

Charlotte-Mecklenburg Board of Education
Charlotte, North Carolina



2013

**Comprehensive Annual
Financial Report**

FOR THE FISCAL YEAR ENDED JUNE 30TH



Charlotte-Mecklenburg Board of Education

COMPREHENSIVE

ANNUAL

FINANCIAL REPORT

Fiscal Year Ended June 30, 2013

Prepared by Finance Department
Sheila W. Shirley, Chief Financial Officer
Heath Morrison, Ed.D., Superintendent

600 East Fourth Street
Charlotte, North Carolina 28202



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2013

**Comprehensive Annual
Financial Report**

Letter of Transmittal



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

Oct. 24, 2013

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, 2013, 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 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, 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.

Letter of Transmittal

LOCAL ECONOMIC CONDITION AND OUTLOOK

Charlotte, the nation's 19th-largest city, is the center of the country's sixth-largest urban region. The local economy is led by banking, although the city's economic base is diversified. Bank of America is headquartered in Charlotte and Wells Fargo, which acquired Charlotte-based Wachovia in the fall of 2008, also has a sizable presence in Charlotte. Together with other local banks, these corporations make Charlotte the second-largest banking center in the country (behind New York) with more than \$2.3 trillion in assets. In all, the area has 26 banks with more than 226 local branches, as well as a Federal Reserve branch.

Employment in Mecklenburg is distributed among all major business sectors. More than 3,400 companies with facilities in Charlotte and Mecklenburg County each reported more than \$1 million in revenue, and 274 of the Fortune 500 companies have facilities in Charlotte, which ranks sixth nationally in the number of headquartered firms. Mecklenburg County now has a population of more than one million people, a milestone achieved in 2013.

Charlotte-Mecklenburg Schools (CMS) is a consolidated city-county school district with 147,000 students in pre-kindergarten through grade 12. The district reflects the area's diversity, with students from more than 162 countries. More than half – 54.3 percent – of the district's students meet the eligibility requirements for free or reduced-price lunch based on the federal standard of poverty. That percentage remained relatively flat from 54.4 percent a year earlier.

The district has continued to grow despite the economic downturn, although the rate of growth has slowed to about 2,000 students per year, down from 3,000-5,000 before 2008. State and local funding has not kept pace with student enrollment growth or increases in operational costs. This has kept per-pupil expenditure at CMS below 2008 levels. For 2012-2013, per-pupil expenditure was budgeted at \$8,518, compared to \$8,868 in 2007-2008. County funding for CMS increased by nearly three percent -- \$9.1 million – in 2012-2013.

The 2012-2013 budgets appeared to mark a turn in district finances away from the draconian cuts and school closings of prior years. Funding cuts at the state level were less than predicted and Mecklenburg County funding increased over the prior year. Although the budget required some reductions and redirections of resources to alternative purposes, there were no reductions in force or closing of schools. Nonetheless, the long-term economic outlook for Charlotte-Mecklenburg Schools remained uncertain in the 2012-2013 year.

In summary, the 2012-2013 year and budget seemed to suggest some easing of financial pressures on public education in Mecklenburg County. Although per pupil funding continues to lag behind 2007-08 levels, the 2012-2013 school year brought at least some relief from the cuts and disruptions of earlier years. For now, however, CMS continues to maintain a reasonable level of unassigned fund balance. As has been true for the past few years, we anticipate that the pace of recovery will continue to be slow.

Letter of Transmittal

MAJOR INITIATIVES

The 2012-2013 budget, largely developed under the leadership of the interim Superintendent Hugh Hattabaugh in the spring of 2012, focused on the following initiatives:

Three percent cost of living increase for all employees

The district made it a top priority in the budget request to provide a salary increase for all employees. Through a combination of resources from state, federal and local sources, CMS employees received a three percent cost-of-living increase, the first increase in nearly four years.

Attracting and retaining high-performing staff

The district aggressively promoted hiring opportunities locally, regionally and in selective national markets. The initiative allowed the district to fill hard to fill positions, establish and maintain relationships with high performers and attract talent.

Expanding the successful Truancy Court program

Truancy Court is a partnership with Mecklenburg County juvenile and superior court judges currently serving elementary and middle schools. The goal is to improve student attendance in support of the Graduation Cohort Goal of the Strategic Plan 2014 and allowed the program's expansion to 10 new schools and continues 13 existing school sites.

Restoring high school staffing

This initiative created much needed flexibility for the high school principal to provide additional teachers in needed subject areas, reduce class size and/or hire specialized teachers in an area such as reading.

Adding instructional technology facilitator positions in high schools

In order for CMS to effectively expand the use of technology, we must ensure that our educators are equipped with the knowledge to effectively integrate the tools of technology. The placement of an instructional technology facilitator in each of the high schools provides an on-site professional development expert.

Reinstating partial funding for AP and IB exams

In recent years as a result of budget cuts, district funding for AP and IB exams had been eliminated. Students who did not qualify for a state subsidy were required to pay the full cost of taking these exams. District funding was restored to cover a portion of these exam costs.

When Heath Morrison joined Charlotte-Mecklenburg Schools as superintendent in the summer of 2012, he embarked on a listening and learning tour. He met parents, students, employees, elected officials and members of the public at every opportunity. Town hall meetings were held to gather public input and the superintendent visited all 159 schools in the district. The district launched surveys of employees and the public to share their views about the district. Areas of concern that were widely shared by employees, parents, students and the public were captured during the listening and learning tour. In the fall of 2012, the district convened 22 task forces made up of CMS staff and community members, including teachers, parents and students. Each of these task forces was charged with studying a specific area identified during the listening and learning tour and developing recommendations about how the district could improve. After several months of work, the contributions of the task forces were substantial. The task force recommendations provided significant input for the district in the development of the budget for 2013-14 as well as the revised strategic plan anticipated to be released in the fall 2013.

Letter of Transmittal

ACADEMIC PROGRESS

Increasing academic achievement continued to be the top priority for Charlotte-Mecklenburg Schools in the 2012-2013 school year. Under the leadership of CMS's new superintendent, Heath Morrison, the district continued its progress in academic growth with some significant gains.

The district's four-year cohort graduation rate increased to 81.0 percent, a gain of 4.6 percentage points over the prior year. Notable improvements in the graduation rate include:

- The increase in five-year cohort graduation rate (students who graduated within five years) reached 80.3 percent in the 2012-13 school year. This gain represents a 1.9 percentage-point increase over the past year.
- Thirteen CMS high schools achieved four-year cohort graduation rates that were over 90 percent during 2012-2013. One of those schools, Cato Middle College High School, graduated 100 percent of its students.
- Every student subgroup (e.g. female, White, Hispanic, economically disadvantaged, etc) in the district experienced gains in four-year cohort graduation rate but one, which remained constant.

As CMS graduated more students, we also increased our efforts to ensure that our graduates left college and career ready while showing gains on national measures. Specifically, gains were posted in the reading and writing portions of the SAT exam, an assessment used to gauge student readiness for college-level work. The increases came after two years of declining district scores on the assessment. The average overall CMS score on the three-part test rose by 10 points to 1473. The maximum possible score is 2400 (each section is valued at 800 points). The average district score on the reading section of the test rose by six points to 493. On the writing portion, the average district score rose by four points to 477. Math scores for the district remained flat at 503. The increases in CMS reading scores bring us within two points of the state average. The district's math scores are within three points of the state average, and the writing scores are within one point.

CMS continued to increase access to rigor through access to Advanced Placement courses. The number of CMS students taking Advanced Placement tests rose 9.5 percent to 4,592 and the number of tests taken rose 7.2 percent to 9,012. The CMS increases were greater than the state, where test-takers increased by 5.8 percent and the number of tests taken increased by 6.2 percent. Despite this increase in test takers, performance on Advanced Placement exams remained strong. Sixty-five percent of exams received a passing score of 3, 4, or 5, eight percentage points higher than the national average for public schools of 57%. Nevertheless, work remains, as this 65% passing rate reflected a 0.2 percent decline.

In the 2012-2013 school year, North Carolina began administering a new set of state assessments. The results of those exams were yet to be released as of the date of this report.

Letter of Transmittal

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.

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.

INDEPENDENT AUDIT

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

The Charlotte-Mecklenburg Board of Education complies with the requirements of the Single Audit Act for which separate reports are issued.

Letter of Transmittal

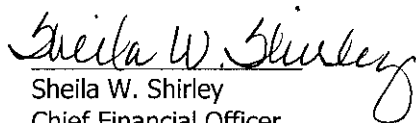
FINANCIAL REPORTING AWARDS

Since 1977 and 1981, respectively, the district's 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. Only governmental units that publish a comprehensive annual financial report that is easily readable, efficiently organized, and conforms to program standards as well as satisfies generally accepted accounting principles and applicable legal requirements earn these awards. The awards are valid for a period of one year only. We believe the accompanying 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 all the employees who assisted in the timely closing of the school system's financial records and the preparation of this report. Also, we would like to express our appreciation to the other departments and individuals who assisted in the preparation of this report.

Respectfully submitted,


Sheila W. Shirley
Chief Financial Officer



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Vice-Chairperson, At-Large

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Charlotte-Mecklenburg Schools

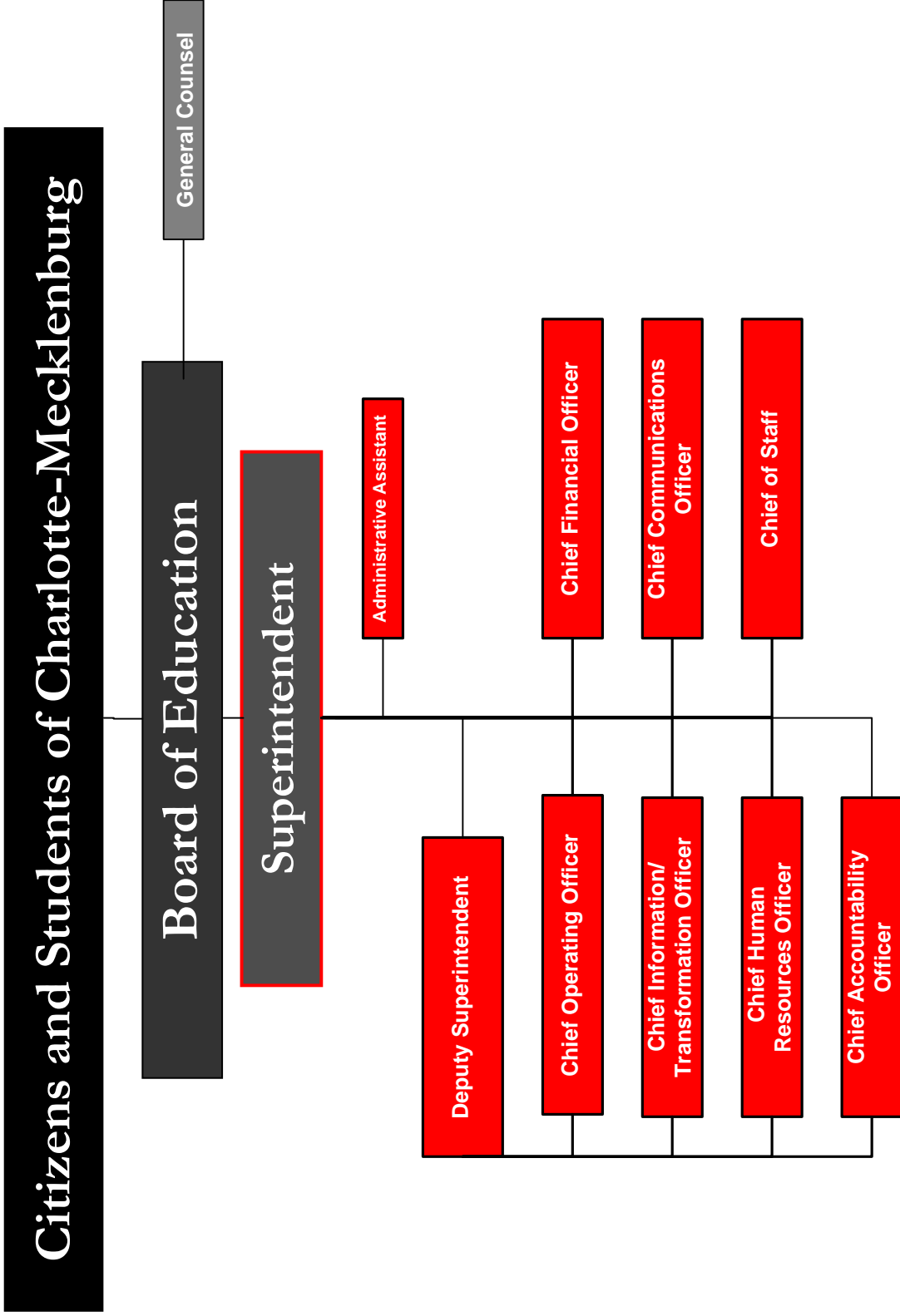
Executive Staff

June 30, 2013

Heath Morrison, Ed.D.	Superintendent
Ann Blakeney Clark	Deputy Superintendent
VACANT	Chief Operating Officer
Sheila W. Shirley	Chief Financial Officer
Valerie Truesdale, Ed.D.	Chief Information Officer
Kathryn Block	Chief Communications Officer
Kelly Gwaltney, Ed.D.	Chief Human Resources Officer
Frank Barnes	Chief Accountability Officer
Earnest Winston	Chief of Staff
George E. Battle, III	General Counsel
Tyler Ream	Zone Superintendent – Central Elementary
Nancy Bartles	Interim Zone Superintendent – East
Dawn R. Robinson, Ed.D.	Zone Superintendent – Northeast
Charity E. Bell	Zone Superintendent – Central Secondary
Katherine “Kit” Rea	Zone Superintendent – Southwest
Denise Watts	Zone Superintendent – Project L. I. F. T.
Guy Chamberlain	Associate Superintendent for Auxiliary Services
Gina Smith	Assistant Superintendent for Exceptional Children
LaTarzja Henry	Assistant Superintendent for Community Partnerships and Parent Engagement
Scott McCully	Executive Director of Student Placement

Charlotte-Mecklenburg Schools

2012 – 2013 District Organization 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, 2012

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, 2012*

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



A handwritten signature in black ink, appearing to read "Ron McCulley".

