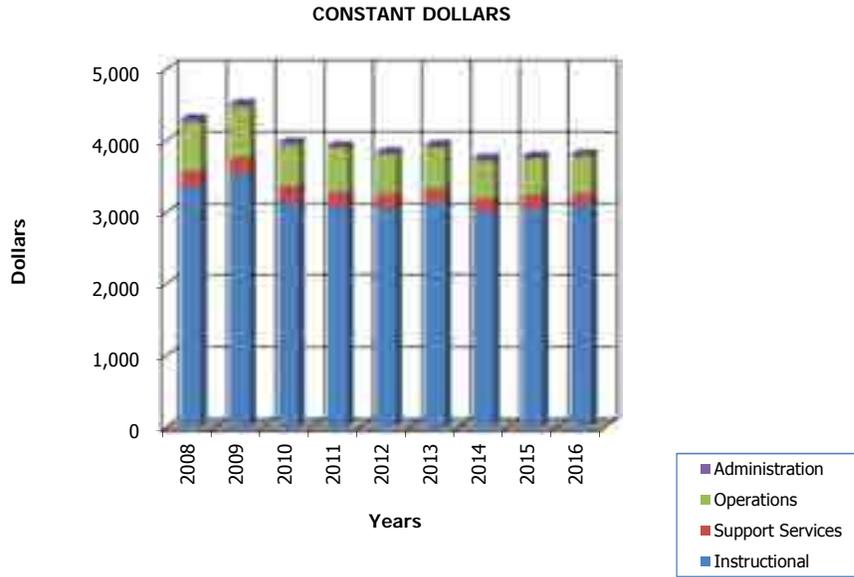
NOTES:

The above operational expenditures per pupil for the Governmental Fund excludes Capital Outlay, Individual Schools and pass-through to Charter Schools. Support Services includes Support and Development, Special Population Support, Technology Support, Financial and Human Resources, Accountability Services and System-Wide Pupil Support.

Nominal dollars reflect actual dollars of the period of the transaction.

Due to significant changes in function-level expense coding classification in Governmental Activities during the year ended June 30, 2008, comparisons cannot be made between purpose-level expenses for prior years.

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
OPERATIONAL EXPENDITURES GOVERNMENT-WIDE PER PUPIL
FOR THE LAST NINE FISCAL YEARS**



CONSTANT DOLLARS						
Year	Ave. Daily Membership	Expenditures				Total per Pupil
		Instructional	Support Services	Operations	Administration	
2008	129,379	3,354	225	665	56	4,300
2009	130,869	3,532	243	687	50	4,512
2010	131,709	3,137	226	563	48	3,974
2011	134,175	3,063	225	601	35	3,924
2012	136,747	3,045	208	553	37	3,843
2013	139,772	3,127	201	571	40	3,939
2014	142,466	3,002	193	510	46	3,751
2015	144,087	3,045	204	484	46	3,779
2016	145,154	3,082	179	505	44	3,810

NOTES:

The above operational expenditures per pupil for the Governmental Fund excludes Capital Outlay, Individual Schools and pass-through to Charter Schools. Support Services includes Support and Development, Special Population Support, Technology Support, Financial and Human Resources, Accountability Services and System-Wide Pupil Support.

Constant dollars reflect dollars having a constant general purchasing power as shown by the Consumer Price Index for All Urban Consumers (CPI-U) (Calendar years 1982-1984 = 100).

Due to significant changes in function-level expense coding classification in Governmental Activities during the year ended June 30, 2008, comparisons cannot be made between purpose-level expenses for prior years.

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
 FUND BALANCES, GOVERNMENTAL FUNDS
 FOR THE LAST TEN FISCAL YEARS**
 (Amounts expressed in thousands)

	Fiscal Years				
	<u>6/30/2007</u>	<u>6/30/2008</u>	<u>6/30/2009</u>	<u>6/30/2010</u>	<u>6/30/2011</u>
General Fund					
Nonspendable:					
Inventories	\$ 1,989	\$ 1,643	\$ 1,562	\$ 1,418	\$ 1,387
Restricted:					
Stabilization by State Statute	34,422	34,543	27,552	38,174	59,087
Insurance Claims	551	119	1,935	3,018	328
Assigned:					
Subsequent years expenditures	22,088	10,561	8,947	15,512	6,452
Unassigned:	<u>6,149</u>	<u>7,562</u>	<u>21,216</u>	<u>18,648</u>	<u>22,443</u>
Total General Fund	<u>\$ 65,199</u>	<u>\$ 54,428</u>	<u>\$ 61,212</u>	<u>\$ 76,770</u>	<u>\$ 89,697</u>
All other governmental funds					
Restricted:					
Stabilization by State Statute	\$ -	\$ -	\$ -	\$ -	\$ 1,368
School Capital Projects	1,108	2,208	2,429	2,779	4,259
Individual Schools	3,786	3,921	3,945	4,336	4,665
Assigned:					
Special Revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,030</u>
Total all other governmental funds	<u>\$ 4,894</u>	<u>\$ 6,129</u>	<u>\$ 6,374</u>	<u>\$ 7,115</u>	<u>\$ 12,322</u>

Continued on next page

Note:

Beginning with fiscal year 2012 we recomputed the fund balance classifications for the last nine fiscal years due to the implementation of GASB 54.

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
 FUND BALANCES, GOVERNMENTAL FUNDS
 FOR THE LAST TEN FISCAL YEARS**

(Amounts expressed in thousands)

<u>Fiscal Years</u>				
<u>6/30/2012</u>	<u>6/30/2013</u>	<u>6/30/2014</u>	<u>6/30/2015</u>	<u>6/30/2016</u>
\$ 1,226	\$ 1,239	\$ 1,135	\$ 931	\$ 931
54,941	36,638	43,511	45,422	51,953
2,952	4,955	4,283	4,437	4,117
12,541	7,700	9,082	9,200	8,300
<u>16,683</u>	<u>17,031</u>	<u>15,768</u>	<u>15,882</u>	<u>17,498</u>
<u>\$ 88,343</u>	<u>\$ 67,563</u>	<u>\$ 73,779</u>	<u>\$ 75,872</u>	<u>\$ 82,799</u>
\$ 5,617	\$ 9,667	\$ 5,528	\$ 8,092	\$ 15,052
2,030	-	-	-	-
4,623	4,451	4,570	4,724	5,054
3,990	10,872	10,368	10,859	4,883
<u>\$ 16,260</u>	<u>\$ 24,990</u>	<u>\$ 20,466</u>	<u>\$ 23,675</u>	<u>\$ 24,989</u>

Note:

Beginning with fiscal year 2012 we recomputed the fund balance classifications for the last nine fiscal years due to the implementation of GASB 54.

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
CHANGES IN FUND BALANCE, GOVERNMENTAL FUNDS
FOR THE LAST NINE FISCAL YEARS**

(Amounts expressed in thousands)

	2008	2009	2010	2011	2012
REVENUES:					
State of North Carolina	\$ 691,917	\$ 716,651	\$ 646,602	\$ 649,106	\$ 670,935
Mecklenburg County	513,465	594,977	387,586	315,269	347,712
U.S. Government Agencies	72,108	75,971	128,539	136,662	110,186
Other	39,375	38,774	36,519	34,417	33,197
Total Revenues	<u>1,316,865</u>	<u>1,426,373</u>	<u>1,199,246</u>	<u>1,135,454</u>	<u>1,162,030</u>
EXPENDITURES:					
Current Operating Expenditures:					
Instructional Programs	877,230	894,939	840,678	839,729	871,650
Support and Development	5,794	5,881	5,728	5,662	5,304
Special Population Support	7,304	6,574	6,619	6,662	6,655
Technology Support	12,475	14,725	16,299	14,746	13,925
Operational Support	179,837	171,782	159,768	162,650	168,067
Financial and Human Resources	26,658	26,651	23,246	24,472	25,649
Accountability Services	5,710	8,407	6,568	7,791	7,480
System-Wide Support	3,502	3,542	3,054	2,950	3,227
Policy, Leadership, and Public Relations	15,451	14,093	13,699	10,418	11,422
Ancillary Services	1,224	1,376	1,527	1,017	986
Debt Service					
Principal	2,764	6,663	5,306	9,757	4,003
Interest	236	204	238	171	165
Capital Outlay	176,872	260,364	78,614	23,064	19,832
Intergovernmental Expenditures	11,024	15,349	23,883	19,920	20,564
Total Expenditures	<u>1,326,081</u>	<u>1,430,550</u>	<u>1,185,227</u>	<u>1,129,009</u>	<u>1,158,929</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(9,216)</u>	<u>(4,177)</u>	<u>14,019</u>	<u>6,445</u>	<u>3,101</u>
OTHER FINANCING SOURCES (USES)					
Capitalized Lease	195	11,741	2,797	12,206	-
Transfer In (Out)	(515)	(535)	(517)	(517)	(517)
Total Other Financing Sources (Uses)	<u>(320)</u>	<u>11,206</u>	<u>2,280</u>	<u>11,689</u>	<u>(517)</u>
CHANGE IN FUND BALANCE	(9,536)	7,029	16,299	18,134	2,584
FUND BALANCE--Beginning of Year	70,093	60,557	67,586	83,885	102,019
FUND BALANCE--End of Year	<u>\$ 60,557</u>	<u>\$ 67,586</u>	<u>\$ 83,885</u>	<u>\$ 102,019</u>	<u>\$ 104,603</u>
Debt Service as a percent of non-capital expenditures	0.26%	0.57%	0.51%	0.90%	0.37%

Due to significant changes in function-level expense coding classification in Governmental Activities during the fiscal year ended June 30, 2008, comparisons cannot be made between purpose-level expenses for prior years.

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
CHANGES IN FUND BALANCE, GOVERNMENTAL FUNDS
FOR THE LAST NINE FISCAL YEARS**

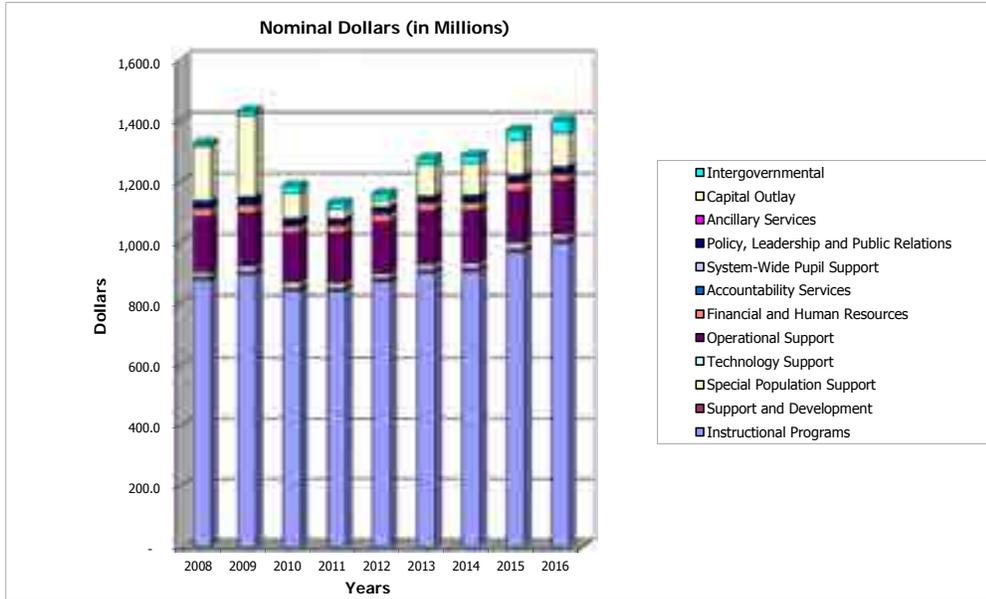
(Amounts expressed in thousands)

	2013	2014	2015	2016
REVENUES:				
State of North Carolina	\$ 711,702	\$ 710,970	\$ 739,654	\$ 768,542
Mecklenburg County	406,181	451,965	496,469	500,824
U.S. Government Agencies	91,953	89,205	101,601	87,380
Other	35,489	35,824	36,904	46,620
Total Revenues	<u>1,245,325</u>	<u>1,287,964</u>	<u>1,374,628</u>	<u>1,403,366</u>
EXPENDITURES:				
Current Operating Expenditures:				
Instructional Programs	900,746	905,323	967,992	998,589
Support and Development	5,526	5,515	7,223	6,990
Special Population Support	6,605	6,944	7,028	7,248
Technology Support	15,075	14,797	16,162	14,515
Operational Support	173,460	170,086	167,735	170,831
Financial and Human Resources	25,583	25,226	29,626	24,385
Accountability Services	6,854	6,164	4,607	4,244
System-Wide Support	3,248	3,145	3,018	3,924
Policy, Leadership, and Public Relations	12,835	15,567	15,981	15,735
Ancillary Services	1,142	1,262	905	1,340
Debt Service				
Principal	13,400	5,659	5,619	2,300
Interest	137	107	80	56
Capital Outlay	89,871	99,109	107,981	108,536
Intergovernmental Expenditures	21,138	26,851	34,852	40,385
Total Expenditures	<u>1,275,620</u>	<u>1,285,755</u>	<u>1,368,809</u>	<u>1,399,078</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(30,295)</u>	<u>2,209</u>	<u>5,819</u>	<u>4,288</u>
OTHER FINANCING SOURCES (USES)				
Capitalized Lease	18,762	-	-	4,300
Transfer In (Out)	(517)	(517)	(517)	(347)
Total Other Financing Sources (Uses)	<u>18,245</u>	<u>(517)</u>	<u>(517)</u>	<u>3,953</u>
CHANGE IN FUND BALANCE	(12,050)	1,692	5,302	8,241
FUND BALANCE--Beginning of Year	104,603	92,553	94,245	99,547
FUND BALANCE--End of Year	<u>\$ 92,553</u>	<u>\$ 94,245</u>	<u>\$ 99,547</u>	<u>\$ 107,788</u>
Debt Service as a percent of non-capital expenditures	1.15%	0.48%	0.45%	0.18%

Due to significant changes in function-level expense coding classification in Governmental Activities during the fiscal year ended June 30, 2008, comparisons cannot be made between purpose-level expenses for prior years.