Ron McCulley, CPPB, RSBO
President

A handwritten signature in black ink, appearing to read "John D. Musso".

John D. Musso, CAE, RSBA
Executive Director

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FINANCIAL SECTION



2013

**Comprehensive Annual
Financial Report**

FINANCIAL SECTION



INDEPENDENT AUDITORS' REPORT

To the 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 then ended June 30, 2013, 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the **Charlotte-Mecklenburg Board of Education** as of June 30, 2013, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General, State Public School, Direct Federal Grants and Special Revenue funds 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 9 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming 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 24, 2013 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 24, 2013

CHARLOTTE-MECKLENBURG BOARD OF EDUCATION MANAGEMENT'S DISCUSSION AND ANALYSIS For the Year Ended June 30, 2013 (continued)

INTRODUCTION

Our discussion and analysis of Charlotte-Mecklenburg Board of Education's (the Board or CMS) financial performance provides a narrative overview of the Board's financial activities for the fiscal year ended June 30, 2013. This information should be read in conjunction with the audited financial statements included in this report. All dollar amounts, unless otherwise indicated, are presented in thousands.

FINANCIAL HIGHLIGHTS

- The Board's enrollment increased by 3,025 (or 2.2%) 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 \$1.86 billion.
- The government's total net position decreased by \$10.3 million, primarily due to the Board's decision to allocate fund balance from fiscal year 2012 to cover special projects and other Governmental Activities.
- As of the close of the current fiscal year, the Board's governmental funds reported a combined fund balance of \$92.5 million, a decrease of \$12 million in comparison with the prior year. Approximately 20 percent of this total amount, or \$17 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 liabilities. 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, 2013 (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 and other Governmental Funds.

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, 2013 (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 \$1,857,405 thousand as of June 30, 2013. The largest component of net position is net investment in capital assets, of \$1,803,752 thousand. It comprises 97% of the total net position.

Following is a summary of the Statement of Net Position:

Condensed Statement of Net Position

as of June 30, 2013 and 2012
(Amounts expressed in thousands)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2013	2012	2013	2012	2013	2012
Current assets	\$ 143,249	\$ 155,953	\$ 33,410	\$ 32,273	\$ 176,659	\$ 188,226
Capital assets	<u>1,805,129</u>	<u>1,772,529</u>	<u>8,920</u>	<u>9,714</u>	<u>1,814,049</u>	<u>1,782,243</u>
Total assets	<u>1,948,378</u>	<u>1,928,482</u>	<u>42,330</u>	<u>41,987</u>	<u>1,990,708</u>	<u>1,970,469</u>
Current liabilities	61,216	46,713	1,871	1,289	63,087	48,002
Long-Term liabilities	<u>68,117</u>	<u>52,430</u>	<u>2,099</u>	<u>1,490</u>	<u>70,216</u>	<u>53,920</u>
Total liabilities	<u>129,333</u>	<u>99,143</u>	<u>3,970</u>	<u>2,779</u>	<u>133,303</u>	<u>101,922</u>
Net investment in capital assets	1,794,832	1,768,069	8,920	9,714	1,803,752	1,777,783
Restricted net position	55,711	70,163	-	-	55,711	70,163
Unrestricted net position	<u>(31,498)</u>	<u>(8,893)</u>	<u>29,440</u>	<u>29,494</u>	<u>(2,058)</u>	<u>20,601</u>
Total net position	\$ <u>1,819,045</u>	\$ <u>1,829,339</u>	\$ <u>38,360</u>	\$ <u>39,208</u>	\$ <u>1,857,405</u>	\$ <u>1,868,547</u>

Note that the net position decreased during the year indicates a reduction in the financial condition of the Board. The decrease in net position (approx 1.06%) was due mainly to the Board's decision to appropriate over \$19 million from fund balance to cover special projects and other governmental activities. 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, 2013 (continued)**

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

**Condensed Statement of Revenues, Expenses, and Changes in Net Positions
for the years ended June 30, 2013 and 2012**

(Amounts expressed in thousands)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2013	2012	2013	2012	2013	2012
REVENUES:						
Program revenues:						
Charges for services	\$ 1,784	\$ 2,513	\$ 29,461	\$ 29,783	\$ 31,245	\$ 32,296
Operating grants and contributions	120,477	121,101	48,207	46,072	168,684	167,173
Capital grants and contributions	-	-	-	170	-	170
General revenues:						
Unrestricted state appropriations	701,977	660,090	-	-	701,977	660,090
Unrestricted county appropriations	406,181	347,712	-	-	406,181	347,712
Other revenues	33,603	28,637	106	160	33,709	28,797
Total revenues	1,264,022	1,160,053	77,774	76,185	1,341,796	1,236,238
EXPENSES:						
Governmental activities:						
Instructional programs	1,011,366	947,666	-	-	1,011,366	947,666
Supporting services	260,638	243,651	-	-	260,638	243,651
Community service	1,142	986	-	-	1,142	986
Other	653	3,709	-	-	653	3,709
Business-type activities:						
After-School Enrichment	-	-	12,585	12,002	12,585	12,002
Child Nutrition	-	-	66,554	60,496	66,554	60,496
Total expenses	1,273,799	1,196,012	79,139	72,498	1,352,938	1,268,510
Excess before transfers	(9,777)	(35,959)	(1,365)	3,687	(11,142)	(32,272)
Transfers in (out)	(517)	(517)	517	517	-	-
Increase (Decrease) in net position	(10,294)	(36,476)	(848)	4,204	(11,142)	(32,272)
Net Position, beginning	1,829,339	1,865,815	39,208	35,004	1,868,547	1,900,819
Net Position, ending	\$ 1,819,045	\$ 1,829,339	\$ 38,360	\$ 39,208	\$ 1,857,405	\$ 1,868,547

Total governmental activities generated revenues of \$1.26 billion while expenses in this category totaled \$1.27 billion for the year ended June 30, 2013. Comparatively, revenues were \$1.16 billion and expenses totaled \$1.20 billion for the year ended June 30, 2012. After transfers to the business-type activities, the decrease in net position stands at \$10.3 million at June 30, 2013, compared to decrease of \$36.5 million in 2012.

Instructional expenses comprised 79.40% of total governmental-type expenses while support services made up 20.46% of those expenses for 2013. County funding comprised 32.36% (26.88% operating and 5.48% capital) of total governmental revenue while state funding added another 55.92% for 2013. In 2012, county funding was 30.0% (28.3% operating and 1.7% capital) of total governmental revenue while state funding added another 56.9%. Most of the remaining 11.72% of total governmental revenue for 2013 consists of federal funding and revenue generated from other local sources. Comparable revenue from those sources in 2012 generated 13.1% of total governmental revenue.

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2013 (continued)**

Business-type activities generated revenue of \$77.8 million and had expenses of \$79.1 million. Net position decreased in the business-type activities by \$848 thousand after transfers in from the governmental activities of \$517 thousand.

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 following table shows comparative data for governmental fund revenues for 2013 and 2012 in thousands.

GOVERNMENTAL FUNDS - REVENUES

	2013	2012	2013 Percent of Total	Increase (Decrease) from 2013	Percent Increase (Decrease) from 2012
State of North Carolina	\$ 699,293	\$ 667,907	61.3%	\$ 31,386	4.7%
Mecklenburg County	317,851	310,045	27.8%	7,806	2.5%
U.S. Government Agencies	91,953	110,186	8.1%	(18,233)	(16.5%)
Other	<u>32,330</u>	<u>30,677</u>	<u>2.8%</u>	<u>1,653</u>	<u>5.4%</u>
Total	\$ <u>1,141,427</u>	\$ <u>1,118,815</u>	<u>100.0%</u>	\$ <u>22,612</u>	<u>1.2%</u>

Revenue sources and percentage shares of revenue for 2012-2013 had an increase in state and county funds with a 16.5% decrease in federal funds. Governmental Fund revenues exclude the intergovernmental pass through to charter schools and Capital Projects Fund. The \$18,233,000 decrease in federal funds is due to the expiration of some of the federal grants under the American Recovery and Reinvestment Act (AARA).

The following chart shows comparative data for governmental fund expenditures for 2013 and 2012 in thousands.

GOVERNMENTAL FUNDS - EXPENDITURES

	2013	2012	2013 Percent of Total	Increase (Decrease) from 2013	Percent Increase (Decrease) from 2012
Instructional	\$ 900,746	\$ 871,650	78.3%	\$ 29,096	3.3%
Support	249,186	241,729	21.6%	7,457	3.1%
Ancillary Services	<u>1,142</u>	<u>986</u>	<u>0.1%</u>	<u>156</u>	<u>15.8%</u>
Total Current Operating Expenditures	\$ <u>1,151,074</u>	\$ <u>1,114,365</u>	<u>100.0%</u>	\$ <u>36,709</u>	<u>3.3%</u>

GOVERNMENTAL FUNDS - EQUITY

The Board's governmental funds reported a combined fund balance of \$92.6 million, a decrease of \$12.1 million from the prior year. The Board's General Fund had expenditures that exceeded revenue, thus the total fund balance decreased. State funding increased approximately \$31.4 million and county funding increased approximately \$7.8 million. Federal grant funding decreased \$18.2 million for the year. The Board appropriated \$7.7 million from fund balance to support the 2013-2014 budget.

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2013 (continued)**

Proprietary Funds:

The Board's business-type funds reflected an \$848,000 decrease in net position due to increased food cost and fewer students eating school meals.

General Fund Budgetary Highlights

Over the course of the year, the Board revised the budget several times to account for changes in revenue expectations and to reduce appropriations in light of the reduced revenue estimates. Additional information related to Budget activity is included in Note I, Section D in the Notes to the Basic Financial Statements. The amount estimated in the general fund adopted budget for interest revenue was overstated when compared with the amount of interest earned, causing a budget variance. This was due to a decline in the interest rates for the year. But in contrast, the estimated amount included in the adopted budget for police sales and restitution versus what was actually earned for these revenues sources was understated. The cause of this could only be attributed to the increase in dollars collected and passed to the school district by the judiciary system.

Capital Assets

At June 30, 2013 CMS had \$2.6 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 \$31.8 thousand.

**Summary of Capital Assets
as of June 30, 2013 and 2012**

(amounts expressed in thousands)

	Governmental Activities		Business-type Activities		Total Primary Government	
	6/30/13	6/30/12	6/30/13	6/30/12	6/30/13	6/30/12
Land	\$ 122,557	\$ 121,274	\$ -	\$ -	\$ 122,557	\$ 121,274
Construction in Progress	91,212	26,444	-	-	91,212	26,444
Buildings	2,144,983	2,143,932	-	-	2,144,983	2,143,932
Equipment	183,718	160,217	29,199	28,336	212,917	188,553
	2,542,470	2,451,867	29,199	28,336	2,571,669	2,480,203
Less accumulated depreciation	(737,341)	(679,338)	(20,279)	(18,622)	(757,620)	(697,960)
Total	\$ 1,805,129	\$ 1,772,529	\$ 8,920	\$ 9,714	\$ 1,814,049	\$ 1,782,243

Additional information related to Capital Assets activity is included in Notes 5 and 10 in the Notes to the Basic Financial Statements.

Long-Term Obligations

During the year the Board's debt increased by \$16.7 million due mainly to the increases in installment purchases and 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 Long-term Obligation activity is included in Note 14 in the Notes to the Basic Financial Statements.

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2013 (continued)**

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 from 10.0% in 2012 to 9.4% in 2013. The County's unemployment rate remains above the state rate of 9.3%, and the national rate of 7.8%. In 2012, there were 9,595 new jobs created in Charlotte-Mecklenburg. 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 is still showing signs of vulnerability. However, the state remains in a relatively better position than some states.

Notes to Financial Statements

The Notes to Financial Statements follow the statements in the report and complement the financial statements by describing qualifying factors and changes throughout the fiscal year.

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 Government Center
600 East Fourth Street, Fifth Floor
Charlotte, NC 28202

CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
STATEMENT OF NET POSITION
AS OF JUNE 30, 2013
(Amounts expressed in thousands)

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 119,598	\$ 29,815	\$ 149,413
Receivables:			
Mecklenburg County	9,856	-	9,856
State of North Carolina	9,079	-	9,079
US Government Agencies	1,297	1,412	2,709
Other	2,180	662	2,842
Inventories	1,239	1,521	2,760
Capital Assets			
Land, Improvements and Construction in Progress	213,769	-	213,769
Other Capital Assets, net of depreciation	1,591,360	8,920	1,600,280
Total Capital Assets	<u>1,805,129</u>	<u>8,920</u>	<u>1,814,049</u>
TOTAL ASSETS	<u><u>1,948,378</u></u>	<u><u>42,330</u></u>	<u><u>1,990,708</u></u>
LIABILITIES			
Accounts Payable	23,038	524	23,562
Accrued Wages Payable	17,265	288	17,553
Unearned Revenue	10,393	966	11,359
Long-term Liabilities			
Due Within One Year			
Energy Performance Contract	493	-	493
Obligations Under Capital Lease and Installment Purchases	5,166	-	5,166
Liability for Compensated Absences	4,861	93	4,954
Due in More than One Year			
Energy Performance Contract	2,154	-	2,154
Obligations Under Capital Lease and Installment Purchases	5,131	-	5,131
Liability for Compensated Absences	60,832	2,099	62,931
TOTAL LIABILITIES	<u><u>129,333</u></u>	<u><u>3,970</u></u>	<u><u>133,303</u></u>
NET POSITION			
Net Investment in Capital Assets	1,794,832	8,920	1,803,752
Restricted:			
Stabilization by State Statute	46,305	-	46,305
Individual School Activities	4,451	-	4,451
Insurance Claims	4,955	-	4,955
Unrestricted	(31,498)	29,440	(2,058)
TOTAL NET POSITION	<u><u>\$ 1,819,045</u></u>	<u><u>\$ 38,360</u></u>	<u><u>\$ 1,857,405</u></u>

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, 2013
(Amounts expressed in thousands)

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Primary Government:				
Governmental Activities:				
Instructional Programs				
Regular	\$ 674,212	\$ 600	\$ 13,502	\$ -
Special	197,054	-	73,118	-
School Leadership	71,219	-	1,963	-
Co-Curricular	12,337	215	-	-
School-Based Support	56,544	-	3,309	-
Support and Development	5,526	-	(510)	-
Special Population Support	6,605	-	2,130	-
Technology Support	15,447	-	3,134	-
Operational Support	182,972	-	19,892	-
Financial and Human Resources	27,139	-	2,440	-
Accountability Services	6,854	-	1,150	-
System-Wide Pupil Support	3,248	-	-	-
Policy, Leadership and Public Relations	12,847	-	120	-
Community Services	1,142	969	229	-
Debt Service-Interest	653	-	-	-
Total Governmental Activities	<u>1,273,799</u>	<u>1,784</u>	<u>120,477</u>	<u>-</u>
Business-Type Activities:				
After School Program	12,585	13,426	-	-
Child Nutrition Program	66,554	16,035	48,207	-
Total Business-Type Activities	<u>79,139</u>	<u>29,461</u>	<u>48,207</u>	<u>-</u>
TOTAL PRIMARY GOVERNMENT	\$ <u>1,352,938</u>	\$ <u>31,245</u>	\$ <u>168,684</u>	\$ <u>-</u>

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

<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
\$ (660,110)	\$ -	\$ (660,110)
(123,936)	-	(123,936)
(69,256)	-	(69,256)
(12,122)	-	(12,122)
(53,235)	-	(53,235)
(6,036)	-	(6,036)
(4,475)	-	(4,475)
(12,313)	-	(12,313)
(163,080)	-	(163,080)
(24,699)	-	(24,699)
(5,704)	-	(5,704)
(3,248)	-	(3,248)
(12,727)	-	(12,727)
56	-	56
(653)	-	(653)
(1,151,538)	-	(1,151,538)
-	841	841
-	(2,312)	(2,312)
-	(1,471)	(1,471)
(1,151,538)	(1,471)	(1,153,009)
689,568	-	689,568
12,409	-	12,409
337,433	-	337,433
68,748	-	68,748
405	106	511
33,198	-	33,198
(517)	517	-
1,141,244	623	1,141,867
(10,294)	(848)	(11,142)
1,829,339	39,208	1,868,547
\$ 1,819,045	\$ 38,360	\$ 1,857,405

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, 2013**

(Amounts expressed in thousands)

	MAJOR FUNDS			
	GENERAL	STATE PUBLIC SCHOOL	INDIVIDUAL SCHOOLS	CAPITAL PROJECTS
ASSETS				
Cash and Cash Equivalents	\$ 85,181	\$ -	\$ 4,451	\$ 9,713
Receivables:				
Mecklenburg County	-	-	-	9,856
State of North Carolina	1,991	5,532	-	-
U.S. Government Agencies	-	-	-	-
Other	977	1,203	-	-
Inventories	1,239	-	-	-
TOTAL ASSETS	\$ 89,388	\$ 6,735	\$ 4,451	\$ 19,569
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts Payable	\$ 10,304	\$ 269	\$ -	\$ 11,458
Accrued Wages Payable	11,521	5,263	-	-
Unearned Revenue	-	1,203	-	-
Total Liabilities	21,825	6,735	-	11,458
Fund Balance				
Nonspendable:				
Inventories	1,239	-	-	-
Restricted:				
Stabilization by State Statute	36,638	-	-	8,111
Individual Schools	-	-	4,451	-
Insurance Claims	4,955	-	-	-
Assigned:				
Special Revenue	-	-	-	-
Subsequent years expenditures	7,700	-	-	-
Unassigned:				
Unassigned:	17,031	-	-	-
Total Fund Balance	67,563	-	4,451	8,111
TOTAL LIABILITIES AND FUND BALANCES	\$ 89,388	\$ 6,735	\$ 4,451	\$ 19,569

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

Continued on Next Page

MAJOR FUNDS		NON-MAJOR FUND	
SPECIAL REVENUE	DIRECT FEDERAL GRANTS	STATE ADMINISTERED FEDERAL	TOTAL
\$ 10,406	\$ 9,847	\$ -	\$ 119,598
-	-	-	9,856
1,556	-	-	9,079
-	-	1,297	1,297
-	-	-	2,180
-	-	-	1,239
<u>\$ 11,962</u>	<u>\$ 9,847</u>	<u>\$ 1,297</u>	<u>\$ 143,249</u>
\$ 148	\$ 9	\$ 850	\$ 23,038
34	-	447	17,265
<u>8,015</u>	<u>1,175</u>	<u>-</u>	<u>10,393</u>
<u>8,197</u>	<u>1,184</u>	<u>1,297</u>	<u>50,696</u>
-	-	-	1,239
1,556	-	-	46,305
-	-	-	4,451
-	-	-	4,955
2,209	8,663	-	10,872
-	-	-	7,700
-	-	-	17,031
<u>3,765</u>	<u>8,663</u>	<u>-</u>	<u>92,553</u>
<u>\$ 11,962</u>	<u>\$ 9,847</u>	<u>\$ 1,297</u>	<u>\$ 143,249</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, 2013**

Total fund balances--governmental funds \$ 92,553

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	\$ 2,542,470	
Accumulated depreciation	<u>(737,341)</u>	1,805,129

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	\$ (65,693)	
Energy Performance Contract	(2,647)	
Obligations under installment payments	(9,381)	
Obligations under capital lease	<u>(916)</u>	<u>(78,637)</u>

Net Position \$ 1,819,045

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, 2013

(Amounts expressed in thousands)

	MAJOR FUNDS			
	GENERAL	STATE PUBLIC SCHOOL	INDIVIDUAL SCHOOLS	CAPITAL PROJECTS
REVENUES				
State of North Carolina:				
State Public School	\$ -	\$ 689,568	\$ -	\$ -
Other:				
Donated Textbooks	-	818	-	-
Other	-	-	-	12,409
Total State	<u>-</u>	<u>690,386</u>	<u>-</u>	<u>12,409</u>
Mecklenburg County:				
County Public School	317,851	-	-	68,748
Charter Schools	19,582	-	-	-
Total County	<u>337,433</u>	<u>-</u>	<u>-</u>	<u>68,748</u>
U.S. Government Agencies:				
Title I--Education of Children of Low Income Families	-	-	-	-
Title VI-- Education of Handicapped Children	-	-	-	-
American Recovery and Reinvestment Act Education Jobs Fund	-	-	-	-
Race to the Top	-	-	-	-
Improving Teacher Quality	-	-	-	-
Other	-	-	-	-
Total U.S. Government Agencies	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other:				
Insurance Proceeds	-	-	-	37
Miscellaneous	7,015	-	7,147	3,122
Total Other	<u>7,015</u>	<u>-</u>	<u>7,147</u>	<u>3,159</u>
Total Revenues	<u>344,448</u>	<u>690,386</u>	<u>7,147</u>	<u>84,316</u>
CURRENT OPERATING EXPENDITURES				
Instructional Programs:				
Regular	118,838	432,231	12	-
Special	30,382	99,021	-	-
School Leadership	39,208	31,496	-	-
Co-Curricular	3,879	-	7,307	-
School-Based Support	10,520	41,343	-	-
Total Instructional Programs	<u>202,827</u>	<u>604,091</u>	<u>7,319</u>	<u>-</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, 2013

(Amounts expressed in thousands)

MAJOR FUNDS		NON-MAJOR FUND	
SPECIAL REVENUE	DIRECT FEDERAL GRANTS	STATE ADMINISTERED FEDERAL	TOTAL
\$ -	\$ -	\$ -	\$ 689,568
-	-	-	818
8,907	-	-	21,316
<u>8,907</u>	<u>-</u>	<u>-</u>	<u>711,702</u>
-	-	-	386,599
-	-	-	19,582
-	-	-	406,181
-	-	34,579	34,579
-	-	26,232	26,232
-	-	1,038	1,038
-	-	1,726	1,726
-	-	6,630	6,630
-	-	3,642	3,642
-	11,823	6,283	18,106
-	<u>11,823</u>	<u>80,130</u>	<u>91,953</u>
-	-	-	37
18,168	-	-	35,452
<u>18,168</u>	<u>-</u>	<u>-</u>	<u>35,489</u>
<u>27,075</u>	<u>11,823</u>	<u>80,130</u>	<u>1,245,325</u>
4,291	2,532	5,781	563,685
8,314	522	58,803	197,042
350	27	138	71,219
1,070	-	-	12,256
792	35	3,854	56,544
<u>14,817</u>	<u>3,116</u>	<u>68,576</u>	<u>900,746</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, 2013
(Amounts expressed in thousands)

	MAJOR FUNDS			
	GENERAL	STATE PUBLIC SCHOOL	INDIVIDUAL SCHOOLS	CAPITAL PROJECTS
CURRENT OPERATING EXPENDITURES (Continued)				
Support and Development:				
Regular Support	\$ 4,563	\$ 359	\$ -	\$ -
Career and Technical Support	190	326	-	-
Total Support and Development	<u>4,753</u>	<u>685</u>	<u>-</u>	<u>-</u>
Special Population Support:				
Special Population Support	1,952	356	-	-
Alternative Programs	1,206	214	-	-
Total Special Population Support	<u>3,158</u>	<u>570</u>	<u>-</u>	<u>-</u>
Technology Support:				
Technology Support	11,525	941	-	-
Total Technology Support	<u>11,525</u>	<u>941</u>	<u>-</u>	<u>-</u>
Operational Support:				
Communication Services	2,472	379	-	-
Printing and Copying	487	-	-	-
Public Utility and Energy	16,100	-	-	-
Custodial/Housekeeping	10,124	19,949	-	-
Transportation	7,826	61,655	-	-
Warehouse and Delivery	2,944	-	-	-
Facilities Planning	4,563	-	-	-
Maintenance of Plant	35,241	224	-	-
Total Operational Support	<u>79,757</u>	<u>82,207</u>	<u>-</u>	<u>-</u>
Financial and Human Resources:				
Financial Services	10,992	122	-	-
Insurance Claims	4,545	-	-	-
Human Resources Services	6,689	488	-	-
Staff Development Services	1,190	-	-	-
Total Financial and Human Resources	<u>23,416</u>	<u>610</u>	<u>-</u>	<u>-</u>
Accountability Services:				
Student Testing	4,812	-	-	-
Planning and Research	840	-	-	-
Total Accountability Services	<u>5,652</u>	<u>-</u>	<u>-</u>	<u>-</u>
System-Wide Pupil Support:				
Educational Media	488	-	-	-
Student Accounting	542	-	-	-
Guidance Support	154	-	-	-
Health Support	99	-	-	-
Safety and Security	1,950	-	-	-
Total System-Wide Pupil Support	<u>3,233</u>	<u>-</u>	<u>-</u>	<u>-</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, 2013

(Amounts expressed in thousands)

MAJOR FUNDS		NON-MAJOR FUND	
SPECIAL REVENUE	DIRECT FEDERAL GRANTS	STATE ADMINISTERED FEDERAL	TOTAL
\$ 11	\$ 2	\$ 75	\$ 5,010
-	-	-	516
<u>11</u>	<u>2</u>	<u>75</u>	<u>5,526</u>
2	20	617	2,947
549	1	1,688	3,658
<u>551</u>	<u>21</u>	<u>2,305</u>	<u>6,605</u>
-	-	2,609	15,075
-	-	<u>2,609</u>	<u>15,075</u>
370	-	-	3,221
-	-	-	487
8,071	-	-	24,171
6	-	1,752	31,831
240	-	991	70,712
-	-	-	2,944
10	-	-	4,573
56	-	-	35,521
<u>8,753</u>	<u>-</u>	<u>2,743</u>	<u>173,460</u>
7	-	-	11,121
-	-	-	4,545
134	-	1,211	8,522
-	-	205	1,395
<u>141</u>	<u>-</u>	<u>1,416</u>	<u>25,583</u>
436	-	564	5,812
28	-	174	1,042
<u>464</u>	<u>-</u>	<u>738</u>	<u>6,854</u>
-	-	-	488
-	-	-	542
-	-	-	154
-	15	-	114
-	-	-	1,950
<u>-</u>	<u>15</u>	<u>-</u>	<u>3,248</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, 2013
(Amounts expressed in thousands)