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
GOVERNMENTAL EXPENDITURES BY FUNCTION
FOR THE LAST NINE FISCAL YEARS**

(Amounts expressed in millions)



Fiscal Year Ended June 30	Instructional Programs	Support and Development	Special Population Support	Technology Support	Operational Support	Financial and Human Resources
<i>Expressed in Nominal Dollars</i>						
2008	877.2	5.8	7.3	12.5	181.0	26.7
2009	894.9	5.9	6.6	14.7	172.8	26.7
2010	840.7	5.7	6.6	16.3	161.0	23.2
2011	839.7	5.7	6.7	14.8	163.7	24.5
2012	871.7	5.3	6.6	13.9	169.2	25.6
2013	900.8	5.5	6.6	15.1	174.6	25.6
2014	905.3	5.5	6.9	14.8	171.2	25.2
2015	968.0	7.2	7.0	16.2	168.6	29.6
2016	998.6	7.0	7.3	14.5	171.5	24.4
<i>Expressed in Constant Dollars</i>						
2008	414.4	2.7	3.4	5.9	85.5	12.6
2009	416.9	2.7	3.1	6.8	80.5	12.4
2010	387.9	2.6	3.0	7.5	74.3	10.7
2011	379.8	2.6	3.0	6.7	74.0	11.1
2012	383.0	2.3	2.9	6.1	74.4	11.2
2013	389.3	2.4	2.8	6.5	75.5	11.1
2014	385.3	2.3	2.9	6.3	72.9	10.7
2015	409.0	3.0	3.0	6.8	71.2	12.5
2016	419.1	2.9	3.1	6.1	72.0	10.2

NOTES:

The Governmental fund type includes the general fund (local current expense fund), the state public school fund, the federal grants fund, capital outlay fund capital projects fund.

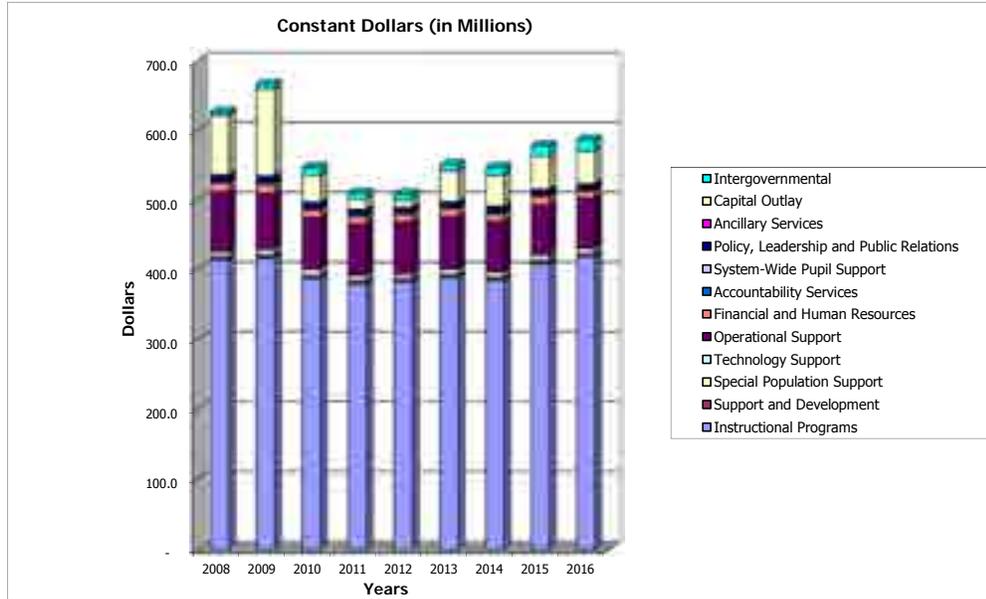
Nominal dollars reflect actual dollars of the period of the transaction. Constant dollars reflect dollars having a constant general purchasing power as shown by the Consumer Price Index for all Urban Consumers (CPI-U) (Calendar years 1982-84=100)

Due to significant changes in function-level expense coding classification in Governmental Activities during the year, comparisons cannot be made between purpose-level expenses for the years ended June 30, 2008 and prior years.

Continued on next page

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
GOVERNMENTAL EXPENDITURES BY FUNCTION
FOR THE LAST NINE FISCAL YEARS**

(Amounts expressed in millions)



Accountability Services	System-Wide Pupil Support	Policy, Leadership and Public Relations	Ancillary Services	Capital Outlay	Intergovernmental	Totals
5.7	3.5	15.5	1.2	178.7	11.0	1,326.1
8.4	3.5	14.1	1.4	266.2	15.4	1,430.6
6.6	3.1	13.7	1.5	82.9	23.9	1,185.2
7.8	2.9	10.4	1.0	31.9	19.9	1,129.0
7.5	3.2	11.4	1.0	22.9	20.6	1,158.9
6.9	3.2	12.8	1.1	102.3	21.1	1,275.6
6.2	3.1	15.6	1.3	103.8	26.9	1,285.8
4.7	3.0	16.0	0.9	112.8	34.8	1,368.8
4.3	3.9	15.7	1.3	110.2	40.4	1,399.1
2.7	1.7	7.3	0.6	84.4	5.2	626.4
3.9	1.6	6.6	0.7	124.0	7.2	666.4
3.1	1.4	6.3	0.7	38.2	11.0	546.7
3.5	1.3	4.7	0.5	14.4	9.0	510.6
3.3	1.4	5.0	0.4	10.1	9.1	509.2
3.0	1.4	5.5	0.5	44.2	9.1	551.2
2.6	1.3	6.6	0.6	44.2	11.4	547.1
2.0	1.3	6.8	0.4	47.6	14.7	578.3
1.8	1.6	6.6	0.5	46.2	17.0	587.1

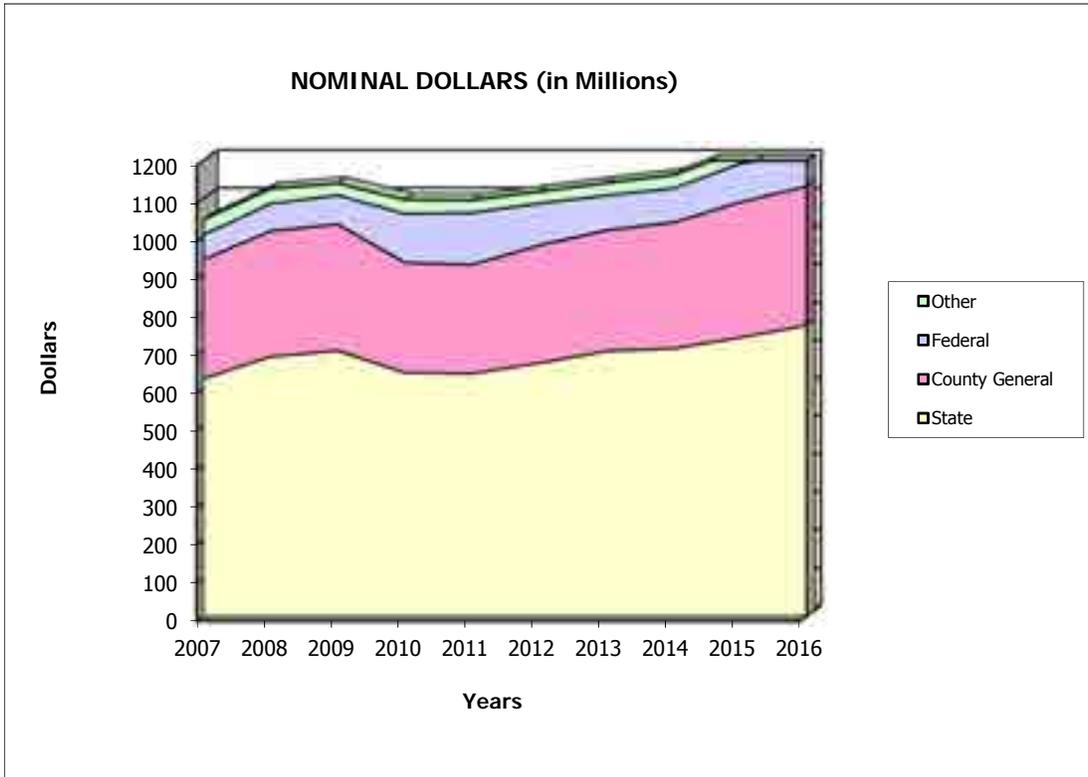
NOTES:

The Governmental fund type includes the general fund (local current expense fund), the state public school fund, the federal grants fund, capital outlay fund and the capital projects fund.

Nominal dollars reflect actual dollars of the period of the transaction. Constant dollars reflect dollars having a constant general purchasing power as shown by the Consumer Price Index for all Urban Consumers (CPI-U) (Calendar years 1982-84=100)

Due to significant changes in function-level expense coding classification in Governmental Activities during the year, comparisons cannot be made between purpose-level expenses for the years ended June 30, 2008 and prior years.

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
 SOURCES OF REVENUES (ALL FUNDS EXCEPT CAPITAL PROJECTS)
 FOR THE LAST TEN YEARS**



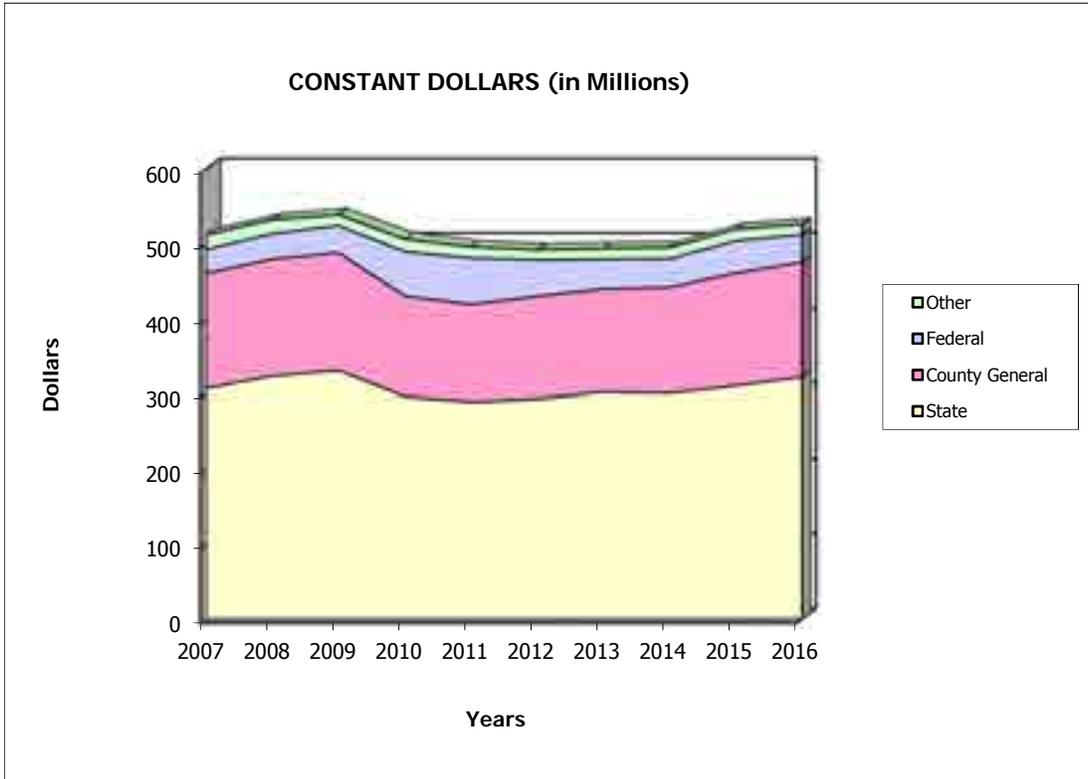
NOMINAL DOLLARS (in Millions)					
Year	Total	County			
		State	General	Federal	Other
2007	1,044.30	626.60	313.60	64.80	39.30
2008	1,126.00	684.60	330.30	72.10	39.00
2009	1,140.40	700.10	333.30	76.00	31.00
2010	1,096.80	642.30	289.90	128.50	36.10
2011	1,095.90	640.20	286.50	136.70	32.50
2012	1,118.80	667.90	310.00	110.20	30.70
2013	1,141.42	699.29	317.85	91.95	32.33
2014	1,162.46	706.28	332.15	89.21	34.82
2015	1,228.65	734.82	356.49	101.60	35.74
2016	1,253.10	766.89	366.12	87.38	32.71

NOTES:

County General revenue excludes the pass through funds for the charter schools.

Nominal dollars reflect actual dollars of the period of the transaction.

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
 SOURCES OF REVENUES (ALL FUNDS EXCEPT CAPITAL PROJECTS)
 FOR THE LAST TEN YEARS**



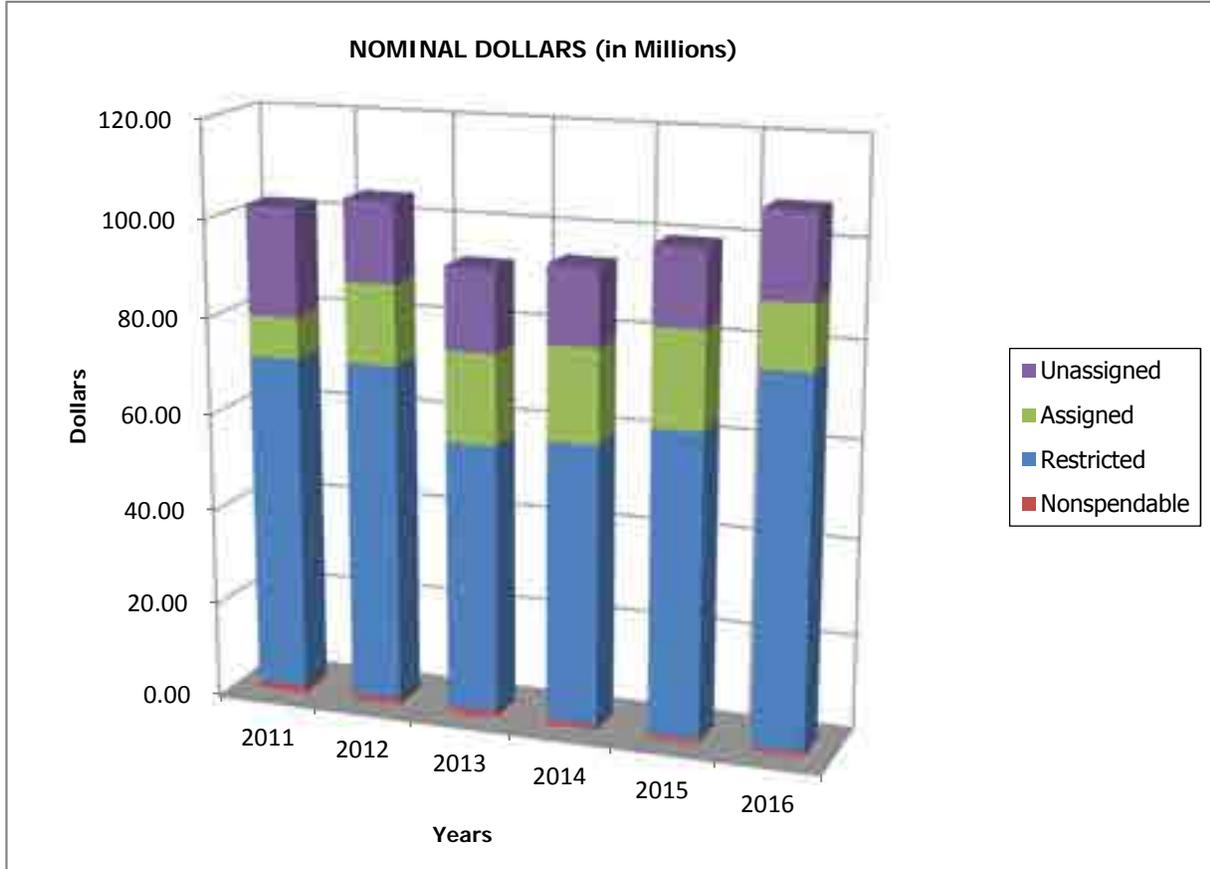
CONSTANT DOLLARS (in Millions)					
Year	Total	County			
		State	General	Federal	Other
2007	511.56	306.95	153.62	31.74	19.25
2008	531.91	323.40	156.03	34.06	18.42
2009	538.68	330.70	157.44	35.90	14.64
2010	506.05	296.35	133.75	59.29	16.66
2011	495.68	289.56	129.59	61.83	14.70
2012	491.63	293.49	136.22	48.43	13.49
2013	493.29	302.21	137.37	39.74	13.97
2014	494.73	300.58	141.36	37.97	14.82
2015	519.12	310.47	150.62	42.93	15.10
2016	525.89	321.84	153.65	36.67	13.73

NOTES:

County General revenue excludes the pass through funds for the charter schools.