	MAJOR FUNDS			
	GENERAL	STATE	INDIVIDUAL SCHOOLS	CAPITAL PROJECTS
		PUBLIC SCHOOL		
Policy, Leadership and Public Relations:				
Board of Education	\$ 415	\$ -	\$ -	\$ -
Legal Services	1,820	-	-	-
Audit Services	95	-	-	-
Leadership	42	-	-	-
Office of Superintendent	768	204	-	-
Deputy, Associate, Assistant Superintendent	4,602	1,031	-	-
Public Relations and Marketing	1,534	-	-	-
Total Policy, Leadership and Public Relations	<u>9,276</u>	<u>1,235</u>	<u>-</u>	<u>-</u>
Ancillary Services:				
Community Services	-	-	-	-
Nutrition Services	450	1	-	-
Total Ancillary Services	<u>450</u>	<u>1</u>	<u>-</u>	<u>-</u>
Total Current Operating Expenditures	<u>344,047</u>	<u>690,340</u>	<u>7,319</u>	<u>-</u>
DEBT SERVICE EXPENDITURES				
Principal	991	-	-	12,409
Interest	137	-	-	-
Total Debt Service Expenditures	<u>1,128</u>	<u>-</u>	<u>-</u>	<u>12,409</u>
CAPITAL OUTLAY EXPENDITURES				
Building and Site Improvements	-	-	-	67,121
Furniture and Equipment	-	-	-	3,798
Vehicles	-	-	-	18,952
Total Capital Outlay Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>89,871</u>
INTERGOVERNMENTAL EXPENDITURES				
Charter Schools	19,582	-	-	-
Other	-	-	-	-
Total Intergovernmental Expenditures	<u>19,582</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>364,757</u>	<u>690,340</u>	<u>7,319</u>	<u>102,280</u>
REVENUES OVER (UNDER) EXPENDITURES	(20,309)	46	(172)	(17,964)
OTHER FINANCING SOURCES (USES)				
Installment Sale	-	-	-	18,762
Transfer Out	(471)	(46)	-	-
Total Other Financing Sources (Uses)	<u>(471)</u>	<u>(46)</u>	<u>-</u>	<u>18,762</u>
CHANGE IN FUND BALANCE	(20,780)	-	(172)	798
FUND BALANCE--Beginning of Year	88,343	-	4,623	7,313
FUND BALANCE--End of Year	<u>\$ 67,563</u>	<u>\$ -</u>	<u>\$ 4,451</u>	<u>\$ 8,111</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, 2013
(Amounts expressed in thousands)

MAJOR FUNDS		NON-MAJOR FUND	
SPECIAL REVENUE	DIRECT FEDERAL GRANTS	STATE ADMINISTERED FEDERAL	TOTAL
\$ -	\$ -	\$ -	\$ 415
-	-	-	1,820
-	-	-	95
-	-	-	42
-	-	-	972
2,221	-	100	7,954
3	-	-	1,537
<u>2,224</u>	<u>-</u>	<u>100</u>	<u>12,835</u>
673	-	-	673
-	-	18	469
<u>673</u>	<u>-</u>	<u>18</u>	<u>1,142</u>
27,634	3,154	78,580	1,151,074
-	-	-	13,400
<u>-</u>	<u>-</u>	<u>-</u>	<u>137</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>13,537</u>
-	-	-	67,121
-	-	-	3,798
<u>-</u>	<u>-</u>	<u>-</u>	<u>18,952</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>89,871</u>
-	-	-	19,582
<u>-</u>	<u>6</u>	<u>1,550</u>	<u>1,556</u>
<u>-</u>	<u>6</u>	<u>1,550</u>	<u>21,138</u>
<u>27,634</u>	<u>3,160</u>	<u>80,130</u>	<u>1,275,620</u>
(559)	8,663	-	(30,295)
-	-	-	18,762
<u>-</u>	<u>-</u>	<u>-</u>	<u>(517)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>18,245</u>
(559)	8,663	-	(12,050)
<u>4,324</u>	<u>-</u>	<u>-</u>	<u>104,603</u>
<u>\$ 3,765</u>	<u>\$ 8,663</u>	<u>\$ -</u>	<u>\$ 92,553</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, 2013**
(Amounts expressed in thousands)

Total net change in fund balances-- governmental funds \$ (12,050)

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	\$ 94,678	
Depreciation expense	<u>(62,013)</u>	32,665
Adjustment for deferred revenue for fiscal year 2012		(14,178)
Increase in compensated absences		(11,304)
Proceeds from disposal of capital assets		(175)
Gain on disposal of capital assets		110
Payments on obligations under energy contract		475
Installment purchases		(18,762)
Payments on obligations under capital leases and installment purchase		<u>12,925</u>
Change in net position of governmental activities		\$ <u><u>(10,294)</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, 2013
(Amounts expressed in thousands)

	GENERAL FUND			VARIANCE FROM AMENDED BUDGET
	ORIGINAL BUDGET	AMENDED BUDGET	ACTUAL	
REVENUES				
State of North Carolina	\$ -	\$ -	\$ -	\$ -
Mecklenburg County	337,433	337,433	337,433	-
U.S. Government Agencies	-	-	-	-
Other	9,426	467	467	-
Total Revenues	346,859	337,900	337,900	-
EXPENDITURES				
Current Operating Expenditures:				
Instructional Programs:				
Regular	133,481	117,651	111,711	5,940
Special	27,013	29,466	29,339	127
School Leadership	35,518	39,235	39,230	5
Co-Curricular	3,988	3,883	3,865	18
School-Based Support	9,932	9,802	9,644	158
Total Instructional Programs	209,932	200,037	193,789	6,248
Support and Development	5,225	4,806	4,801	5
Special Population Support	3,171	3,277	3,277	-
Technology Support	10,874	10,710	10,636	74
Operational Support	75,084	73,301	71,395	1,906
Financial and Human Resources	15,435	19,645	19,216	429
Accountability Services	5,681	5,017	5,004	13
System-Wide Pupil Support	3,256	3,252	3,234	18
Policy, Leadership and Public Relations	9,202	9,283	9,180	103
Ancillary Services	688	450	450	-
Total Current Operating Expenditures	338,548	329,778	320,982	8,796
Intergovernmental Expenditures:				
Charter Schools	20,269	19,609	19,582	27
Other	-	-	-	-
Total Intergovernmental Expenditures	20,269	19,609	19,582	27
Debt Service				
Principal	475	475	475	-
Interest	108	108	108	-
Total Debt Service Expenditures	583	583	583	-
Total Expenditures	359,400	349,970	341,147	8,823
REVENUES OVER (UNDER) EXPENDITURES	(12,541)	(12,070)	(3,247)	8,823
OTHER FINANCING SOURCES (USES):				
Appropriated Fund Balance	12,541	12,541	-	(12,541)
Transfer Out	-	(471)	(471)	-
REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES (USES)	\$ -	\$ -	\$ (3,718)	\$ (3,718)

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, 2013
(Amounts expressed in thousands)

	STATE PUBLIC SCHOOL FUND			VARIANCE FROM AMENDED BUDGET
	ORIGINAL BUDGET	AMENDED BUDGET	ACTUAL	
REVENUES				
State of North Carolina	\$ 696,857	\$ 699,707	\$ 688,931	\$ (10,776)
Mecklenburg County	-	-	-	-
U.S. Government Agencies	-	-	-	-
Other	-	-	-	-
Total Revenues	<u>696,857</u>	<u>699,707</u>	<u>688,931</u>	<u>(10,776)</u>
EXPENDITURES				
Current Operating Expenditures:				
Instructional Programs:				
Regular	442,038	436,159	431,998	4,161
Special	98,833	104,317	100,165	4,152
School Leadership	33,556	31,529	31,496	33
Co-Curricular	-	-	-	-
School-Based Support	42,101	41,344	41,342	2
Total Instructional Programs	<u>616,528</u>	<u>613,349</u>	<u>605,001</u>	<u>8,348</u>
Support and Development	402	729	685	44
Special Population Support	409	570	570	-
Technology Support	771	941	941	-
Operational Support	76,665	82,226	82,167	59
Financial and Human Resources	569	610	610	-
Accountability Services	180	-	-	-
System-Wide Pupil Support	-	-	-	-
Policy, Leadership and Public Relations	1,287	1,235	1,235	-
Ancillary Services	46	1	1	-
Total Current Operating Expenditures	<u>696,857</u>	<u>699,661</u>	<u>691,210</u>	<u>8,451</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>696,857</u>	<u>699,661</u>	<u>691,210</u>	<u>8,451</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>46</u>	<u>(2,279)</u>	<u>(2,325)</u>
OTHER FINANCING SOURCES (USES):				
Appropriated Fund Balance	-	-	-	-
Transfer Out	-	(46)	(46)	-
REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES (USES)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,325)</u>	<u>\$ (2,325)</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, 2013
(Amounts expressed in thousands)

	SPECIAL REVENUE			VARIANCE FROM AMENDED BUDGET
	ORIGINAL BUDGET	AMENDED BUDGET	ACTUAL	
REVENUES				
State of North Carolina	\$ 10,200	\$ 9,949	\$ 8,907	\$ (1,042)
Mecklenburg County	-	-	-	-
U.S. Government Agencies	-	-	-	-
Other	16,421	24,831	17,919	(6,912)
Total Revenues	26,621	34,780	26,826	(7,954)
EXPENDITURES				
Current Operating Expenditures:				
Instructional Programs:				
Regular	3,596	6,823	4,422	2,401
Special	9,371	9,266	8,315	951
School Leadership	181	548	350	198
Co-Curricular	1,289	1,518	1,118	400
School-Based Support	197	1,527	781	746
Total Instructional Programs	14,634	19,682	14,986	4,696
Support and Development	102	141	11	130
Special Population Support	772	973	576	397
Technology Support	-	11	-	11
Operational Support	12,195	12,428	12,342	86
Financial and Human Resources	124	189	143	46
Accountability Services	466	565	484	81
System-Wide Pupil Support	-	-	-	-
Policy, Leadership and Public Relations	2,074	4,401	2,265	2,136
Ancillary Services	543	679	673	6
Total Current Operating Expenditures	30,910	39,069	31,480	7,589
Intergovernmental Expenditures:				
Charter Schools	-	-	-	-
Other	-	-	-	-
Total Intergovernmental Expenditures	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Total Debt Service Expenditures	-	-	-	-
Total Expenditures	30,910	39,069	31,480	7,589
REVENUES OVER (UNDER) EXPENDITURES	(4,289)	(4,289)	(4,654)	(365)
OTHER FINANCING SOURCES (USES):				
Appropriated Fund Balance	4,289	4,289	-	(4,289)
Transfer Out	-	-	-	-
REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES (USES)	\$ -	\$ -	\$ (4,654)	\$ (4,654)

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, 2013
(Amounts expressed in thousands)

	DIRECT FEDERAL GRANTS			VARIANCE FROM AMENDED BUDGET
	ORIGINAL BUDGET	AMENDED BUDGET	ACTUAL	
REVENUES				
U. S. Government Agencies	\$ 9,878	\$ 13,411	\$ 11,611	\$ (1,800)
Total Revenues	<u>9,878</u>	<u>13,411</u>	<u>11,611</u>	<u>(1,800)</u>
EXPENDITURES				
Current Operating Expenditures:				
Instructional Programs:				
Regular	3,375	4,677	2,559	2,118
Special	5,775	8,217	405	7,812
School Leadership	102	101	27	74
School-Based Support	83	71	14	57
Total Instructional Programs	<u>9,335</u>	<u>13,066</u>	<u>3,005</u>	<u>10,061</u>
Support and Development	127	3	2	1
Special Population Support	201	42	19	23
Operational Support	-	97	-	97
Financial and Human Resources	-	1	-	1
Accountability Services	155	155	24	131
System-Wide Pupil Support	51	36	15	21
Policy, Leadership and Public Relations	-	-	-	-
Non-Programmed Charges	9	11	6	5
Total Current Operating Expenditures	<u>9,878</u>	<u>13,411</u>	<u>3,071</u>	<u>10,340</u>
Total Expenditures	<u>9,878</u>	<u>13,411</u>	<u>3,071</u>	<u>10,340</u>
REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES (USES)	\$ -	\$ -	\$ 8,540	\$ 8,540

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, 2013

(Amounts expressed in thousands)

	MAJOR FUND	NON-MAJOR FUND	
	CHILD NUTRITION PROGRAM	AFTER SCHOOL ENRICHMENT PROGRAM	TOTAL
ASSETS			
Current Assets			
Cash and Cash Equivalents	\$ 24,879	\$ 4,936	\$ 29,815
Receivables:			
U. S. Government Agencies	1,412	-	1,412
Other	535	127	662
Inventories	1,521	-	1,521
Total Current Assets	<u>28,347</u>	<u>5,063</u>	<u>33,410</u>
Noncurrent Assets			
Capital Assets, Net of Depreciation	8,920	-	8,920
Total Assets	<u>37,267</u>	<u>5,063</u>	<u>42,330</u>
LIABILITIES			
Current Liabilities			
Accounts Payable	515	9	524
Accrued Salaries, Wages and Benefits	233	55	288
Unearned Revenue	886	80	966
Compensated Absences Due Within One Year	58	35	93
Total Current Liabilities	<u>1,692</u>	<u>179</u>	<u>1,871</u>
Noncurrent Liabilities			
Compensated Absences Due In More Than One Year	1,369	730	2,099
Total Liabilities	<u>3,061</u>	<u>909</u>	<u>3,970</u>
NET POSITION			
Net Investment in Capital Assets	8,920	-	8,920
Unrestricted Net Assets	25,286	4,154	29,440
Total Net Position	<u>\$ 34,206</u>	<u>\$ 4,154</u>	<u>\$ 38,360</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, 2013

(Amounts expressed in thousands)