Constant dollars reflect dollars having a constant general purchasing power as shown by the Consumer Price Index for all Urban Consumers (CPI-U) (Calendar years 1982-1984 = 100).

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
 FUND BALANCE EQUITY
 FOR THE LAST SIX FISCAL YEARS**



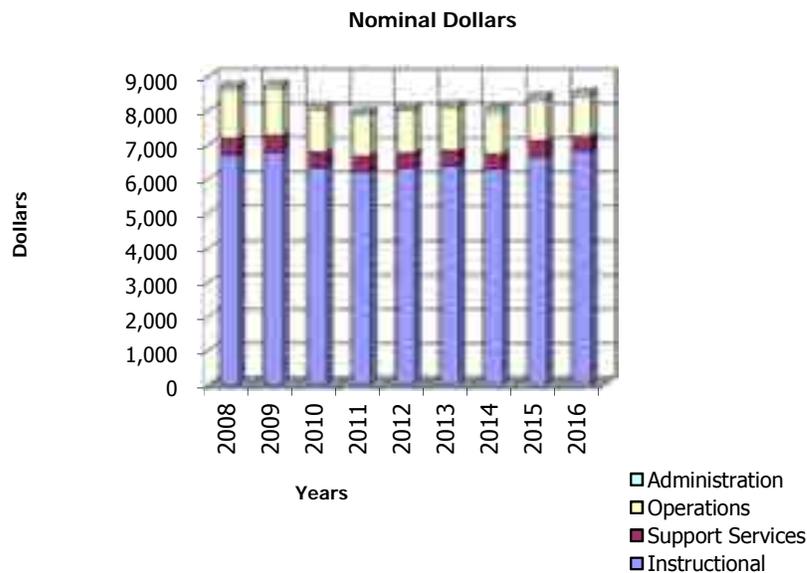
IN NOMINAL DOLLARS (IN MILLIONS)							
Year	Fund Balance				Total	Expenditures	Fund Balance to Expenditures
	Nonspendable	Restricted	Assigned	Unassigned			
2011	1.39	69.71	8.48	22.44	102.02	1,129.01	9.0%
2012	1.23	70.16	16.53	16.68	104.60	1,158.93	9.0%
2013	1.24	55.71	18.57	17.03	92.55	1,275.62	7.3%
2014	1.14	57.89	19.45	15.77	94.25	1,285.76	7.3%
2015	0.93	62.68	20.06	15.88	99.55	1,368.81	7.3%
2016	0.93	76.18	13.18	17.50	107.79	1,399.08	7.7%

NOTE:

Due to significant changes in Fund Balance classification resulting from the implementation of GASB 54 comparisons cannot be made for the years ended since June 30, 2011 and prior years.

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**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
GOVERNMENTAL OPERATIONAL EXPENDITURES PER PUPIL
FOR THE LAST NINE FISCAL YEARS**



NOMINAL DOLLARS						
Year	Ave. Daily Membership	Expenditures				Total per Pupil
		Instructional	Support Services	Operations	Administration	
2008	129,379	6,722	475	1,423	119	8,739
2009	130,869	6,786	503	1,376	107	8,772
2010	131,709	6,334	467	1,234	104	8,139
2011	134,175	6,210	464	1,228	78	7,980
2012	136,747	6,323	455	1,245	84	8,107
2013	139,772	6,392	450	1,257	92	8,191
2014	142,466	6,303	434	1,210	109	8,056
2015	144,087	6,668	470	1,176	111	8,425
2016	145,154	6,828	422	1,182	108	8,540

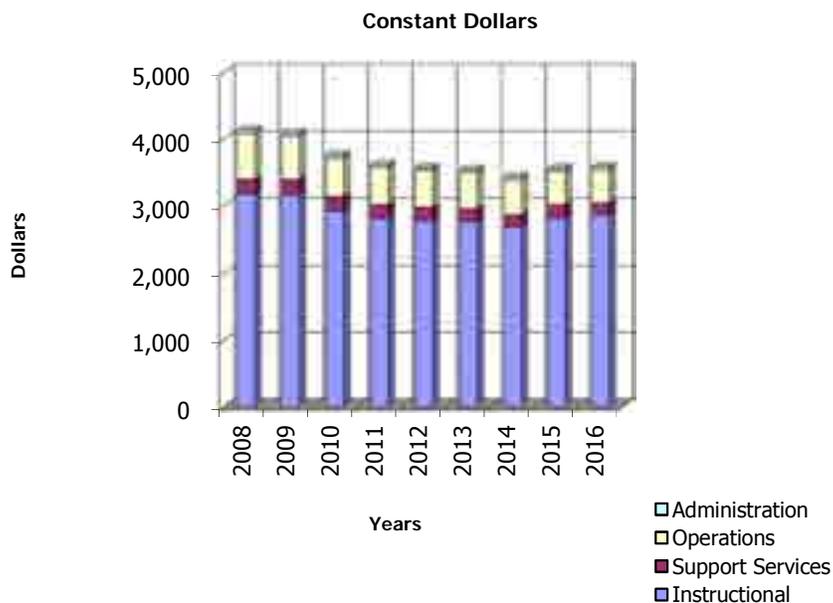
NOTES:

The above operational expenditures per pupil for the Governmental Fund excludes Capital Outlay, Individual Schools and pass-through to Charter Schools. Support Services includes Support and Development, Special Population Support, Technology Support, Financial and Human Resources, Accountability Services and System-Wide Pupil Support.

Nominal dollars reflect actual dollars of the period of the transaction.

Due to significant changes in function-level expense coding classification in Governmental Activities for the fiscal year ending June 30, 2008 comparisons cannot be made between purpose-level expenses for prior years.

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
GOVERNMENTAL OPERATIONAL EXPENDITURES PER PUPIL
FOR THE LAST NINE FISCAL YEARS**



CONSTANT DOLLARS						
Year	Ave. Daily Membership	Expenditures				Total per Pupil
		Instructional	Support Services	Operations	Administration	
2008	129,379	3,175	224	672	56	4,127
2009	130,869	3,161	234	641	50	4,086
2010	131,709	2,922	215	569	48	3,754
2011	134,175	2,809	210	555	35	3,609
2012	136,747	2,778	200	547	37	3,562
2013	139,772	2,762	195	543	40	3,540
2014	142,466	2,682	185	515	46	3,428
2015	144,087	2,817	199	497	47	3,560
2016	145,154	2,866	177	496	45	3,584

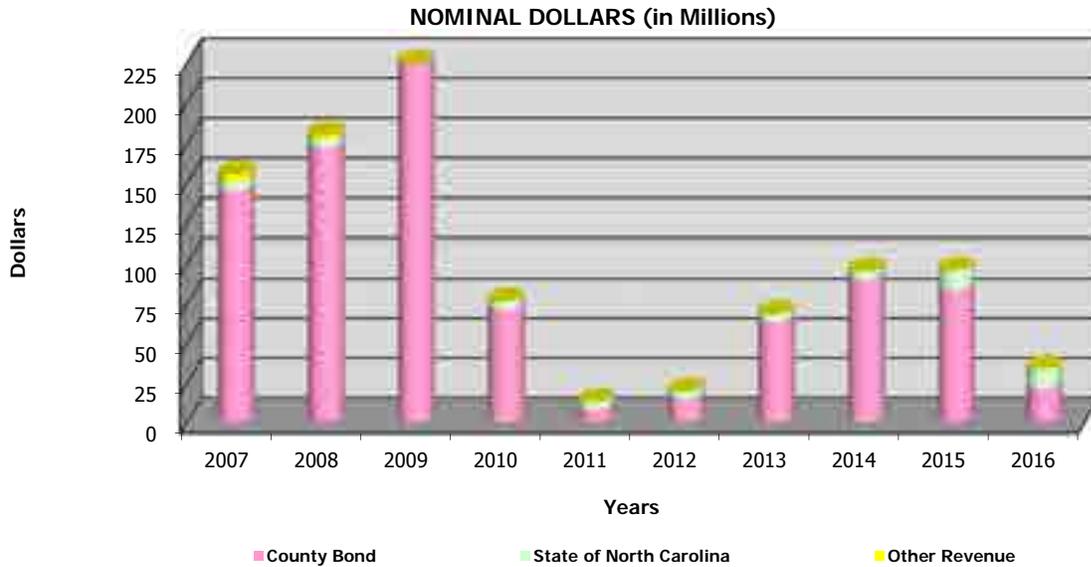
NOTES:

The above operational expenditures per pupil for the Governmental Fund excludes Capital Outlay, Individual Schools and pass-through to Charter Schools. Support Services includes Support and Development, Special Population Support, Technology Support, Financial and Human Resources, Accountability Services and System-Wide Pupil Support.

Constant dollars reflect dollars having a constant general purchasing power as shown by the Consumer Price Index for All Urban Consumers (CPI-U) (Calendar years 1982-1984 = 100).

Due to significant changes in function-level expense coding classification in Governmental Activities for the fiscal year ending June 30, 2008 comparisons cannot be made between purpose-level expenses for prior years.

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
SOURCES OF CAPITAL PROJECT REVENUES
FOR THE LAST TEN FISCAL YEARS**



NOMINAL DOLLARS (in Millions)										
Year Ended June 30,	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
County Bond - Certificates of Participation	\$ 63.82	\$ 102.08	\$ 92.72	\$ 7.10	\$ 1.95	\$ 1.48	\$ 0.60	\$ 0.04	-	-
1993 (\$192.0) referendum	-	-	-	-	-	-	-	-	-	-
1995 (\$217.0) referendum	-	-	-	-	-	-	-	-	-	-
1997 (\$415.0) referendum	7.84	0.02	1.48	0.76	1.28	-	-	-	-	-
2000 (\$275.5) referendum	16.24	17.15	0.36	0.44	-	\$ 0.86	0.91	-	-	-
2002 (\$224.0) referendum	56.40	33.68	6.16	0.10	0.54	(0.09)	1.43	2.96	-	-
2007 (\$516.0) referendum	-	\$ 19.17	142.66	62.92	4.29	12.16	60.85	87.28	83.67	21.49
2013 (\$516.0) referendum	-	-	-	-	-	-	-	\$ 0.18	12.08	62.83
State of North Carolina	5.62	5.47	5.20	5.20	4.96	4.96	4.96	4.96	12.48	12.22
Other Revenues	4.40	2.24	0.18	-	-	-	-	-	-	-
Total	\$ 154.32	\$ 179.81	\$ 248.76	\$ 76.52	\$ 13.02	\$ 19.37	\$ 68.75	\$ 95.42	\$ 108.23	\$ 96.54
CONSTANT DOLLARS (in Millions)										
County Bond - All Referendum Years	\$70.69	\$81.30	\$114.96	\$32.91	\$ 3.65	\$ 6.33	\$ 27.57	\$ 38.50	\$ 40.46	\$ 35.39
State of North Carolina	2.75	2.58	2.46	2.40	2.24	2.20	2.14	2.11	5.27	5.13
Other Revenues	2.16	1.06	0.09	-	-	-	-	-	-	-
Total	\$ 75.60	\$ 84.94	\$ 117.51	\$ 35.31	\$ 5.89	\$ 8.53	\$ 29.71	\$ 40.61	\$ 45.73	\$ 40.52

NOTES:

Other revenue includes proceeds from sale of surplus property and miscellaneous income.

Nominal dollars reflect actual dollars of the period of the transaction. Constant dollars reflect dollars having a constant general purchasing power as shown by the Consumer Price Index for All Urban Consumers (CPI-U) (Calendar years 1982-84 = 100).

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**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
CAPITAL ASSETS ADDITIONS STATISTICS BY FUNCTION
FOR THE LAST NINE FISCAL YEARS**

(Amounts expressed in thousands)

	<u>Fiscal Year</u>				
	<u>6/30/2008</u>	<u>6/30/2009</u>	<u>6/30/2010</u>	<u>6/30/2011</u>	<u>6/30/2012</u>
Co-curricular	\$ 201	\$ 165	\$ 348	\$ 189	\$ 11
Instructional	146,116	119,885	253,347	137,077	8,089
Operational	7,265	5,961	12,596	6,815	402
Policy Operational	31	25	54	29	2
Special Instruction	31	25	54	29	2
Technology	<u>927</u>	<u>761</u>	<u>1,608</u>	<u>870</u>	<u>51</u>
Total Capital Asset Additions	<u>\$ 154,571</u>	<u>\$ 126,822</u>	<u>\$ 268,007</u>	<u>\$ 145,009</u>	<u>\$ 8,557</u>

NOTES:

Functions Defined

Co-curricular	CMS programs that are outside of the traditional instructional programs.
Instructional	Equipment and facilities used to supplement the education process.
Operational	Departments that provide support for all physical maintenance of the Charlotte Mecklenburg School System.
Policy Operational	Support systems that provide a means of communication to the public.
Special Instructional	Programs that assist in the education and instruction of special needs children.
Technology	Departments that provide computer support for the Charlotte Mecklenburg School System.

NOTES:

Due to significant changes in function-level expense coding classification in Governmental Activities for the fiscal year ended June 30, 2008, comparisons cannot be made between purpose-level expenses for prior years.

Capital Asset additions exclude Land.

Source: Charlotte-Mecklenburg School year-end balances per purpose code.

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
CAPITAL ASSETS ADDITIONS STATISTICS BY FUNCTION
FOR THE LAST NINE FISCAL YEARS**

(Amounts expressed in thousands)

	<u>Fiscal Year</u>	<u>Fiscal Year</u>	<u>Fiscal Year</u>	<u>Fiscal Year</u>
	<u>6/30/2013</u>	<u>6/30/2014</u>	<u>6/30/2015</u>	<u>6/30/2016</u>
Co-curricular	\$ 137	\$ 546	\$ 20,775	\$ 2,431
Instructional	23,533	88,139	75,525	87,110
Operational	2,691	576	3,463	182
Policy Operational	8	-	4,125	411
Special Instruction	14	-	85	37
Technology	<u>2,244</u>	<u>907</u>	<u>2,964</u>	<u>1,464</u>
Total Capital Asset Additions	<u>\$ 28,627</u>	<u>\$ 90,168</u>	<u>\$ 106,937</u>	<u>\$ 91,635</u>

NOTES:

Functions Defined

Co-curricular	CMS programs that are outside of the traditional instructional programs.
Instructional	Equipment and facilities used to supplement the education process.
Operational	Departments that provide support for all physical maintenance of the Charlotte Mecklenburg School System.
Policy Operational	Support systems that provide a means of communication to the public.
Special Instructional	Programs that assist in the education and instruction of special needs children.
Technology	Departments that provide computer support for the Charlotte Mecklenburg School System.

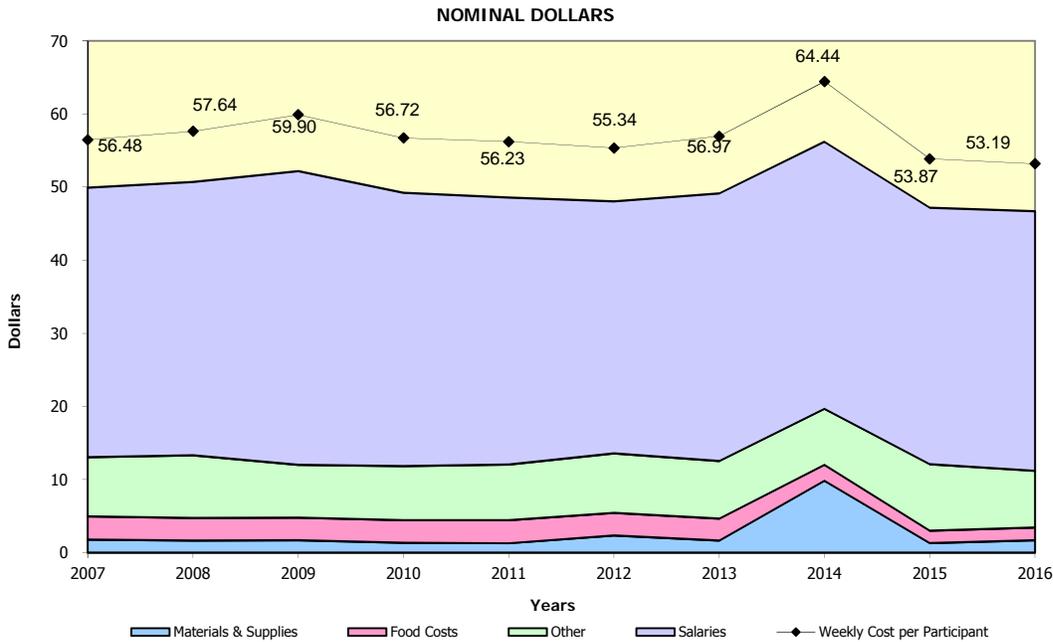
NOTES:

Due to significant changes in function-level expense coding classification in Governmental Activities for the fiscal year ended June 30, 2008, comparisons cannot be made between purpose-level expenses for prior years.

Capital Asset additions exclude Land.

Source: Charlotte-Mecklenburg School year-end balances per purpose code.

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
AFTER SCHOOL ENRICHMENT PROGRAM COST PER PARTICIPANT PER WEEK
FOR THE LAST TEN FISCAL YEARS**



NOMINAL DOLLARS								
Year	Number of Sites	Participants per week	Expenditures					Total per Participant per Week
			Food Cost	Salaries	Employee Benefits	Materials & Supplies	Other	
2007	103	6,413	3.19	36.83	6.58	1.79	8.09	56.48
2008	103	6,714	3.11	37.37	6.95	1.65	8.56	57.64
2009	109	6,669	3.11	40.19	7.71	1.70	7.19	59.90
2010	108	6,382	3.09	37.40	7.48	1.36	7.39	56.72
2011	105	6,490	3.14	36.52	7.66	1.29	7.62	56.23
2012	103	5,561	3.09	34.45	7.31	2.37	8.12	55.34
2013	97	5,664	2.99	36.61	7.83	1.66	7.88	56.97
2014	94	5,601	2.19	36.51	8.24	9.83	7.67	64.44
2015	91	5,762	1.70	35.08	6.67	1.31	9.11	53.87
2016	93	5,899	1.74	35.49	6.49	1.70	7.77	53.19

CONSTANT DOLLARS								
Year	Number of Sites	Participants per week	Expenditures					Total per Participant per Week
			Food Cost	Salaries	Employee Benefits	Materials & Supplies	Other	
2007	103	6,413	1.56	18.05	3.23	0.88	3.96	27.68
2008	103	6,714	1.47	17.65	3.28	0.78	4.04	27.22
2009	109	6,669	1.47	18.99	3.64	0.80	3.40	28.30
2010	108	6,382	1.42	17.25	3.45	0.63	3.41	26.16
2011	105	6,490	1.42	16.52	3.46	0.58	3.45	25.43
2012	103	5,561	1.31	16.09	3.44	0.73	3.46	25.03
2013	97	5,664	1.29	15.82	3.39	0.72	3.41	24.63
2014	94	5,601	0.93	15.54	3.51	4.18	3.26	27.42
2015	91	5,762	0.72	14.82	2.82	0.55	3.85	22.76
2016	93	5,899	0.73	14.90	2.72	0.72	3.26	22.33

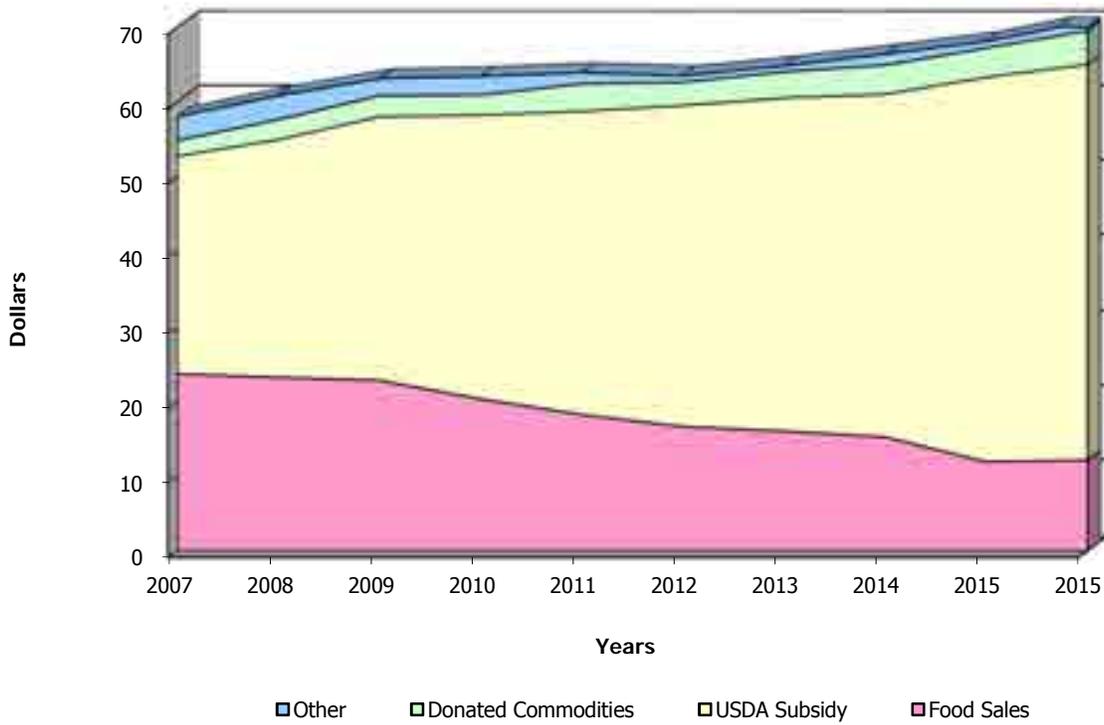
NOTE:
Nominal dollars reflect actual dollars of the period of the transaction. Constant dollars reflect dollars having a constant general purchasing power as shown by the Consumer Price Index for All Urban Consumers (CPI-U) (Calendar years 1982-84 = 100).

Source: After School Enrichment Program

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**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
SOURCES OF CHILD NUTRITION PROGRAM REVENUES
FOR THE LAST TEN FISCAL YEARS**

NOMINAL DOLLARS (in Millions)



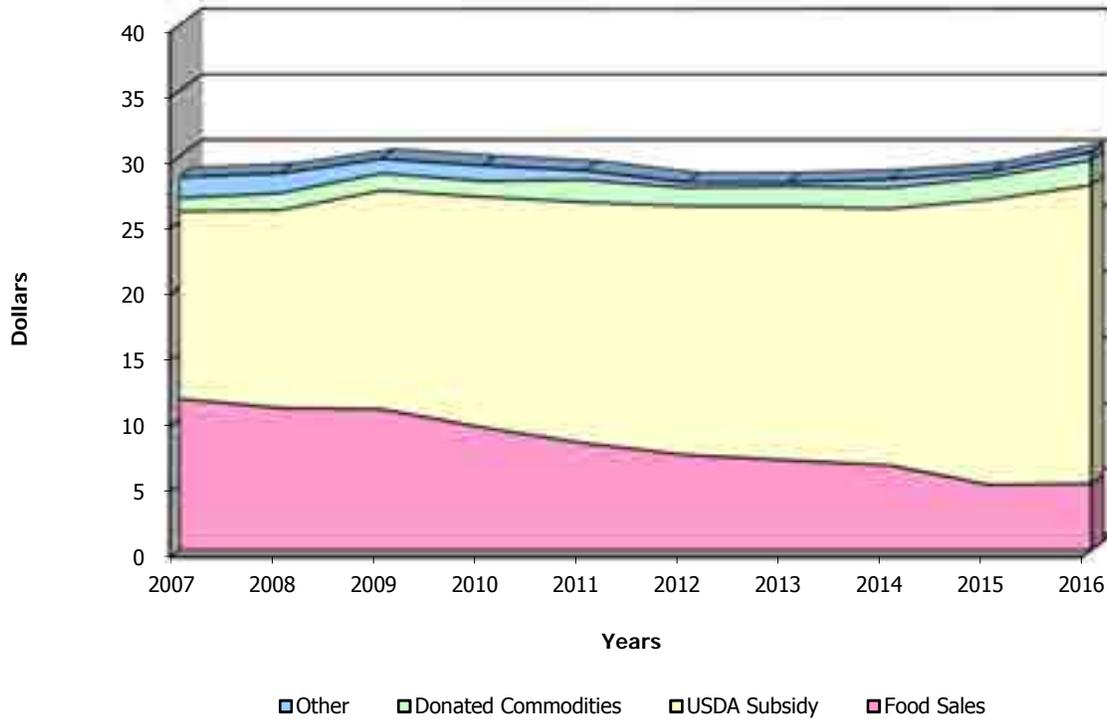
NOMINAL DOLLARS (in Millions)					
Year	Revenues				Total
	Food Sales	USDA Subsidy	Donated Commodities	Other	
2007	23.7	29.0	2.1	3.2	58.0
2008	23.2	31.7	2.7	3.2	60.8
2009	22.8	35.2	2.8	2.3	63.1
2010	20.3	37.9	2.7	2.5	63.4
2011	18.2	40.5	3.7	1.5	63.9
2012	16.6	42.9	3.1	0.9	63.5
2013	16.0	44.5	3.5	0.8	64.8
2014	15.2	45.8	3.9	1.5	66.4
2015	11.9	51.4	3.9	0.9	68.1
2015	12.1	52.9	4.5	1.3	70.8

NOTES:

Other revenue includes transfers from other funds and interest income. Nominal dollars reflect actual dollars of the period of the transaction.

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
 SOURCES OF CHILD NUTRITION PROGRAM REVENUES
 FOR THE LAST TEN FISCAL YEARS**

CONSTANT DOLLARS (in Millions)

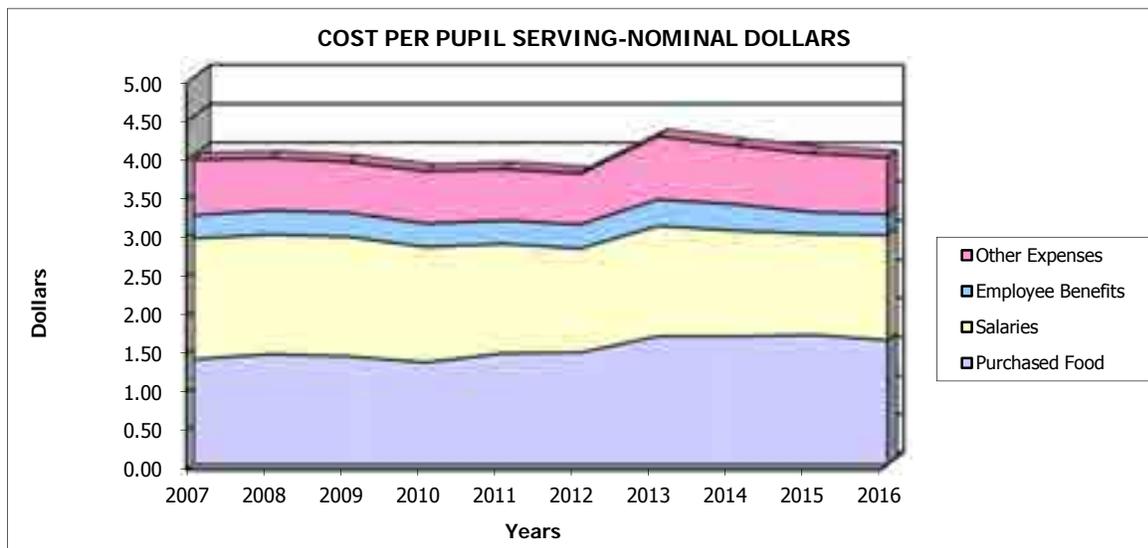


CONSTANT DOLLARS (in Millions)					
Year	Revenues				Total
	Food Sales	USDA Subsidy	Donated Commodities	Other	
2007	11.6	14.2	1.0	1.6	28.4
2008	10.9	15.0	1.3	1.5	28.7
2009	10.8	16.6	1.3	1.1	29.8
2010	9.4	17.5	1.2	1.2	29.3
2011	8.2	18.3	1.7	0.7	28.9
2012	7.3	18.9	1.4	0.4	28.0
2013	6.9	19.3	1.5	0.3	28.0
2014	6.5	19.5	1.6	0.6	28.2
2015	5.0	21.7	1.7	0.4	28.8
2016	5.1	22.7	1.9	0.6	30.3

NOTES:

Other revenue includes transfers from other funds and interest income. Constant dollars reflect dollars having a constant general purchasing power as shown by the Consumer Price Index for All Urban Consumers (CPI-U) (Calendar years 1982-84 = 100).