	MAJOR FUND	NON-MAJOR FUND	TOTAL
	CHILD NUTRITION PROGRAM	AFTER SCHOOL ENRICHMENT PROGRAM	
OPERATING REVENUES			
Food Sales	\$ 16,035	\$ -	\$ 16,035
Participant Fees	-	13,426	13,426
Total Operating Revenues	<u>16,035</u>	<u>13,426</u>	<u>29,461</u>
OPERATING EXPENSES			
Food Cost	26,264	660	26,924
Salaries	22,212	8,087	30,299
Employee Benefits	5,301	1,731	7,032
Materials and Supplies	2,495	366	2,861
Utilities	170	-	170
Depreciation	1,708	-	1,708
Contracted Services	3,239	248	3,487
Indirect Costs	3,209	1,212	4,421
Other	1,956	281	2,237
Total Operating Expenses	<u>66,554</u>	<u>12,585</u>	<u>79,139</u>
OPERATING INCOME (LOSS)	<u>(50,519)</u>	<u>841</u>	<u>(49,678)</u>
NON-OPERATING REVENUES			
U. S. Government Subsidy	44,550	-	44,550
U. S. Government Commodities	3,464	-	3,464
Other	193	-	193
Interest Revenues	89	17	106
Total Non-Operating Revenues	<u>48,296</u>	<u>17</u>	<u>48,313</u>
INCOME BEFORE CONTRIBUTIONS AND TRANSFER	<u>(2,223)</u>	<u>858</u>	<u>(1,365)</u>
TRANSFER IN	<u>517</u>	<u>-</u>	<u>517</u>
CHANGE IN NET POSITION	(1,706)	858	(848)
TOTAL NET POSITION--Beginning of Year	<u>35,912</u>	<u>3,296</u>	<u>39,208</u>
TOTAL NET POSITION--End of Year	<u>\$ 34,206</u>	<u>\$ 4,154</u>	<u>\$ 38,360</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, 2013
(Amounts expressed in thousands)

	MAJOR FUND	NON-MAJOR FUND	
	CHILD NUTRITION PROGRAM	AFTER SCHOOL ENRICHMENT PROGRAM	TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Participants	\$ 15,964	\$ 13,376	\$ 29,340
Cash Paid to Employees	(21,736)	(7,962)	(29,698)
Cash Paid to Suppliers	(38,464)	(4,499)	(42,963)
Net Cash Provided By (Used In) Operating Activities	<u>(44,236)</u>	<u>915</u>	<u>(43,321)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
Non-Operating grants received	44,990	-	44,990
Transfer In	517	-	517
Net Cash Provided By Non-Capital Financing Activities	<u>45,507</u>	<u>-</u>	<u>45,507</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition of Equipment	(914)	-	(914)
Net Cash Used In Capital and Related Financing Activities	<u>(914)</u>	<u>-</u>	<u>(914)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on Investments	89	17	106
Net Cash Provided By Investing Activities	<u>89</u>	<u>17</u>	<u>106</u>
INCREASE IN CASH AND CASH EQUIVALENTS	446	932	1,378
CASH AND CASH EQUIVALENTS--Beginning of Year	24,433	4,004	28,437
CASH AND CASH EQUIVALENTS--End of Year	<u>\$ 24,879</u>	<u>\$ 4,936</u>	<u>\$ 29,815</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:			
Operating Income (Loss)	\$ (50,519)	\$ 841	\$ (49,678)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities:			
Depreciation	1,708	-	1,708
Donated Commodities	3,463	-	3,463
Change in Assets and Liabilities:			
Accounts Receivable	(172)	(61)	(233)
Inventories	227	-	227
Accounts Payable	479	(1)	478
Accrued Salaries, Wages and Benefits	28	4	32
Unearned Revenue	102	11	113
Compensated Absences	448	121	569
Total Adjustments	<u>6,283</u>	<u>74</u>	<u>6,357</u>
Net Cash Provided By (Used In) Operating Activities	<u>\$ (44,236)</u>	<u>\$ 915</u>	<u>\$ (43,321)</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 \$471 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 28. The Child Nutrition Fund received donated commodities with a value of \$3.46 million during the fiscal year. The receipt of the commodities is recognized as a Non-Operating Revenue.

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, 2013

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. Eliminations have been made to minimize the effect of internal activities upon revenues and expenses. 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 nonmajor 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. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange 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, 2013

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	\$ (3,718)	\$ (2,325)	\$ (86,373)	\$ (2,794)	\$ (4,654)	\$ 8,540
Increase in Insurance Fund Balance	2,003	-	-	-	-	-
Encumbrances at June 30, 2013	33,670	2,325	90,621	2,794	4,095	123
Encumbrances at June 30, 2012	(52,735)	-	(3,450)	-	-	-
Change in Fund Balance, GAAP Basis	\$ (20,780)	\$ -	\$ 798	\$ -	\$ (559)	\$ 8,663

CHARLOTTE-MECKLENBURG BOARD OF EDUCATION

NOTES TO BASIC FINANCIAL STATEMENTS

For the Year Ended June 30, 2013

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 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.

During the fiscal year there were budget amendments in the general fund totaling approximately \$8.9 million including adjustments to interest income, restitution and police sales revenue. The amount estimated in the general fund adopted budget for interest revenue was overstated when compared with the amount of interest earned, causing a budget variance. This was due to a decline in the interest rates for the year. But in contrary, the estimated amount included in the adopted budget for police sales and restitution versus what was actually earned for these revenues sources was understated. The cause of this could only be attributed to 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

CHARLOTTE-MECKLENBURG BOARD OF EDUCATION

NOTES TO BASIC FINANCIAL STATEMENTS

For the Year Ended June 30, 2013

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 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, 2013, \$1.4 million of bank balances were covered by federal depository insurance and \$26.3 million were covered by collateral using the Pooling Method. Cash related to insurance reserves of \$11.2 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, 2013 (expressed in thousands) is:

North Carolina Short-Term Investment Fund	\$	118,622
North Carolina Capital Management Trust		559
Cash in Banks		30,232
	\$	<u>149,413</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, 2013, the Board of Education had \$559,318 invested with the North Carolina Capital Management Trust's Cash Portfolio which carried a credit rating of AAAM by Standard and Poor's. There was \$118,622,002 invested with the State Treasurer in the Short Term Investment Fund (STIF). The STIF is unrated and has a weighted average maturing of 1.6 years. The Board has no policy for managing interest rate risk or credit risk.

The Board's investments are reported at fair value as determined by quoted market prices. The NCCMT Cash Portfolio's securities are valued at fair value, which is the NCCMT's share price. The STIF securities are reported at cost and maintain a constant \$1 per share value. 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.

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, 2013

5. Capital Assets

The Board's capital assets are recorded at original cost. Donated assets are listed at their estimated fair market value at the date of donation or forfeiture. 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 more than \$5,000 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. Unearned Revenue

Unearned revenue in the State Public School Fund, Special Revenue Fund and Direct Federal Grants Fund is principally for programs 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.

7. 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, 2013 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.

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.

8. 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 2012-2013 was \$19,582 thousand. The amount was calculated in accordance with the legislation and passed through the Board.

CHARLOTTE-MECKLENBURG BOARD OF EDUCATION

NOTES TO BASIC FINANCIAL STATEMENTS

For the Year Ended June 30, 2013

9. Net Position/Fund Balances

Net Position in the government-wide and proprietary fund financial statements are 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)].

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 – portion of fund balance that Charlotte-Mecklenburg Board of Education intends to use for specific purposes.

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).

Special Revenue – portion of fund balance that represents the residual amount of revenues from certain grants, reimbursements and other financial resources in excess of related expenditures, that the donor or governing body has assigned to be expended for educational services.

Unassigned Fund Balance – the portion of fund balance that has not been restricted, committed, or assigned to specific purposes or other funds.

CHARLOTTE-MECKLENBURG BOARD OF EDUCATION

NOTES TO BASIC FINANCIAL STATEMENTS

For the Year Ended June 30, 2013

10. Capital Assets

Capital asset activity for the year ended June 30, 2013, was as follows (expressed in thousands):

Governmental Activities	Balance 6/30/12	Increases	Decreases & Transfers to In-Service	Ending Balance 6/30/13
Capital assets, not being depreciated:				
Land	\$ 121,274	\$ 1,283	\$ -	\$ 122,557
Construction in progress	26,444	67,297	(2,529)	91,212
Total capital assets not being depreciated	147,718	68,580	(2,529)	213,769
Capital assets being depreciated:				
Buildings and Improvements	2,143,881	1,102		2,144,983
Equipment, Library and Vehicles	160,268	27,525	(4,075)	183,718
Total capital assets being depreciated	2,304,149	28,627	(4,075)	2,328,701
Total Assets	2,451,867	97,207	(6,604)	2,542,470
Less accumulated depreciation for:				
Buildings and Improvements	(566,897)	(48,447)		(615,344)
Equipment, Library and Vehicles	(112,441)	(13,566)	4,010	(121,997)
Total accumulated depreciation	(679,338)	(62,013)	4,010	(737,341)
Government activities capital assets, net	\$ 1,772,529	\$ 35,194	\$ (2,594)	\$ 1,805,129

Business-type Activities	Balance 6/30/12	Increases	Decreases & Transfers to In-Service	Ending Balance 6/30/13
Child Nutrition Fund:				
Capital assets being depreciated:				
Equipment & Vehicles	\$ 28,336	\$ 914	\$ (51)	\$ 29,199
Less accumulated depreciation for:				
Equipment & Vehicles	(18,622)	(1,708)	51	(20,279)
Business-type activities capital assets, net	\$ 9,714	\$ (794)	\$ -	\$ 8,920

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

Governmental activities:	
Regular Instructional	\$ 58,621
Business Support	3,299
Co-curricular	81
Special Instructional	12
	\$ <u>62,013</u>

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

a. Teachers' and State Employees' Retirement System

Plan Description. Charlotte Mecklenburg Board of Education contributes to 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 provides retirement benefits to plan members and beneficiaries. Article 1 of G.S. Chapter 135 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. 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, or by calling (919) 981-5454 or by e-mail: osc.web.team@osc.nc.gov.

Funding Policy. Plan members are required to contribute six percent of their annual covered salary and the Board is required to contribute at an actuarially determined rate. The current rate is 8.33 % of annual covered payroll. The contribution requirements of plan members and Charlotte Mecklenburg Board of Education are established and may be amended by the North Carolina General Assembly. The Board's contributions to TSERS for the years ended June 30, 2013, 2012, and 2011 were \$58.4 million, \$50.0 million, and \$33.1 million, respectively, equal to the required contributions for each year.

CHARLOTTE-MECKLENBURG BOARD OF EDUCATION

NOTES TO BASIC FINANCIAL STATEMENTS

For the Year Ended June 30, 2013

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, 2013, 2012, and 2011, the School Board paid all annual required contributions to the Plan for postemployment healthcare benefits of \$37.1 million, \$33.6 million, and \$32.9 million, respectively. These contributions represented 5.3%, 5.0%, and 4.9% 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 an other 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

CHARLOTTE-MECKLENBURG BOARD OF EDUCATION

NOTES TO BASIC FINANCIAL STATEMENTS

For the Year Ended June 30, 2013

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 65% 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 \$3,900 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, 2013, 2012, and 2011, the Board paid all annual required contributions to the DIPNC for disability benefits of \$3.1 million, \$3.5 million, and \$3.5 million, respectively. These contributions represented .44%, .52%, and .52% 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 \$9,300. 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.

CHARLOTTE-MECKLENBURG BOARD OF EDUCATION

NOTES TO BASIC FINANCIAL STATEMENTS

For the Year Ended June 30, 2013

12. 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 \$75 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.

13. 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 insurance coverage is provided by a policy administered through the North Carolina Department of Public Instruction. Other insurance coverage is purchased for those 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 \$1,000 per any one claim for property damage.

The Program is reported as part of the General Fund. The excess of revenues over expenditures in the amount of \$2.0 million results from the increase in retained earnings from fiscal year 2012. The gain increases the prior year's net assets of \$1.7 million to \$3.7 million.

The following presents a reconciliation of the claims liability for the current and prior year (expressed in thousands):

	2013	2012
Claims payable, Beginning of year	\$ 6,307	\$ 6,344
Prior Year Claims paid during year	(3,758)	(2,708)
Current Year Claims	3,792	2,671
Claims payable, End of year	<u>\$ 6,341</u>	<u>\$ 6,307</u>

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.

14. 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, 2013 amounted to \$1.9 million. Accumulated depreciation relating to these assets was \$1.1 million.

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.

CHARLOTTE-MECKLENBURG BOARD OF EDUCATION

NOTES TO BASIC FINANCIAL STATEMENTS

For the Year Ended June 30, 2013

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, 2013 (expressed in thousands):

<u>Year Ending June 30:</u>	
2014	492
2015	282
2016	119
2017	50
Total Minimum Lease Payments	943
Less: Interest	(27)
Present Value of Net Minimum Lease Payments	<u>\$ 916</u>

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, 2013 totaled \$302,144.

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 payments of the installment purchases as of June 30, 2013 (expressed in thousands), are as follows:

<u>Year Ending June 30</u>	<u>Government Activities</u>
2014	\$ 4,691
2015	4,690
Total Payments	<u>\$ 9,381</u>

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, 2013 are as follows:

Government Activities	\$	65,693
Proprietary Funds	\$	2,192

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>
2014	493	90
2015	510	72
2016	529	54
2017	548	35
2018	567	15
Total Payments	<u>\$ 2,647</u>	<u>266</u>

CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

e. Long-Term Obligation Activity (expressed in thousands)

The following is a summary of changes in the Board's long-term obligations for the fiscal year ended June 30, 2013:

Governmental Activities	Balance July 1, 2012	Increases	Decreases	Balance June 30, 2013	Current Portion
Capital Leases	\$ 1,432	\$ -	\$ 516	\$ 916	\$ 475
Installment purchases	3,028	18,762	12,409	9,381	4,691
Compensated absences	54,389	16,165	4,861	65,693	4,861
Energy Performance Contract	3,122	-	475	2,647	493
Total Governmental	<u>\$ 61,971</u>	<u>\$ 34,927</u>	<u>\$ 18,261</u>	<u>\$ 78,637</u>	<u>\$ 10,520</u>
Business Type Activities					
Compensated absences	\$ 1,623	\$ 662	\$ 93	\$ 2,192	\$ 93
Total Business	<u>\$ 1,623</u>	<u>\$ 662</u>	<u>\$ 93</u>	<u>\$ 2,192</u>	<u>\$ 93</u>

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

15. Interfund Balances and Activity (expressed in thousands)

Transfers to/from other funds for the year ended June 30, 2013, 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	471
	<u>\$ 517</u>

16. 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	\$ 67,563
Less:	
Inventories	1,239
Stabilization by State Statute	36,638
Insurance Claims	4,955
Appropriated Fund Balance in 2014 budget	7,700
Remaining Fund Balance	<u>\$ 17,031</u>

CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

17. 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	\$	33,670
State Public School Fund	\$	2,325
Capital Projects Fund	\$	90,621
State Administered Federal Fund	\$	2,794
Special Revenue Fund	\$	4,095
Direct Federal Grants Fund	\$	123

18. Change in Accounting Principles

The Board implemented Governmental Accounting Standards Board (GASB) Statement 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position, and Statement 65, Items Previously reported as Assets and Liabilities, in fiscal year ending June 30, 2013. In accordance with GASB Statement 63, The Statement of Net Assets has been replaced with the Statement of Net Position. Items on the Statement of Net Position are now classified into Assets, Liabilities, or Net Position.

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, 2013
(Amounts expressed in thousands)

	BUDGET	ACTUAL	VARIANCE FROM BUDGET
REVENUES			
Mecklenburg County:			
Appropriation	\$ 4,960	\$ 4,960	\$ -
Capital Improvement Fund	322,608	63,788	(258,820)
	<u>327,568</u>	<u>68,748</u>	<u>(258,820)</u>
State:			
School Bus	12,409	12,409	-
	<u>12,409</u>	<u>12,409</u>	<u>-</u>
Other:			
Sale of School Property	-	175	175
Insurance Proceeds on Property			
Damage and Loss	37	37	-
Interest	15	29	14
Other	2,918	2,918	-
	<u>2,970</u>	<u>3,159</u>	<u>189</u>
Total Revenues	<u>342,947</u>	<u>84,316</u>	<u>(258,631)</u>
EXPENDITURES			
Land and Buildings:			
Land:			
Purchase of New Sites	16,184	495	15,689
Buildings:			
General Contracts	128,844	113,095	15,749
Heating Contracts	2,705	2,681	24
Electrical Contracts	359	358	1
Plumbing Contracts	73	73	-
Architect Fees	6,957	5,157	1,800
Miscellaneous Contracts	156,280	20,666	135,614
	<u>295,218</u>	<u>142,030</u>	<u>153,188</u>
Improvements to Sites	1,878	1,140	738
Furniture, Fixtures and Equipment	19,839	5,225	14,614
School Buses	12,418	21,799	(9,381)
Total Expenditures	<u>345,537</u>	<u>170,689</u>	<u>174,848</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(2,590)</u>	<u>(86,373)</u>	<u>(83,783)</u>
OTHER FINANCING SOURCES			
Appropriated Fund Balance	2,590	-	(2,590)
REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES (USES)	<u>\$ -</u>	<u>\$ (86,373)</u>	<u>\$ (86,373)</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, 2013

(Amounts expressed in thousands)

	CHILD NUTRITION PROGRAM			AFTER SCHOOL ENRICHMENT PROGRAM		
	BUDGET	ACTUAL	VARIANCE	BUDGET	ACTUAL	VARIANCE
OPERATING REVENUES						
Food Sales	\$ 16,035	\$ 16,035	\$ -	\$ -	\$ -	\$ -
Participant Fees	-	-	-	12,637	13,426	789
Total Operating Revenues	<u>16,035</u>	<u>16,035</u>	<u>-</u>	<u>12,637</u>	<u>13,426</u>	<u>789</u>
OPERATING EXPENSES						
Food Costs	27,369	26,264	1,105	661	660	1
Salaries and Benefits	27,513	27,513	-	9,818	9,818	-
Other Operating Expenses	14,226	11,069	3,157	2,199	2,107	92
Depreciation	1,708	1,708	-	-	-	-
Total Operating Expenses	<u>70,816</u>	<u>66,554</u>	<u>4,262</u>	<u>12,678</u>	<u>12,585</u>	<u>93</u>
OPERATING INCOME (LOSS)	<u>(54,781)</u>	<u>(50,519)</u>	<u>4,262</u>	<u>(41)</u>	<u>841</u>	<u>882</u>
NON-OPERATING REVENUES:						
U.S. Government Subsidy	50,518	44,550	(5,968)	-	-	-
U.S. Government Commodities	3,464	3,464	-	-	-	-
Other	193	193	-	-	-	-
Interest Income	89	89	-	41	17	(24)
Total Non-Operating Revenues	<u>54,264</u>	<u>48,296</u>	<u>(5,968)</u>	<u>41</u>	<u>17</u>	<u>(24)</u>
INCOME (LOSS) BEFORE TRANSFER	(517)	(2,223)	(1,706)	-	858	858
TRANSFER IN	<u>517</u>	<u>517</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CHANGE IN NET POSITION	<u>\$ -</u>	<u>(1,706)</u>	<u>\$ (1,706)</u>	<u>\$ -</u>	<u>858</u>	<u>\$ 858</u>
NET POSITION--Beginning of Year		<u>35,912</u>			<u>3,296</u>	
NET POSITION--End of Year		<u>\$ 34,206</u>			<u>\$ 4,154</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, 2013

(Amounts expressed in thousands)

	BUDGET	ACTUAL	VARIANCE FROM BUDGET
REVENUES			
U. S. Government Agencies	\$ 125,909	\$ 77,428	\$ (48,481)
Total Revenues	<u>125,909</u>	<u>77,428</u>	<u>(48,481)</u>
EXPENDITURES			
Current Operating Expenditures:			
Instructional Programs:			
Regular	9,143	5,891	3,252
Special	89,540	57,292	32,248
School Leadership	141	138	3
School-Based Support	5,521	3,812	1,709
Total Instructional Programs	<u>104,345</u>	<u>67,133</u>	<u>37,212</u>
Support and Development	111	75	36
Special Population Support	3,977	2,295	1,682
Technology Support	3,895	3,894	1
Operational Support	3,960	2,743	1,217
Financial and Human Resources	2,298	1,974	324
Accountability Services	1,350	440	910
Policy, Leadership and Public Relations	292	100	192
Ancillary Services	33	18	15
Total Current Operating Expenditures	<u>120,261</u>	<u>78,672</u>	<u>41,589</u>
Intergovernmental Expenditures:			
Other	5,648	1,550	4,098
Total Intergovernmental Expenditures	<u>5,648</u>	<u>1,550</u>	<u>4,098</u>
Total Expenditures	<u>125,909</u>	<u>80,222</u>	<u>45,687</u>
REVENUES OVER (UNDER) EXPENDITURES	\$ <u>-</u>	\$ <u>(2,794)</u>	\$ <u>(2,794)</u>

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STATISTICAL SECTION



2013

**Comprehensive Annual
Financial Report**

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.....	48-80
These schedules provide trend information to help the reader understand how CMS' financial performance and well-being have changed over time.	
Revenue Capacity.....	81-83
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.....	84
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.....	85-86
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.....	87-98
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 school buildings	
Elementary	99
Middle	30
High	20
Special Programs	5
Number of support facilities	7

Class Size:

Grades K-3	22 student average
Grades 4-9	24 student average
Grades 10-12	18 student average

Pupil Transportation data:

Total number of buses	959
Total average number of students transported daily	90,311
Average miles traveled daily	105,642
Average number of routes	959
Cost per mile	\$3.4334

A Profile of the Charlotte-Mecklenburg Schools

The Charlotte-Mecklenburg School System serves more than 139,000 students and is experiencing a smaller 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 99 elementary schools, 30 middle schools, 25 high schools and 5 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 five geographic zones. 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. Zone 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 insure 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 37 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.

Sixty percent of the system's high school students, compared to only fifty percent nationwide, take the Scholastic Aptitude Test. (SAT). Local scores are above the North Carolina average but below the national 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, formerly Derita Alternative School 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.

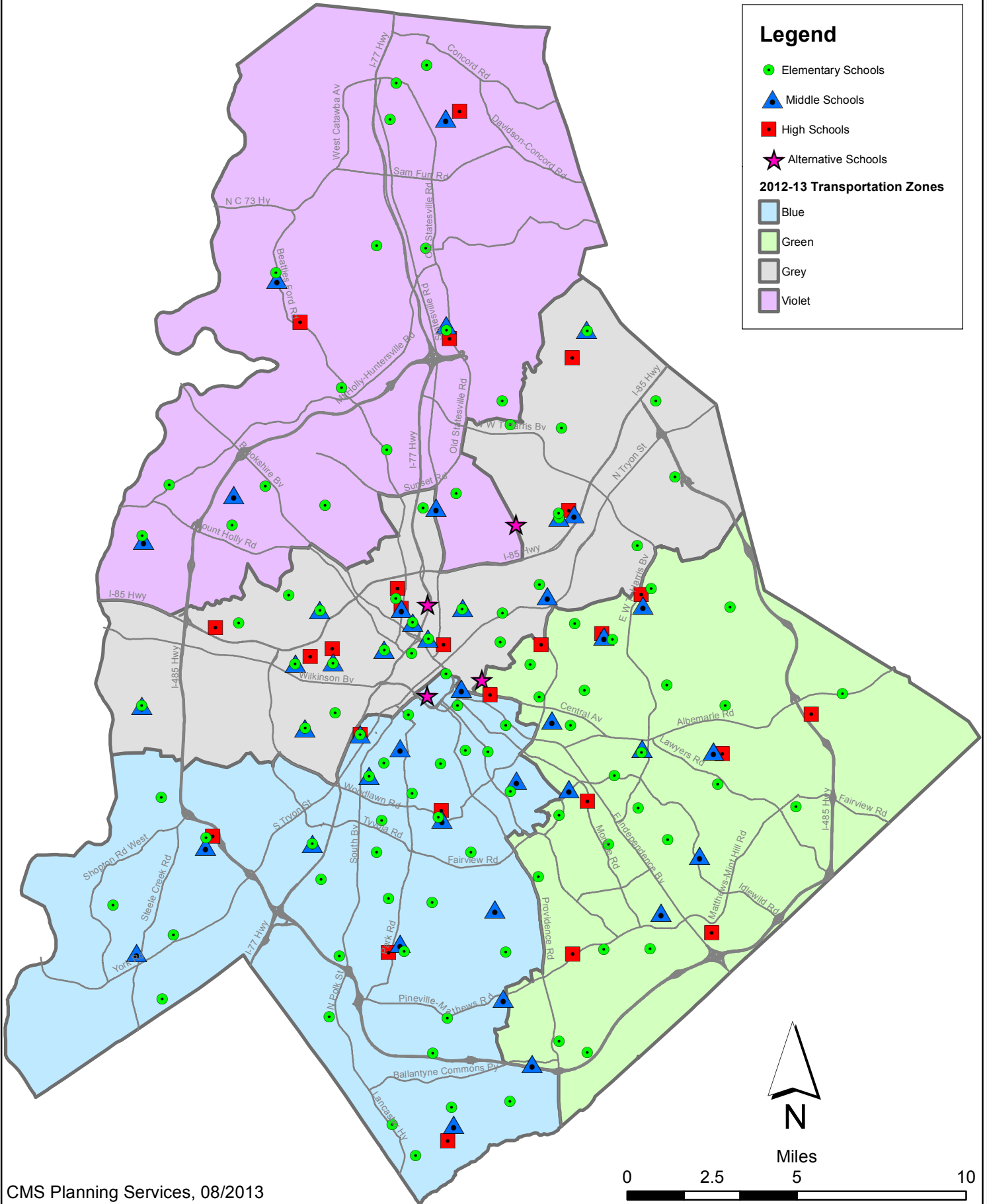
In response to that problem, before school and after school care is provided at many schools. The programs serve children in pre-kindergarten through middle school for a weekly fee.

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 3,300 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 2012-13 School / Program Locations



**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
COMPARATIVE AVERAGE DAILY MEMBERSHIP - SCHOOLS AND SPECIAL PROGRAMS
FOR THE YEARS ENDED JUNE 30, 2013 AND 2012**

	ADM 2013	ADM 2012		ADM 2013	ADM 2012
PRESCHOOL PROGRAM:					
Distributed Sites	3,301	3,073			
Total Preschools	<u>3,301</u>	<u>3,073</u>			
ELEMENTARY SCHOOLS:					
Albemarle Road	1,145	1,022	Matthews	995	985
Allenbrook	510	444	McAlpine	501	494
Ashley Park	545	517	McKee Road	519	512
Bain	955	977	Merry Oaks	722	713
Ballantyne	835	819	Montclair	576	548
Barnette	670	677	Morehead	1,073	828
Barringer	631	600	Mountain Island	652	629
Berryhill	583	533	Myers Park	724	725
Beverly Woods	754	787	Nathaniel Alexander	887	840
Berewick	675	642	Nations Ford	608	607
Billingsville	540	529	Newell	752	738
Blythe	1,070	1,066	Oakdale	670	660
Briarwood	708	735	Oaklawn	522	427
Bruns Avenue	762	744	Olde Providence	720	724
Chantilly	267	275	Park Road	423	402
Clear Creek	678	716	Paw Creek	507	489
Collinswood	701	648	Pineville	758	722
Cornelius	626	625	Pinewood	527	509
Cotswold	781	733	Piney Grove	803	775
Croft Community	723	779	Polo Ridge	1,014	941
Crown Point	718	768	Providence Spring	888	880
Davidson	770	821	Rama Road	625	618
David Cox Road	857	889	Reedy Creek	754	747
Devonshire	565	584	Reid Park	775	680
Dilworth	534	483	River Gate	769	739
Druid Hills	632	600	River Oaks	618	603
Eastover	450	436	Sedgefield	415	408
Elizabeth Lane	973	998	Selwyn	872	845
Elon Park	1,090	1,002	Shamrock Gardens	465	396
Elizabeth Traditional	542	543	Sharon	803	783
Endhaven	747	766	Smithfield	645	615
First Ward	530	505	Statesville Road	581	583
Greenway Park	619	598	Steele Creek	728	776
Joseph W. Grier	851	913	Sterling	590	541
J.H. Gunn	718	706	Stoney Creek	874	855
J.V. Washam	1,113	1,057	Thomasboro	741	708
Hawk Ridge	896	887	Torrence Creek	1,193	1,226
Hickory Grove	1,014	981	Tuckaseegee	777	803
Highland Creek	1,232	1,229	University Meadows	718	729
Hidden Valley	820	749	University Park	376	450
Highland Mill Montessori	232	245	Irwin Academic Center	545	476
Highland Renaissance	469	458	Walter G. Byers	536	539
Hornets Nest	587	589	Westerly Hills	550	505
Huntersville	793	795	Whitewater Academy	704	705
Huntingtowne Farms	900	852	Winding Springs	767	742
Idlewild	803	858	Windsor Park	881	828
Lake Wylie	629	690	Winget Park	949	971
Lansdowne	641	621	Winterfield	691	626
Lebanon Road	801	819	Total Elementary Schools	<u>70,818</u>	<u>69,324</u>
Long Creek	511	516			
Mallard Creek	839	853			

Source: Charlotte-Mecklenburg Schools Planning Services. Membership for the ninth month of the 2012-2013 school year.