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
CHILD NUTRITION PROGRAM COST PER PUPIL SERVING
FOR THE LAST TEN FISCAL YEARS**



NOMINAL DOLLARS						
Year	Daily Avg. Served	Purchased Food	Salaries	Employee Benefits	Other Expenses	Total Per Pupil Served
2007	77,962	1.37	1.56	0.30	0.71	3.94
2008	81,558	1.44	1.54	0.31	0.67	3.96
2009	86,177	1.41	1.54	0.31	0.65	3.91
2010	86,450	1.33	1.49	0.30	0.67	3.79
2011	88,495	1.45	1.41	0.30	0.66	3.82
2012	89,278	1.46	1.34	0.31	0.65	3.76
2013	87,119	1.67	1.42	0.34	0.81	4.24
2014	88,529	1.67	1.36	0.34	0.75	4.12
2015	91,217	1.69	1.30	0.28	0.75	4.02
2016	91,172	1.62	1.35	0.27	0.73	3.97

CONSTANT DOLLARS						
Year	Daily Avg. Served	Purchased Food	Salaries	Employee Benefits	Other Expenses	Total Per Pupil Served
2007	77,962	0.67	0.76	0.15	0.35	1.93
2008	81,558	0.68	0.73	0.14	0.32	1.87
2009	86,177	0.67	0.73	0.15	0.31	1.86
2010	86,450	0.61	0.69	0.14	0.31	1.75
2011	88,495	0.66	0.64	0.14	0.30	1.74
2012	89,278	0.64	0.59	0.14	0.29	1.66
2013	87,119	0.72	0.61	0.15	0.35	1.83
2014	88,529	0.71	0.58	0.14	0.32	1.75
2015	91,217	0.71	0.55	0.12	0.32	1.70
2016	91,172	0.68	0.57	0.12	0.31	1.68

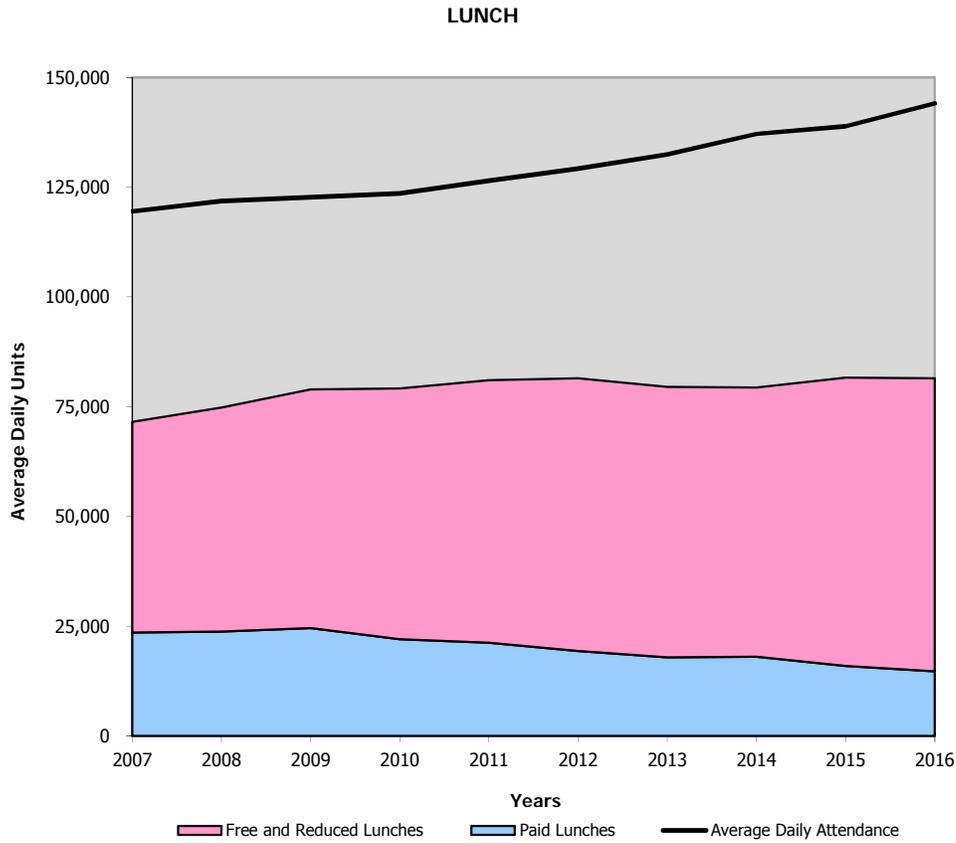
NOTES:

A breakfast serving is counted as equivalent to 25% of lunch service; adult meals and a la carte servings are excluded from serving counts.

Nominal dollars reflect actual dollars of the period of the transaction. Constant dollars reflect dollars having a constant general purchasing power as shown by the Consumer Price Index for all Urban Consumers (CPI-U) (Calendar years 1982-84 = 100).

Source: Child Nutrition Department

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
CHILD NUTRITION PROGRAM SERVINGS
FOR THE LAST TEN FISCAL YEARS**



LUNCH									
Year	Average Daily Servings						Average Daily		
	Paid	%	Free	%	Reduced	%	Total	Attendance	Percent Served
2007	23,581	33.0	41,265	57.7	6,664	9.3	71,510	119,523	59.8
2008	23,750	31.8	43,554	58.2	7,470	10.0	74,774	121,880	61.4
2009	24,550	31.1	46,949	59.5	7,449	9.4	78,948	122,715	64.3
2010	22,045	27.9	50,351	63.6	6,762	8.5	79,158	123,606	64.0
2011	21,252	26.2	54,386	67.1	5,403	6.7	81,041	126,450	64.1
2012	19,360	23.8	56,502	69.3	5,597	6.9	81,459	129,234	63.0
2013	17,894	22.5	55,952	70.2	5,694	7.2	79,540	132,498	60.0
2014	18,034	22.7	55,885	70.3	5,482	6.9	79,401	137,148	57.9
2015	15,971	19.6	63,081	77.2	2,572	3.2	81,624	138,870	58.8
2016	14,693	18.0	64,401	78.9	2,403	2.9	81,497	144,087	56.6

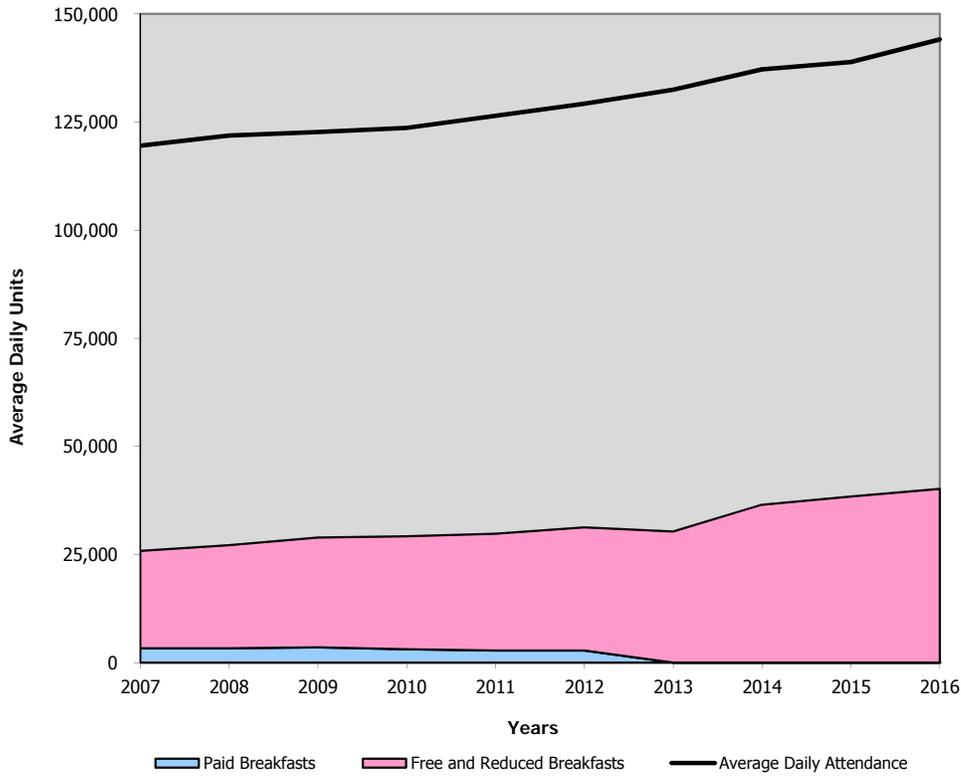
NOTES:

The above data represents meals served to students only and thus excludes any servings to adults and staff.

Source: Child Nutrition Department

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
CHILD NUTRITION PROGRAM SERVINGS
FOR THE LAST TEN FISCAL YEARS**

BREAKFAST

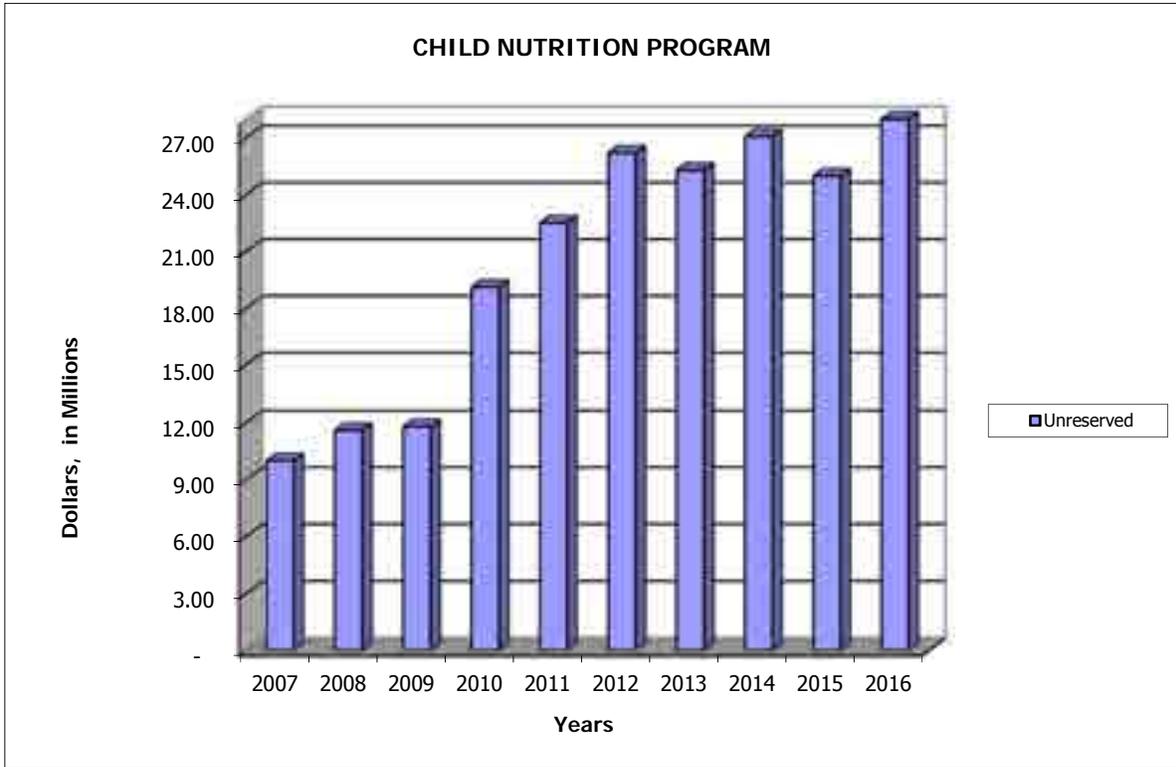


BREAKFASTS									
Year	Average Daily Servings						Average Daily		
	Paid	%	Free	%	Reduced	%	Total	Attendance	Percent Served
2007	3,301	12.8	20,291	78.6	2,211	8.6	25,803	119,523	21.6
2008	3,291	12.1	21,351	78.7	2,491	9.2	27,133	121,880	22.3
2009	3,533	12.2	22,855	79.0	2,532	8.8	28,920	122,715	23.6
2010	3,097	10.6	23,843	81.8	2,228	7.6	29,168	123,606	23.6
2011	2,807	9.4	25,331	85.0	1,677	5.6	29,815	126,450	23.6
2012	2,771	8.9	26,452	84.6	2,054	6.5	31,277	129,234	24.2
2013	-	-	30,317	100.0	-	-	30,317	132,498	22.9
2014	-	-	36,513	100.0	-	-	36,513	137,148	26.6
2015	-	-	38,368	100.0	-	-	38,368	138,870	27.6
2016	-	-	40,123	100.0	-	-	40,123	144,087	27.8

NOTES:

The above data represents meals served to students only and thus excludes any servings to adults and staff.
Beginning in the 2012-2013 school year free breakfasts were available to all students.

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
 UNRESERVED FUND EQUITY - CHILD NUTRITION PROGRAM
 FOR THE LAST TEN FISCAL YEARS**



CHILD NUTRITION PROGRAM IN NOMINAL DOLLARS (in Millions)				
Year	Unreserved Fund Equity	Retained Earnings	Expenditures	Fund Balance to Expenditures
2007	10.00		55.21	18.1%
2008	11.60		58.10	20.0%
2009	11.80		60.70	19.4%
2010	19.10		59.00	32.4%
2011	22.50		60.80	37.0%
2012	26.20		60.50	43.3%
2013	25.30		66.60	38.0%
2014	27.07		65.00	41.6%
2015	24.99		65.53	38.1%
2016	31.21		64.89	48.1%

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
ESTIMATED POPULATION, ASSESSED VALUE AND GENERAL REVENUES BY SOURCE
FOR MECKLENBURG COUNTY
FOR THE LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	Population Estimate	Assessed Value (in Millions)	General Revenues by Source (in Millions)			
			Taxes and Assessments	Inter- Governmental	Other	Totals
<i>Expressed in Nominal Dollars</i>						
2015	1,055,791	\$ 118,633.2	\$ 1,176.4	\$ 171.4	\$ 121.3	\$ 1,469.1
2014	1,027,034	112,934.1	1,192.7	165.3	127.6	1,485.6
2013	999,060	113,936.6	1,152.4	170.8	110.0	1,433.2
2012	966,160	115,745.2	1,150.1	187.0	106.8	1,443.9
2011	938,020	100,237.9	1,045.7	208.0	101.3	1,355.0
2010	919,628	99,891.8	1,041.9	198.5	107.1	1,347.5
2009	893,892	97,813.6	1,035.8	208.3	127.6	1,371.7
2008	869,954	95,099.7	1,053.1	202.8	167.1	1,423.0
2007	842,674	90,718.7	999.5	177.8	160.9	1,338.2
2006	815,218	88,359.7	964.1	158.8	156.6	1,279.5
<i>Expressed in Constant Dollars</i>						
2015	1,055,791	\$ 49,787.3	\$ 493.7	\$ 71.9	\$ 50.9	\$ 616.4
2014	1,027,034	47,715.9	503.9	69.9	53.9	627.7
2013	999,060	48,063.2	507.6	70.3	54.3	609.9
2012	966,160	49,240.1	498.0	73.8	47.5	619.4
2011	938,020	44,060.2	459.5	91.4	44.5	595.4
2010	919,628	45,351.6	473.0	94.1	45.8	612.9
2009	893,892	46,088.3	480.7	91.6	49.4	621.7
2008	869,954	46,206.1	489.3	98.4	60.3	648.0
2007	842,674	46,585.5	515.9	99.3	81.9	697.1
2006	815,218	45,589.6	502.3	89.4	80.9	672.6

Source: Mecklenburg County, North Carolina, Comprehensive Annual Financial Report for the Year Ended June 30, 2015 (most current information available).

The above data is provided for information as the Charlotte-Mecklenburg Board of Education has no direct taxing authority and Mecklenburg County levies no specific taxes solely for the Board of Education. Mecklenburg County transfers funds accruing to the Board of Education under Article IX, Section 7 of the North Carolina Constitution.

Nominal dollars reflect actual dollars of the period of the transaction. Constant dollars reflect dollars having a constant general purchasing power as shown by the Consumer Price Index for all Urban Consumers (CPI-U) (Calendar years 1982-84=100).

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
 ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 FOR THE LAST TEN FISCAL YEARS**

(Amounts expressed in millions)

MECKLENBURG COUNTY

Year	Real Property	Personal Property	State Certification	Less Elderly Exemption	Total Assesed Valuation	Direct Tax Rate
2015	96,725.4	17,979.0	3,928.8	\$ - (A)	118,633.2	0.8157
2014	95,379.3	13,985.4	3,569.4	\$ - (A)	112,934.1	0.8157
2013	95,935.5	14,570.7	3,430.4	- (A)	113,936.6	0.7922
2012	96,421.2	16,001.8	3,322.2	- (A)	115,745.2	0.8166
2011	82,522.5	14,501.7	3,213.7	- (A)	100,237.9	0.8387
2010	81,628.2	14,990.3	3,273.2	- (A)	99,891.7	0.8387
2009	78,995.3	15,461.7	3,356.6	- (A)	97,813.6	0.8387
2008	76,671.4	15,312.1	3,287.1	(170.9)	95,099.7	0.8387
2007	72,755.0	14,454.9	3,676.1	(167.3)	90,718.7	0.8189
2006	71,019.8	13,965.6	3,560.0	(185.7)	88,359.7	0.8368

Note (A): Elderly Exemption is net of Real Property beginning fiscal year 2009.

Source: Mecklenburg County, North Carolina Comprehensive Annual Financial Report for the Year Ended June 30, 2015 (most current information available).

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
TEN HIGHEST TAXPAYERS FOR MECKLENBURG COUNTY
CURRENT YEAR AND NINE YEARS AGO**

Taxpayer	Fiscal Year 2015			Fiscal Year 2006		
	Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Duke Energy	\$ 2,460,530,741	1	2.07 %	\$ 1,071,761,180	1	1.21 %
Bank of America	1,411,588,114	2	1.19	844,890,980	2	0.96
Wells Fargo Bank	1,007,625,805	3	0.85	635,656,161	3	0.72
AT&T/Bellsouth	503,643,827	4	0.42	516,523,116	4	0.58
Time Warner Cable	437,561,563	5	0.37	235,899,351	9	0.27
Piedmont Natural Gas	348,159,450	6	0.29	292,479,808	7	0.33
US Airways	347,206,571	7	0.29	357,259,199	6	0.40
South Park Mall	327,568,782	8	0.28	178,354,804	10	0.20
Teachers Insurance	219,046,529	9	0.18	202,675,394	8	0.23
Parkway 214 N Tryon LLC	210,118,400	10	0.18	-	-	-
Childress Klein	-	-	-	425,485,800	5	0.48
Total	\$ <u>7,273,049,782</u>		<u>6.12 %</u>	\$ <u>4,760,985,793</u>		<u>5.38 %</u>

Source: Mecklenburg County Office of Tax Collector

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
 COMPUTATION OF DIRECT AND OVERLAPPING DEBT FOR MECKLENBURG COUNTY
 GENERAL OBLIGATION BONDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

(Amounts expressed in thousands)

Mecklenburg County:	Assessed Valuation (1)	Percent of Countywide Total	Pro Rata Share of Governmental Activities Debt	Municipalities Debt (2)	Total Overlapping Debt
Charlotte	\$ 89,423,229,328	75.38%	\$ 1,174,004,458	\$ 776,960,000	\$ 1,950,964,458
Cornelius	4,945,746,924	4.17	64,930,880	965,000	65,895,880
Davidson	1,703,472,344	1.43	22,364,257	-	22,364,257
Huntersville	6,202,499,078	5.23	81,430,313	20,445,000	101,875,313
Matthews	3,377,084,421	2.85	44,336,491	6,500,000	50,836,491
Mint Hill	2,323,283,117	1.96	30,501,524	1,950,000	32,451,524
Pineville	1,606,219,643	1.35	21,087,463	-	21,087,463
Unincorporated Areas	9,051,709,896	7.63	118,836,546	-	118,836,546
	<u>\$ 118,633,244,751</u>	<u>100.00%</u>	<u>\$ 1,557,491,932</u>	<u>\$ 806,820,000</u>	<u>\$ 2,364,311,932</u>

Note : The District itself does not issue debt, but all debt is issued by the County on their behalf, resulting in no direct debt.

Source: Mecklenburg County (1) Provided by N.C. Department of Revenue, Tax Research Division.
 Includes valuations of classified registered motor vehicles for which tax notices were issued in accordance with G.S. 105-330.5(a) during calendar year 2015, net of releases made by that date.
 (2) Provided by Department of State Treasurer.

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
 DEMOGRAPHIC STATISTICS FOR MECKLENBURG COUNTY
 FOR THE LAST TEN FISCAL YEARS**

Year	Population	Personal Income (thousands of dollars)	Per Capita Income	Median Age	Unemployment Rate
2015	1,055,791	\$ 26,268,690,000	\$ 24,881	N/A	5.7%
2014	1,027,034	\$ 23,708,977,500	\$ 23,085	N/A	6.8%
2013	999,060	22,270,607,500	22,292	N/A	9.4
2012	966,160	22,605,735,000	23,398	N/A	9.9
2011	938,020	23,109,445,000	24,636	35.2	11.1
2010	919,628	23,046,007,500	25,060	35.2	11.2
2009	893,892	22,365,015,000	25,020	35.1	11.5
2008	869,954	21,920,959,643	25,198	35.1	6.1
2007	842,674	21,657,699,496	25,701	35.1	4.5
2006	815,218	20,933,932,894	25,679	34.4	4.3

N/A: Data not available

Source: Mecklenburg County, North Carolina Comprehensive Annual Financial Report for the Year Ended June 30, 2015 (most current information available).

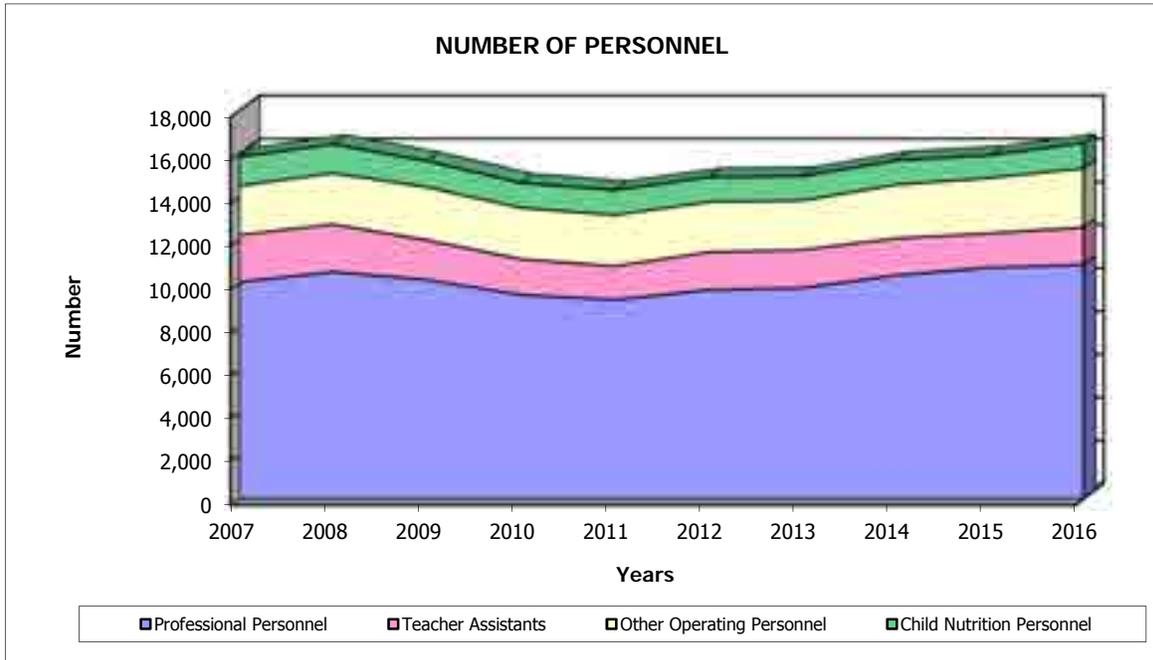
**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO**

Employer	2015			2006		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Carolina HealthCare System	35,000	1	7.36 %	26,283	1	6.22 %
Wells Fargo/Wachovia Corporation	22,000	2	4.63	20,000	2	4.73
Charlotte-Mecklenburg Schools	18,143	3	3.82	7,500	8	1.77
Wal-Mart Stores Incorporation	16,100	4	3.39	12,918	4	3.06
Bank of America Corporation	15,000	5	3.15	13,960	3	3.30
Lowe's Companies Inc.	12,960	6	2.73	-	-	-
Presbyterian Healthcare/Novant Health	11,000	7	2.31	7,800	6	1.85
American Airlines	10,600	8	2.23	-	-	-
Harris Teeter	8,239	9	1.73	-	-	-
Duke Energy Corporation	7,800	10	1.64	7,500	7	1.77
State of North Carolina	7,684	11	1.62	7,479	9	1.76
Delhaize America, Inc.	6,900	12	1.45	8,658	5	2.00
City of Charlotte	6,000	13	1.26	5,896	10	1.39
U.S. Government	5,360	14	1.13	-	-	-
Total	182,786			117,994		

Source: Charlotte Chamber of Commerce

Most recent data per Charlotte Chamber of Commerce publication, Charlotte's Largest Employers, dated 2014.

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
PERSONNEL SUMMARY
FOR THE LAST TEN FISCAL YEARS**



NUMBER OF PERSONNEL					
Year	Professional Personnel	Teacher Assistants	Other Operating Personnel	Child Nutrition Personnel	Total Personnel
2007	10,060	2,184	2,277	1,333	15,854
2008	10,538	2,206	2,369	1,342	16,455
2009	10,170	1,842	2,453	1,202	15,667
2010	9,481	1,649	2,376	1,157	14,663
2011	9,247	1,560	2,360	1,163	14,330
2012	9,700	1,746	2,335	1,139	14,920
2013	9,793	1,762	2,284	1,134	14,973
2014	10,384	1,710	2,484	1,120	15,698
2015	10,740	1,585	2,565	1,051	15,941
2016	10,862	1,739	2,740	1,161	16,502

NOTES:

Professional personnel includes all administrative and certified personnel, including teachers, librarians, counselors, principals and assistant principals.

Other operating personnel includes maintenance, secretarial, clerical and custodial employees. Bus drivers are not included in the above tabulations. Personnel composition is taken from the North Carolina Public Schools Statistical Profile.

Source: Charlotte-Mecklenburg Schools Human Resource Department

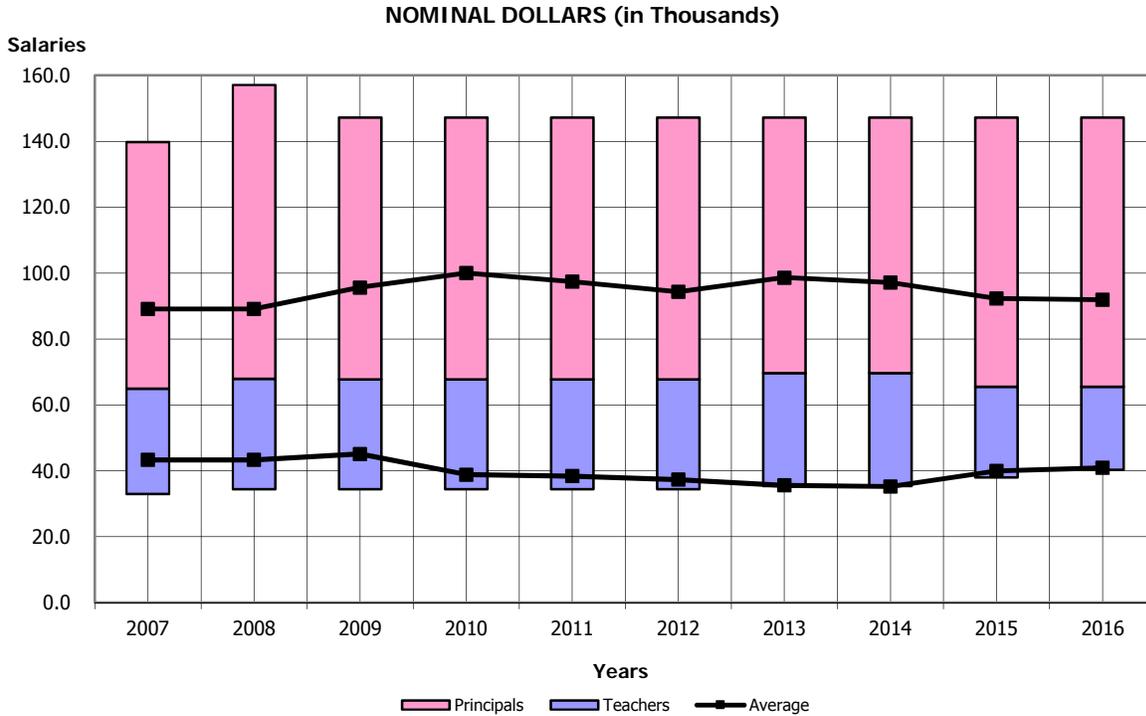
**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
PERSONNEL SUMMARY
FOR THE LAST TEN FISCAL YEARS**

PUPIL TO PERSONNEL RATIO			
<u>Year</u>	Average	<u>Ratio Pupil to Professional</u>	Ratio Pupil to
	<u>Daily Membership</u>		<u>Other Personnel</u>
2007	127,059	12.5	23.1
2008	129,379	13.1	20.5
2009	130,869	12.9	23.8
2010	131,709	13.9	25.4
2011	134,175	14.5	26.4
2012	136,747	14.1	26.2
2013	139,772	14.3	27.0
2014	142,466	13.7	26.8
2015	144,087	13.4	27.7
2016	145,154	13.4	25.7

PERSONNEL COMPOSITION					
<u>Year</u>	<u>Percent Male</u>	<u>Percent Female</u>	<u>Percent White</u>	<u>Percent Black</u>	<u>Percent Other Race</u>
2007	20.8	79.2	57.7	37.2	5.1
2008	22.9	77.1	57.1	37.5	5.4
2009	20.5	79.5	57.4	37.1	5.5
2010	20.6	79.4	57.7	34.7	7.6
2011	19.7	80.3	57.3	35.0	7.7
2012	20.4	79.6	56.9	35.6	7.5
2013	20.5	79.5	53.9	35.4	10.7
2014	21.9	78.1	56.7	35.7	7.6
2015	20.8	79.2	55.8	37.0	7.2
2016	20.6	79.4	54.5	37.8	7.7