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
COMPARATIVE AVERAGE DAILY MEMBERSHIP - SCHOOLS AND SPECIAL PROGRAMS
FOR THE YEARS ENDED JUNE 30, 2013 AND 2012**

	ADM 2013	ADM 2012		ADM 2013	ADM 2012
MIDDLE SCHOOLS:			Int'l Bus. & Comm. Studies at Olympic	402	382
Albemarle Road	1,154	1,041	Int'l Studies & Global Econ. at Olympic	408	371
J. McKnitt Alexander	883	835	METS at Olympic	508	458
Bailey Road	1,529	1,334	Biotech, Health, & Public Admin. at Olympic	441	414
Bradley	1,143	1,155	Performance Learning Center	146	132
Carmel	1,089	1,148	Providence	1,981	1,951
Cochrane	793	618	Rocky River	1,638	1,646
Community House	1,578	1,502	South Mecklenburg	2,450	2,296
Crestdale	910	959	Zebulon B. Vance	1,679	1,720
Coulwood	778	833	W.A. Hough	2,080	1,937
Eastway	809	782	West Charlotte	1,577	1,613
Alexander Graham	1,444	1,398	West Mecklenburg	1,784	1,717
Robert F. Kennedy	683	640	Total High Schools	<u>36,426</u>	<u>35,596</u>
McClintock	704	680			
James Martin	1,081	1,122	SPECIAL SCHOOLS		
Jay M. Robinson	1,068	1,118	Turning Point Academy (Derita Alternative)	218	272
Marie G. Davis Military Academy	685	665	Hawthorne High	211	230
Martin Luther King Jr.	945	919	Metro School	242	235
Mint Hill	1,231	1,255	Lincoln Heights Academy	96	82
Northeast	821	812	Northwest School of the Arts	931	932
Northridge	802	878	Total Special Schools	<u>1,698</u>	<u>1,751</u>
Piedmont	933	946			
Quail Hollow	929	919	TOTAL AVERAGE DAILY MEMBERSHIP (ADM)		
Randolph	1,171	1,088		<u>139,772</u>	<u>136,747</u>
Ranson	1,113	1,090			
Ridge Road	1,445	1,359	TOTAL AVERAGE DAILY ATTENDANCE (ADA)		
Sedgefield	598	547		<u>132,498</u>	<u>129,234</u>
E.E. Waddell Language Academy	1,259	1,245			
South Charlotte	923	914	ADA/ADM		
Southwest	1,425	1,403		<u>94.8%</u>	<u>94.5%</u>
Whitewater	904	871			
Total Middle Schools	<u>30,830</u>	<u>30,076</u>			
HIGH SCHOOLS:					
Ardrey Kell	2,417	2,346			
Berry Academy of Technology	1,547	1,392			
Cato Middle College High	194	185			
David W. Butler	2,001	1,976			
East Mecklenburg	1,726	1,608			
Math & Science at Garinger	-	324			
Leadership & Public Service at Garinger	-	257			
Business & Finance at Garinger	-	294			
Int'l Studies at Garinger	-	331			
New Technology at Garinger	-	368			
Garinger	1,346	-			
Harry P. Harding	1,454	1,578			
Hopewell	1,614	1,622			
Independence	2,096	1,980			
Mallard Creek	2,237	2,099			
Myers Park	2,666	2,661			
North Mecklenburg	1,573	1,506			
Renaissance at Olympic	461	432			

Source: Charlotte-Mecklenburg Schools Planning Services. Membership for the ninth month of the 2012-2013 school year.

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

	Fiscal Year				
	6/30/2004	6/30/2005	6/30/2006	6/30/2007	6/30/2008
Governmental activities					
Net Investment in capital assets	\$ 1,215,543	\$ 1,296,282	\$ 1,411,304	\$ 1,495,263	\$ 1,635,624
Restricted	2,640	2,659	2,909	3,115	3,123
Unrestricted	28,447	20,447	5,393	26,163	20,837
Total governmental activities net position	<u>1,246,630</u>	<u>1,319,388</u>	<u>1,419,606</u>	<u>1,524,541</u>	<u>1,659,584</u>
Business-type activities					
Net Investment in capital assets	6,463	6,254	6,419	7,777	8,904
Restricted	-	-	-	-	-
Unrestricted	10,113	11,129	11,320	13,274	15,065
Total business-type activities net position	<u>16,576</u>	<u>17,383</u>	<u>17,739</u>	<u>21,051</u>	<u>23,969</u>
Primary government					
Net Investment in capital assets	1,222,006	1,302,536	1,417,723	1,503,040	1,644,528
Restricted	2,640	2,659	2,909	3,115	3,123
Unrestricted	38,560	31,576	16,713	39,437	35,902
Total primary government net position	<u>\$ 1,263,206</u>	<u>\$ 1,336,771</u>	<u>\$ 1,437,345</u>	<u>\$ 1,545,592</u>	<u>\$ 1,683,553</u>

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

		Fiscal Year							
		<u>6/30/2009</u>	<u>6/30/2010</u>	<u>6/30/2011</u>	<u>6/30/2012</u>	<u>6/30/2013</u>			
\$	1,806,272	\$	1,842,883	\$	1,809,700	\$	1,768,069	\$	1,794,832
	3,111		3,197		69,707		70,163		55,711
	<u>18,380</u>		<u>37,392</u>		<u>(13,592)</u>		<u>(8,893)</u>		<u>(31,498)</u>
	<u>1,827,763</u>		<u>1,883,472</u>		<u>1,865,815</u>		<u>1,829,339</u>		<u>1,819,045</u>
	9,524		10,706		10,341		9,714		8,920
	-		-		-		-		-
	<u>17,003</u>		<u>20,731</u>		<u>24,663</u>		<u>29,494</u>		<u>29,440</u>
	<u>26,527</u>		<u>31,437</u>		<u>35,004</u>		<u>39,208</u>		<u>38,360</u>
	1,815,796		1,853,589		1,820,041		1,777,783		1,803,752
	3,111		3,197		69,707		70,163		55,711
	<u>35,383</u>		<u>58,123</u>		<u>11,071</u>		<u>20,601</u>		<u>(2,058)</u>
\$	<u>1,854,290</u>	\$	<u>1,914,909</u>	\$	<u>1,900,819</u>	\$	<u>1,868,547</u>	\$	<u>1,857,405</u>

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

	<u>Fiscal Year</u>	<u>Fiscal Year</u>	<u>Fiscal Year</u>	<u>Fiscal Year</u>	<u>Fiscal Year</u>	<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>	<u>6/30/2013</u>
Primary government:						
EXPENSES						
Governmental Activities:						
Instructional Programs						
Regular	\$ 592,396	\$ 660,155	\$ 575,153	\$ 583,406	\$ 626,593	\$ 674,212
Special	187,856	197,082	190,130	196,333	193,693	197,054
School Leadership	67,007	68,850	64,696	65,811	66,231	71,219
Co-Curricular	12,277	11,702	11,287	11,787	11,805	12,337
School-Based Support	59,148	54,521	54,238	51,180	49,344	56,544
Support and Development	5,794	5,882	5,728	5,662	5,304	5,526
Special Population Support	7,304	6,575	6,619	6,662	6,655	6,605
Technology Support	12,667	14,962	16,628	15,076	14,313	15,447
Operational Support	178,293	185,100	158,984	167,760	167,319	182,972
Financial and Human Resources	26,658	28,940	25,963	28,654	27,919	27,139
Accountability Services	5,710	8,407	6,568	7,791	7,480	6,854
System-Wide Pupil Support	3,502	3,542	3,054	2,950	3,227	3,248
Policy, Leadership and Public Relations	15,460	14,101	13,710	10,429	11,434	12,847
Community Services	1,224	1,376	1,527	1,017	986	1,142
Debt Service-Interest	2,601	6,455	238	9,485	3,709	653
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>	<u>1,273,799</u>
Business Type Activities:						
After School Program	15,092	15,579	14,085	14,211	12,002	12,585
Child Nutrition	58,103	60,686	59,035	60,862	60,496	66,554
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>	<u>79,139</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>	<u>1,352,938</u>
REVENUES						
Governmental Activities:						
Charges for services:						
Instructional Programs - Regular	382	510	355	559	538	815
Community Services	904	1,397	1,682	1,797	1,975	969
Operating Grants and Contributions	76,709	82,807	145,049	161,565	121,101	120,477
Total Governmental Activities Revenues	<u>77,995</u>	<u>84,714</u>	<u>147,086</u>	<u>163,921</u>	<u>123,614</u>	<u>122,261</u>
Business Type Activities:						
Charges for services:						
After School Program	15,110	15,647	14,583	14,718	13,156	13,426
Child Nutrition	23,193	22,842	20,301	18,216	16,627	16,035
Operating Grants and Contributions:						
After School Program	84	-	-	-	-	-
Child Nutrition	34,416	38,039	40,583	44,225	46,072	48,207
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>	<u>77,668</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>	<u>199,929</u>

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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.

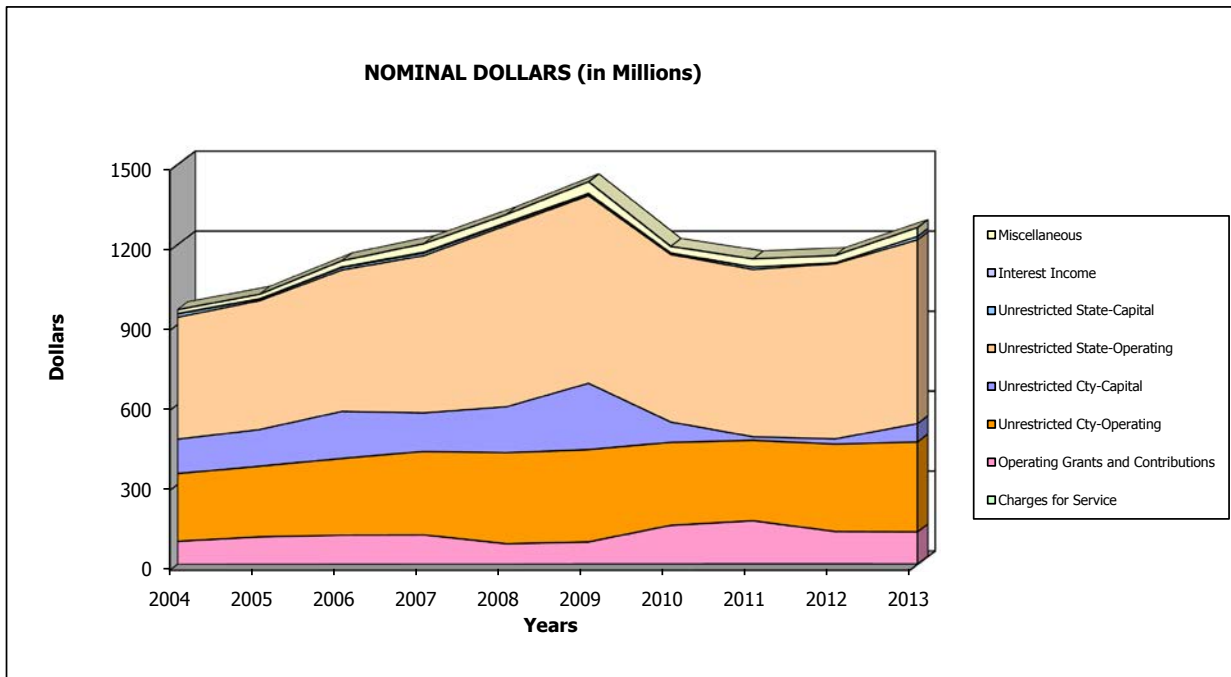
**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
FOR THE LAST SIX FISCAL YEARS**
(Amounts expressed in thousands)