Source: Charlotte-Mecklenburg Schools Human Resource Department

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
PROFESSIONAL SALARIES
FOR THE LAST TEN FISCAL YEARS**



NOMINAL DOLLARS (in Thousands)						
Year	Teachers			Principals		
	MIN	MAX	AVE	MIN	MAX	AVE
2007	33.0	64.9	43.3	62.5	139.8	89.1
2008	34.4	67.9	43.3	62.5	157.1	89.1
2009	34.4	67.7	45.1	67.0	147.2	95.6
2010	34.4	67.7	38.8	67.0	147.2	100.0
2011	34.4	67.7	38.4	67.0	147.2	97.4
2012	34.4	67.7	37.3	67.0	147.2	94.3
2013	35.4	69.7	35.6	67.0	147.2	98.6
2014	35.4	69.7	35.2	67.0	147.2	97.1
2015	38.0	65.6	39.9	67.0	147.2	92.3
2016	40.3	65.6	40.9	67.0	147.2	91.9

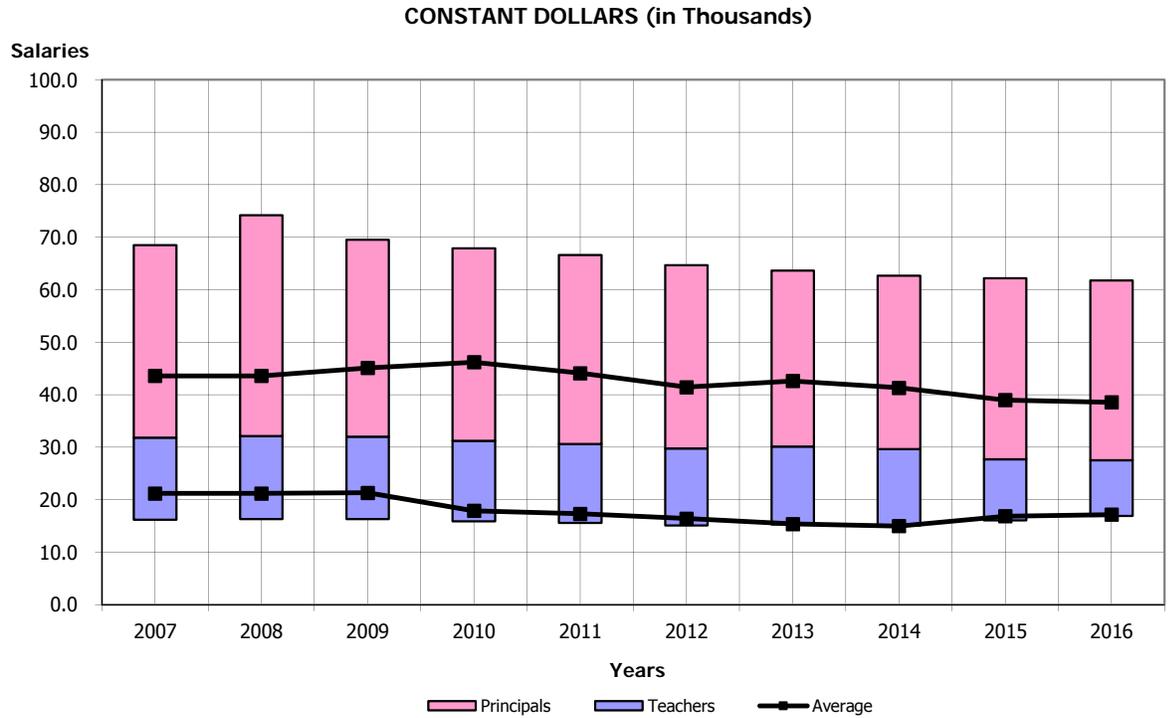
NOTES:

The above tabulation represents total salaries including both the state base salary and the local supplement, but does not include the following:

- a) Longevity payments ranging from 1.5 to 4.5 percent of the annual salary, paid to employees with 10 or more years of state service.
- b) Payments of \$126 per month for advanced teaching certificates; payments of \$253 per month for doctorates.

Nominal dollars reflect actual dollars of the period of transaction.

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
PROFESSIONAL SALARIES
FOR THE LAST TEN FISCAL YEARS**



CONSTANT DOLLARS (in Thousands)						
Year	Teachers			Principals		
	MIN	MAX	AVE	MIN	MAX	AVE
2007	16.2	31.8	21.2	30.6	68.5	43.6
2008	16.3	32.1	21.2	29.5	74.2	43.6
2009	16.3	32.0	21.3	31.7	69.5	45.1
2010	15.9	31.2	17.9	30.9	67.9	46.2
2011	15.6	30.6	17.3	30.3	66.6	44.1
2012	15.1	29.7	16.4	29.4	64.7	41.4
2013	15.3	30.1	15.4	29.0	63.6	42.6
2014	15.1	29.7	15.0	28.5	62.6	41.3
2015	16.1	27.7	16.9	28.3	62.2	39.0
2016	16.9	27.5	17.2	28.1	61.8	38.6

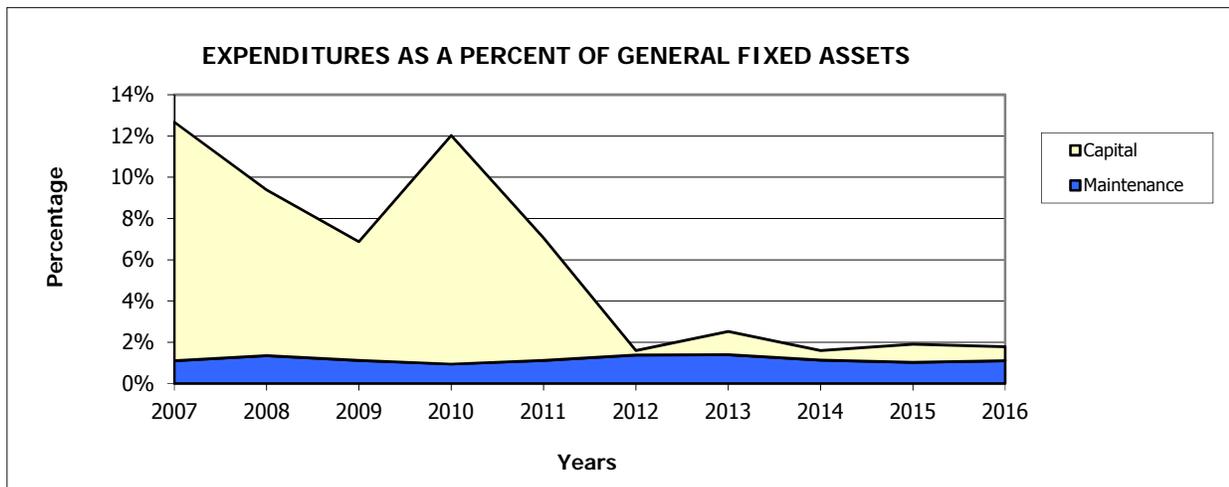
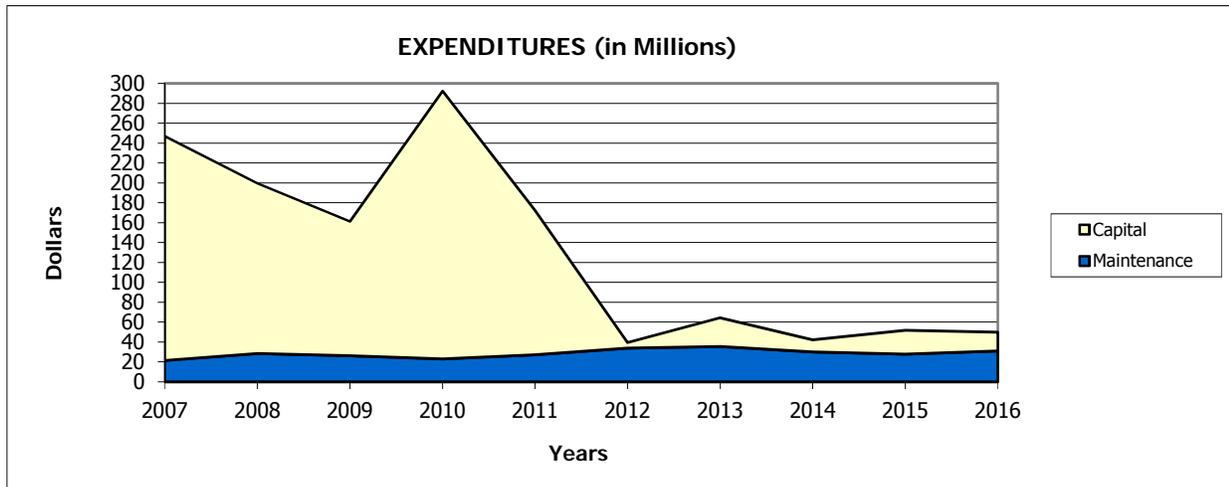
NOTES:

The above tabulation represents total salaries including both the state base salary and the local supplement, but does not include the following:

- a) Longevity payments ranging from 1.5 to 4.5 percent of the annual salary, paid to employees with 10 or more years of state service.
- b) Payments of \$126 per month for advanced teaching certificates; payments of \$253 per month for doctorates.

Constant dollars reflect dollars having a constant general purchasing power as shown by the Consumer Price Index for All Urban Consumers (CPI-U) (Calendar years 1982-84 = 100).

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
EXPENDITURES FOR MAINTENANCE OF FACILITIES
FOR THE LAST TEN FISCAL YEARS**



NOMINAL DOLLARS (in Millions)								
Year	General Fixed Assets	Maintenance Expenditures		Capital Expenditures				
	Historical Dollars	Total Expenditures	% of Assets	Land & Building	Furniture & Equipment	Vehicles & Other	Total Expenditures	% of Assets
2007	1,947.5	21.5	1.1%	217.8	2.0	5.6	225.4	11.6%
2008	2,127.9	28.6	1.3%	164.9	2.4	3.8	171.1	8.0%
2009	2,346.0	26.3	1.1%	117.0	2.6	15.3	134.9	5.8%
2010	2,430.9	22.9	0.9%	261.6	4.8	2.9	269.3	11.1%
2011	2,441.9	27.3	1.1%	125.8	8.4	11.0	145.2	5.9%
2012	2,451.9	33.9	1.4%	0.2	1.3	3.9	5.4	0.2%
2013	2,542.5	35.5	1.4%	1.3	6.3	21.2	28.8	1.1%
2014	2,629.4	30.0	1.1%	8.6	3.4	0.1	12.1	0.5%
2015	2,713.1	27.9	1.0%	7.1	14.6	2.3	24.0	0.9%
2016	2,806.9	31.1	1.1%	3.9	9.5	5.5	18.9	0.7%

NOTE:
Capital Expenditures include capital outlay and capital projects.

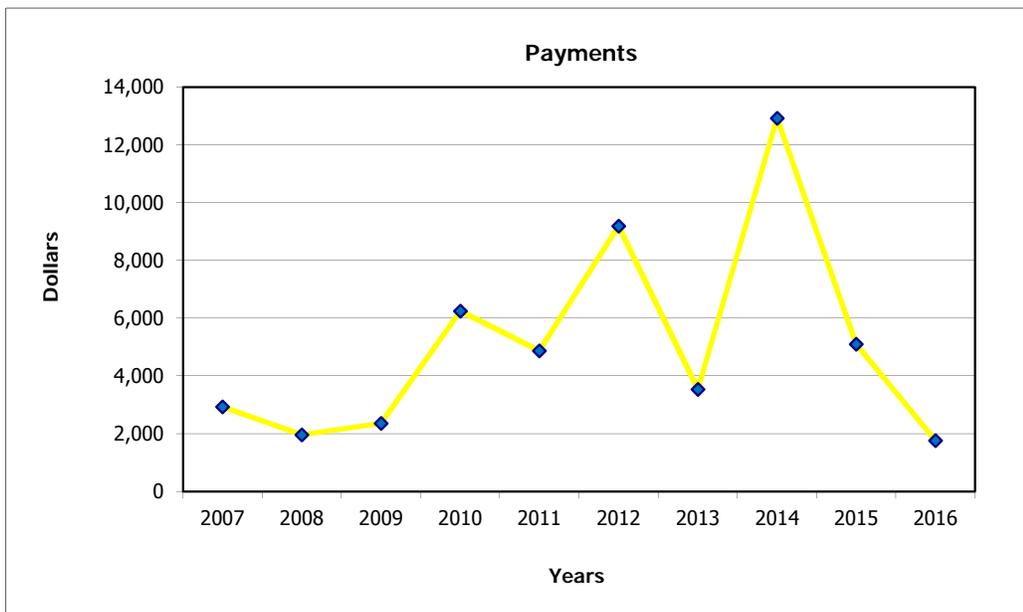
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**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
CAPITAL LEASE AND INSTALLMENT PURCHASE PAYMENTS
FOR THE LAST TEN FISCAL YEARS**

(Amounts expressed in thousands)

Department	2007	2008	2009	2010	2011
Data Processing - Equipment	96	83	28	-	-
Graphic Productions - Equipment	456	452	397	611	335
Transportation - School Buses	1,419	1,830	5,825	4,267	8,859
Total Payments	1,971	2,365	6,250	4,878	9,194

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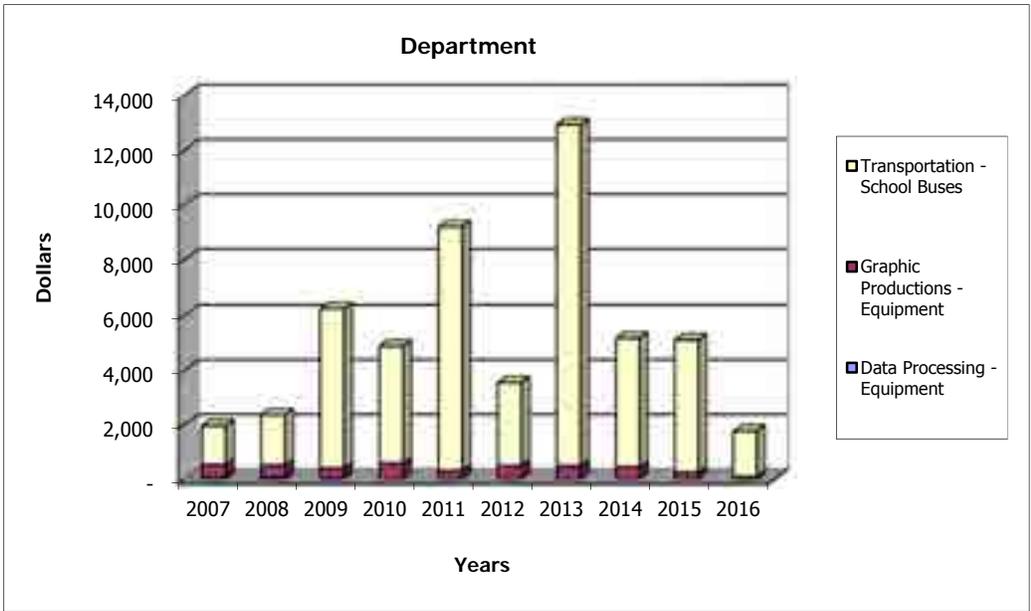


Source: Charlotte Mecklenburg School Schedule of Capital Lease Payments

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
CAPITAL LEASE AND INSTALLMENT PURCHASE PAYMENTS
FOR THE LAST TEN FISCAL YEARS**

(Amounts expressed in thousands)

	2012	2013	2014	2015	2016
	-	-	-	-	-
	516	516	475	274	116
	3,028	12,409	4,691	4,835	1,655
	<u>3,544</u>	<u>12,925</u>	<u>5,166</u>	<u>5,109</u>	<u>1,771</u>



Source: Charlotte Mecklenburg School Schedule of Capital Lease Payments

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
SCHOOL BUILDINGS
FOR THE YEAR ENDING JUNE 30, 2016**

SCHOOL NAME	Grades	Site Size (Acres)	Square Footage	Year First Occupied	Building Classrooms	ADM 9th Month
<i>ELEMENTARY SCHOOLS</i>						
Albemarle Road Elementary	PK-5	15.0	86,227	1968	34	1,172
Allenbrook Elementary	K-5	18.4	51,904	1966	21	539
Bain Elementary	K-5	15.8	87,452	2013	39	966
Ballantyne Elementary	K-5	6.8	77,850	2008	39	887
Barnette Elementary	K-5	42.1	85,896	2008	39	667
Barringer Elementary	K-5	29.0	92,376	2002	36	600
Berewick Elementary	PK-5	**	96,459	2009	39	665
Beverly Woods Elementary	PK-5	15.3	78,371	1969	38	781
Billingsville Elementary	PK-5	6.4	97,614	1927	35	306
Blythe Elementary	PK-5	45.9	121,292	1998	50	1,127
Briarwood Elementary	K-5	15.0	63,279	1956	32	740
Chantilly Elementary Magnet	PK-6	16.2	90,680	1948	18	265
Clear Creek Elementary	PK-5	12.8	44,886	1960	30	623
Collinswood Elementary Magnet	K-7	15.0	74,292	1959	22	756
Cornelius Elementary	K-5	19.5	80,505	1930	39	651
Cotswold Elementary	K-5	11.0	80,887	1956	32	837
Croft Community Elementary	K-5	25.8	77,881	2008	39	633
Crown Point Elementary	PK-5	43.0	71,953	1993	37	701
David Cox Elementary	PK-5	18.0	82,370	1994	37	682
Davidson Elementary	K-5	19.5	92,119	1994	35	721
Devonshire Elementary	K-5	21.0	83,846	1964	32	656
Dilworth Elementary Magnet	K-5	4.6	100,992	1966	28	731
Eastover Elementary	PK-5	4.0	64,407	1935	24	415
Elizabeth Lane Elementary	K-5	27.0	81,400	1996	35	1,032
Elon Park Elementary	K-5	**	79,278	2007	39	1,123
Elizabeth Traditional Elementary Magnet	K-5	0.9	94,836	1925	26	531
Endhaven Elementary	K-5	15.4	91,728	2003	35	728
First Ward Elementary	K-5	7.3	93,525	1967	34	516
Grand Oak Elementary	K-5	73.9	83,835	2013	39	583
Greenway Park Elementary	PK-5	17.0	83,480	1995	37	581
Hawk Ridge Elementary	K-5	17.9	84,237	1951	34	932
Hickory Grove Elementary	PK-5	24.1	166,089	1966/2009	68	630
Hidden Valley Elementary	K-5	15.0	90,400	1967	39	982
Highland Creek Elementary	K-5	26.6	91,098	2006	39	708
Highland Mill Montessori Magnet	PK-6	4.9	48,410	1954	15	219
Highland Renaissance Elementary	PK-5	17.3	90,858	2001	36	523
Hornets Nest Elementary	K-5	22.9	72,115	1991	36	668
Huntersville Elementary	K-5	28.6	93,766	1938	37	766
Huntingtowne Farms Elementary	K-5	19.0	83,429	1964	26	737
Idlewild Elementary	PK-5	16.2	75,030	1957	39	957
Irwin Avenue Academic Center	K-5	14.6	104,597	1935	36	499
J. H. Gunn Elementary	K-5	14.0	102,455	2002	35	816
J.V. Washam Elementary	PS-5	20.8	96,128	2006	39	1,015
Joseph W. Grier Elementary	PK-5	21.9	89,116	2001	35	804
Lake Wylie Elementary	PK-5	20.0	79,410	1992	39	659
Lansdowne Elementary	K-5	16.3	65,757	1959	32	600
Lawrence Orr Elementary	k-5	46.5	109,873	2015	55	692
Lebanon Road Elementary	PK-5	29.5	71,917	1990	36	807
Long Creek Elementary	PK-5	22.0	155,893	1932/2010	67	463

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
SCHOOL BUILDINGS
FOR THE YEAR ENDING JUNE 30, 2016**

SCHOOL NAME	Grades	Site Size (Acres)	Square Footage	Year First Occupied	Building Classrooms	ADM 9th Month
Mallard Creek Elementary	K-5	28.3	84,096	1987	40	761
Matthews Elementary	PK-5	18.4	95,323	1954	46	985
McAlpine Elementary	PK-5	15.3	67,362	1986	35	519
McKee Road Elementary	K-5	17.0	63,847	1989	31	551
Merry Oaks Elementary	PK-5	23.9	96,454	2002	42	663
Montclair Elementary	PK-5	14.7	49,888	1958	24	430
Morehead Elementary Magnet	PK-7	*	132,231	1998	53	1,066
Myers Park Traditional Elementary Magnet	K-5	10.0	105,537	1928	37	688
Nathaniel Alexander Elementary	PK-5	204.6	114,229	1996	54	813
Nations Ford Elementary	PK-5	14.6	54,999	1957	27	750
Newell Elementary	K-5	21.5	88,145	2015	39	868
Oakdale Elementary	K-5	9.0	90,652	2006	35	685
Oakhurst Elementary	PK-5	13.2	95,875	2015	36	588
Oaklawn Elementary Magnet	K-7	8.6	74,905	1963	26	512
Olde Providence Elementary	K-5	40.0	63,417	1968	32	726
Palisades Park Elementary	K-5	116.2	84,795	2014	39	732
Park Road Elementary Magnet	PK-6	24.0	49,499	1949	19	455
Parkside Elementary	pk5	11.2	84,663	2015	39	438
Paw Creek Elementary	PK-5	26.7	80,809	1954	37	528
Pineville Elementary	K-5	17.9	83,847	2013	39	807
Pinewood Elementary	PK-5	20.0	85,517	1953	35	481
Piney Grove Elementary	PK-5	14.7	70,887	1977	36	865
Polo Ridge Elementary	K-5	8.0	79,278	2007	39	1,077
Providence Spring Elementary	K-5	23.5	88,947	2002	36	904
Rama Road Elementary	PK-5	15.0	87,454	1964	37	579
Reedy Creek Elementary	PK-5	26.0	65,865	1981	30	818
River Gate Elementary	K-5	18.1	83,632	2009	39	824
River Oaks Academy	PK-5	26.0	81,470	2009	39	630
Sedgefield Elementary	PK-5	14.8	85,109	1954	36	398
Selwyn Elementary	K-5	12.4	77,274	1958	25	874
Shamrock Gardens Elementary	PK-5	12.3	71,781	1954	30	463
Sharon Elementary	K-5	14.8	65,894	1977	28	815
Smithfield Elementary	PK-5	16.8	83,480	1994	37	677
Starmount	PK-5	16.0	55,884	2015	28	453
Statesville Road Elementary	PK-5	25.6	63,417	1955	28	556
Steele Creek Elementary	K-5	15.0	65,753	1968	33	786
Sterling Elementary	PK-5	29.8	92,500	2002	36	656
Stoney Creek Elementary	K-5	13.3	83,424	2009	39	834
Torrence Creek Elementary	K-5	18.2	92,029	2005	35	526
Trillium Springs Montessori School	PK-6	22.0	57,305	2014	20	108
Tuckaseegee Elementary	K-5	15.0	93,044	1957	28	820
University Meadows Elementary	PK-5	17.5	76,880	1992	40	653
University Park Elementary Magnet	K-5	15.0	69,101	1957	34	455
Whitewater Academy Elementary	PK-5	50.0	79,278	2007	39	807
Winding Springs Elementary Magnet	PK-5	38.7	83,480	1995	36	902
Windsor Park Elementary	PK-5	15.0	151,058	2004	35	784
Winget Park Elementary	K-5	20.0	100,319	2006	39	472
Winterfield Elementary	PK-5	17.7	82,931	1964	35	696
<i>PREK-8</i>						
Ashley Park PreK-8 School	PK-8	12.7	72,469	1951	28	583
Berryhill School	PK-8	15.0	62,782	1978	20	695

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
SCHOOL BUILDINGS
FOR THE YEAR ENDING JUNE 30, 2016**

SCHOOL NAME	Grades	Site Size (Acres)	Square Footage	Year First Occupied	Building Classrooms	ADM 9th Month
Bruns Avenue Academy	PK-8	13.2	138,917	1969	37	812
Druid Hills Academy	PK-8	19.7	92,833	2004	35	606
Mountain Island Academy	PK-8	15.9	91,158	2002	35	889
Reid Park Academy	PK-8	36.7	83,500	1994	36	802
Thomasboro Academy	PK-8	15.5	65,791	1941	32	720
Walter G. Byers School	PK-8	15.0	90,860	2001	35	483
Westerly Hills Academy	PK-8	11.5	74,224	1969	36	602
<i>MIDDLE SCHOOLS</i>						
Albemarle Road Middle	6-8	25.8	138,088	1966	51	1,165
Alexander Middle	6-8	27.1	121,208	1959	51	792
Alexander Graham Middle	6-8	38.4	108,484	1958	37	1,389
Bailey Middle	6-8	25.0	152,960	2006	57	1,590
Bradley Middle	6-8	61.4	145,777	1998	54	1,082
Carmel Middle	6-8	40.3	127,910	1996	52	1,045
Cochrane Middle	6-8	30.4	121,692	1961	47	725
Community House Middle	6-8	65.4	148,996	2005	58	1,771
Coulwood Middle	6-8	30.5	108,627	1960	45	667
Crestdale Middle	6-8	48.7	145,777	1997	54	802
Eastway Middle	6-8	31.6	153,285	2005	54	915
Kennedy Middle	6-8	32.1	105,633	1989	38	773
Marie G. Davis Military Academy	6-12	35.5	63,052	2007	36	680
James Martin Middle	6-8	*	174,000	1998	67	1,055
Martin Luther King, Jr. Middle	6-8	54.8	152,452	2003	58	1,044
McClintock Middle	6-8	30.3	133,792	2013	54	912
Mint Hill Middle	6-8	64.3	159,230	2003	48	1,163
Northeast Middle	6-8	30.0	132,485	1976	54	700
Northridge Middle	6-8	32.0	133,000	1996	40	740
Piedmont Open Middle Magnet	6-8	10.8	145,861	1925	42	1,028
Quail Hollow Middle	6-8	30.1	120,902	1964	50	934
Randolph Middle Magnet	6-8	25.0	120,643	1967	46	1,133
Ranson Middle	6-8	30.0	140,028	1964	52	968
Ridge Road Middle	6-8	26.2	130,156	2009	54	1,195
Jay M. Robinson Middle	6-8	45.9	148,996	2002	54	1,098
Sedgefield Middle	6-8	23.4	108,865	1955	41	723
E.E. Waddell Language Academy	K-8	130.0	234,731	2001	75	1,373
South Charlotte Middle	6-8	33.1	132,500	1992	40	878
Southwest Middle	6-8	41.2	156,132	2003	54	1,392
Whitewater Middle	6-8	50.0	130,156	2009	54	864
<i>HIGH SCHOOLS</i>						
Ardrey Kell High	9-12	59.2	310,970	2006	96	2,819
Phillip O. Berry High Magnet	9-12	51.0	321,996	2002	80	1,616
Butler High	9-12	74.6	273,440	1997	75	2,054
Cato Middle College High	<i>Classes held on CPCC Cato Campus</i>					
Charlotte Engineering Middle College	9	1.1	11,041	2014	10	184
East Mecklenburg High	9-12	45.5	235,947	1949	82	1,760
Garinger High	9-12	63.4	236,546	1959	89	1,666
Harding University High Magnet	9-12	51.4	167,889	1961	55	1,481
Hawthorne High	9-12	14.4	104,567	1922	30	127
Hopewell High	9-12	78.0	274,931	2001	75	1,618
Independence High	9-12	53.7	293,730	1966	100	2,339

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
SCHOOL BUILDINGS
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SCHOOL NAME	Grades	Site Size (Acres)	Square Footage	Year First Occupied	Building Classrooms	ADM 9th Month
Levine Middle College High	11-12	47.0	9,360	2014	8	184
Mallard Creek High	9-12	**	306,950	2007	101	2,468
Myers Park High	9-12	72.3	262,164	1951	108	2,753
North Mecklenburg High	9-12	53.8	207,420	1951	81	1,935
Olympic High	9-12	51.6	245,252	1965	84	
Renaissance at Olympic	<i>See Olympic High</i>					607
Leadership & Development at Olympic	<i>See Olympic High</i>					403
TEAM at Olympic	<i>See Olympic High</i>					204
Math, Science, Pre-Engineering & Technology at Olympic	<i>See Olympic High</i>					598
Biotech, Health, & Public Administration at Olympic	<i>See Olympic High</i>					567
Performance Learning Center	9-12	4.18	13,078	1926	7	238
Providence High	9-12	58.7	270,965	1989	88	1,960
Rocky River High	9-12	64.0	258,191	2010	100	1,600
South Mecklenburg High	9-12	52.0	239,093	1958	91	2,777
Vance High	9-12	*	236,196	1997	77	1,584
W.A. Hough High	9-12	88.3	258,191	2010	100	2,516
West Charlotte High	9-12	50.0	240,470	1950	96	1,453
West Mecklenburg High	9-12	53.7	244,439	1951	102	1,850
<i>SPECIAL SCHOOLS</i>						
Turning Point Academy	1-12	9.16	61,861	1927	30	317
Metro School	K-12	10.69	156,727	2006	32	243
Lincoln Heights Academy	1-12	10.8	91,728	2002	35	104
Northwest School of the Arts 6-12 Magnet	6-12	9.5	186,223	1937	49	983

* - Nathaniel Alexander, Morehead, Martin Middle, Vance High School on one campus.

** - Land owned by Mecklenburg County Parks and Recreation

Source: Charlotte-Mecklenburg Schools Auxiliary Services

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Every Child. Every Day. For a Better Tomorrow.