	<u>Fiscal Year</u>	<u>Fiscal Year</u>	<u>Fiscal Year</u>	<u>Fiscal Year</u>	<u>Fiscal Year</u>	<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>	<u>6/30/2013</u>
Net (Expense)/Revenue						
Governmental Activities	(1,099,902)	(1,182,936)	(987,437)	(1,000,082)	(1,072,398)	(1,151,538)
Business Type Activities	<u>1,770</u>	<u>1,572</u>	<u>4,124</u>	<u>2,851</u>	<u>3,527</u>	<u>(1,471)</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>	<u>(1,153,009)</u>
General Revenues and Other Changes in Net Position						
Unrestricted State Appropriations-Operating	680,075	704,112	628,705	627,573	657,062	689,568
Unrestricted State Appropriations-Capital	7,298	5,825	4,267	8,859	3,028	12,409
Unrestricted Mecklenburg County Appropriations-Operating	341,367	346,367	311,067	302,250	327,880	337,433
Unrestricted Mecklenburg County Appropriations-Capital	172,293	248,610	76,519	13,019	19,832	68,748
Interest Income	4,148	2,684	1,500	911	676	405
Miscellaneous	30,271	44,064	24,716	30,330	27,961	33,198
Transfers	<u>(515)</u>	<u>(535)</u>	<u>(517)</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>	<u>1,141,244</u>
Business Type Activities						
Interest Income	633	451	269	199	160	106
Transfers	<u>515</u>	<u>535</u>	<u>517</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>	<u>623</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>	<u>1,141,867</u>
Change in Net Position						
Governmental Activities	135,035	168,191	58,820	(17,657)	(36,476)	(10,294)
Business Type Activities	<u>2,918</u>	<u>2,558</u>	<u>4,910</u>	<u>3,567</u>	<u>4,204</u>	<u>(848)</u>
TOTAL PRIMARY GOVERNMENT	<u>\$ 137,953</u>	<u>\$ 170,749</u>	<u>\$ 63,730</u>	<u>\$ (14,090)</u>	<u>\$ (32,272)</u>	<u>\$ (11,142)</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**

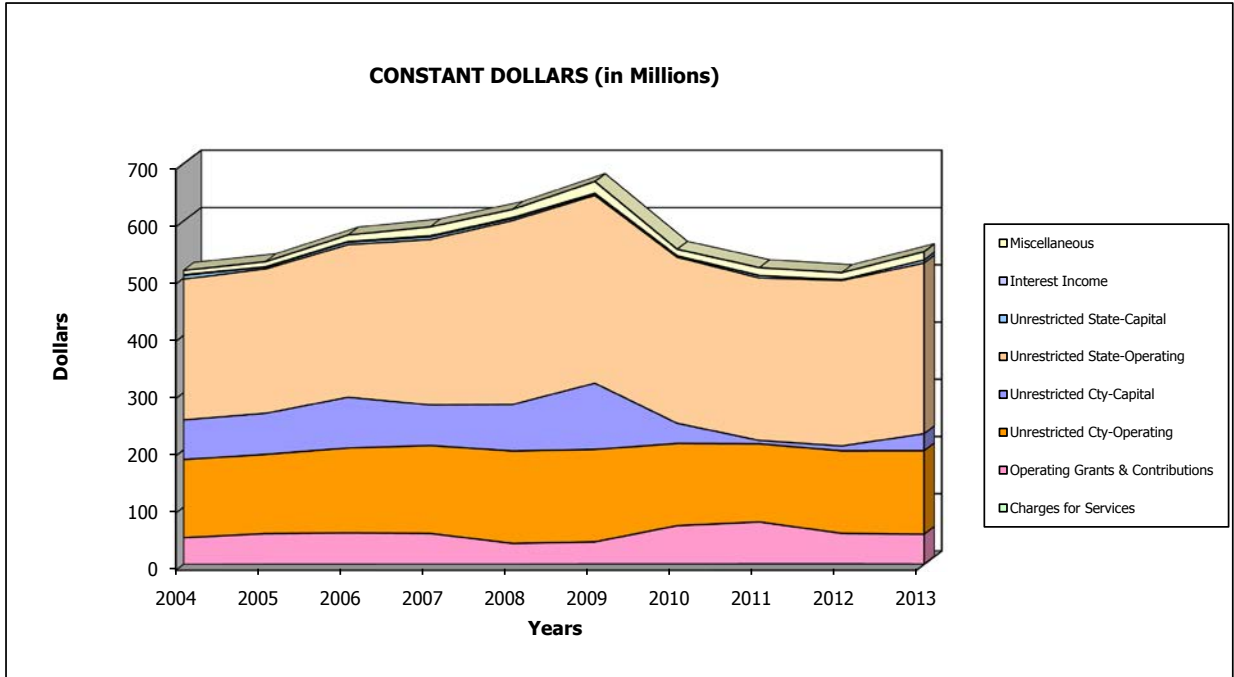


NOMINAL DOLLARS (in Millions)									
Year	Total	Program Revenue		General Revenues					
		Charges for Services	Operating Grants and Contributions	Unrestricted County Appropriations - Operating	Unrestricted County Appropriations - Capital	Unrestricted State Appropriations - Operating	Unrestricted State Appropriations - Capital	Interest Income	Miscellaneous
2004	955.7	-	87.0	253.9	129.2	457.3	12.1	2.5	13.7
2005	1,013.7	0.9	102.5	265.2	137.5	483.6	5.6	1.9	16.5
2006	1,139.3	1.0	108.7	288.1	176.6	530.2	8.9	2.7	23.1
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

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**

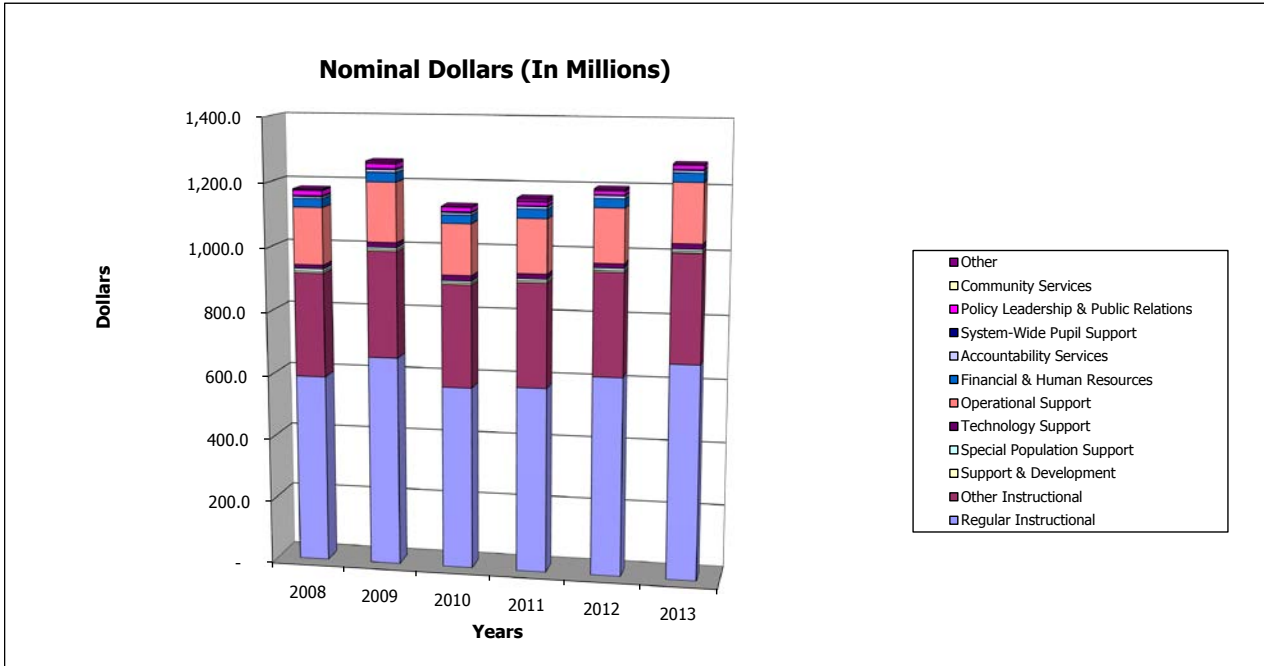


CONSTANT DOLLARS (in Millions)									
Year	Total	Program Revenue		General Revenues					
		Charges for Services	Operating Grants and Contributions	Unrestricted County Appropriations - Operating	Unrestricted County Appropriations - Capital	Unrestricted State Appropriations - Operating	Unrestricted State Appropriations - Capital	Interest Income	Miscellaneous
2004	513.6	-	46.8	136.4	69.4	245.7	6.5	1.3	7.4
2005	528.8	0.5	53.5	138.3	71.7	252.3	2.9	1.0	8.6
2006	575.4	0.5	54.6	148.2	88.7	266.4	4.5	1.4	11.0
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

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 SIX 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

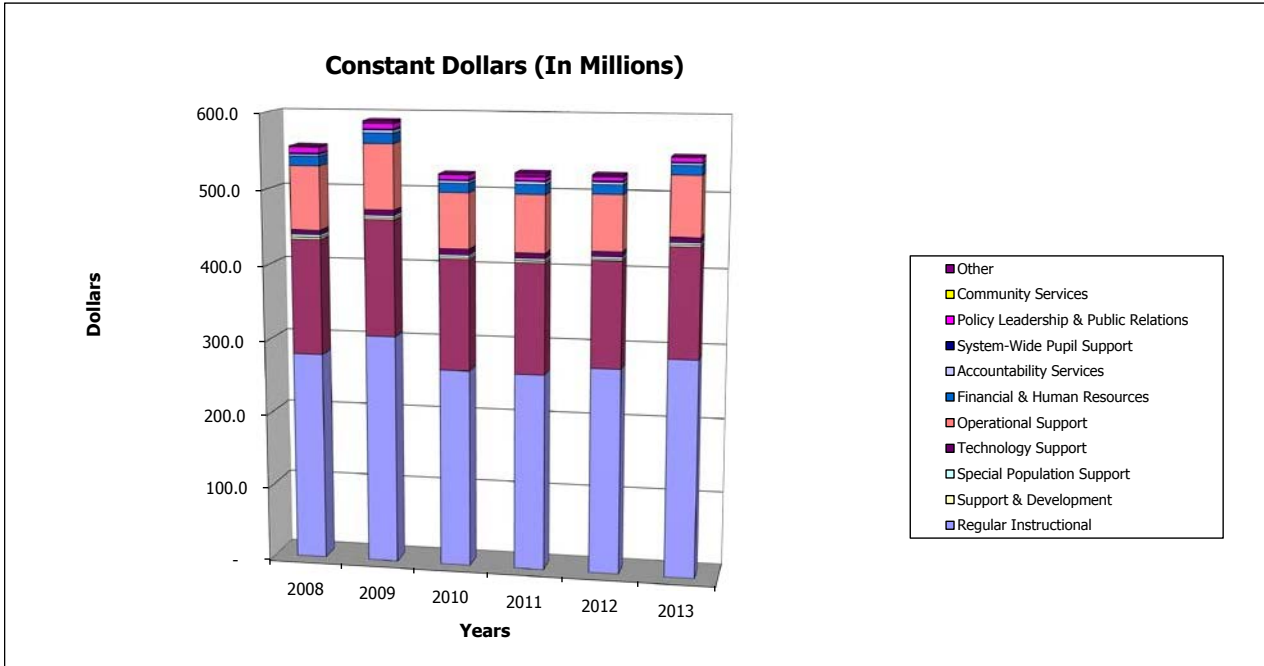
NOTES:

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 SIX 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

NOTES:

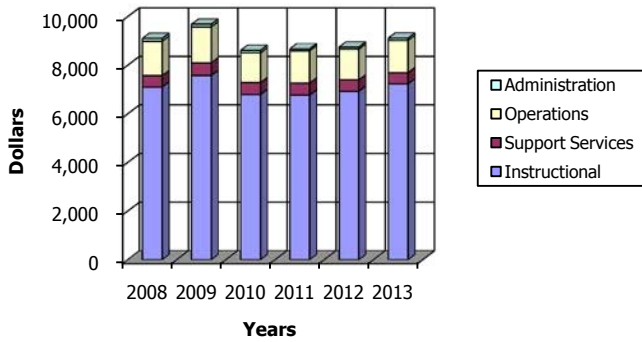
Other Instructional Expenditures includes Special, School Leadership, Co-Curricular and School-Based Support.

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).

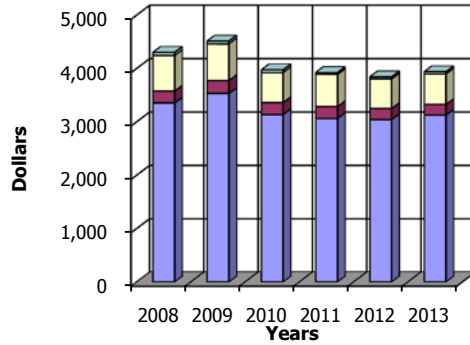
Due to significant changes in function-level expense coding classification in Governmental Activities during the year, comparisons cannot be made between purpose-level expenses for the years ended June 30, 2008 and prior years.

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

NOMINAL DOLLARS



CONSTANT DOLLARS



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

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

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. 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.

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

(Amounts expressed in thousands)

	Fiscal Years				
	<u>6/30/2004</u>	<u>6/30/2005</u>	<u>6/30/2006</u>	<u>6/30/2007</u>	<u>6/30/2008</u>
General Fund					
Nonspendable:					
Inventories	\$ 2,030	\$ 1,385	\$ 1,647	\$ 1,989	\$ 1,643
Restricted:					
Stabilization by State Statute	35,569	31,580	20,262	34,422	34,543
Insurance Claims	1,388	104	692	551	119
Assigned:					
Subsequent years expenditures	6,900	4,977	14,389	22,088	10,561
Unassigned:	6,633	4,711	7,846	6,149	7,562
Total General Fund	<u>\$ 52,520</u>	<u>\$ 42,757</u>	<u>\$ 44,836</u>	<u>\$ 65,199</u>	<u>\$ 54,428</u>
All other governmental funds					
Restricted:					
Stabilization by State Statute	\$ -	\$ -	\$ -	\$ -	-
School Capital Projects	757	882	1,064	1,108	2,208
Individual Schools	3,165	3,150	3,408	3,786	3,921
Assigned:					
Special Revenue	-	-	-	-	-
Total all other governmental funds	<u>\$ 3,922</u>	<u>\$ 4,032</u>	<u>\$ 4,472</u>	<u>\$ 4,894</u>	<u>\$ 6,129</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)

Fiscal Years					
	<u>6/30/2009</u>	<u>6/30/2010</u>	<u>6/30/2011</u>	<u>6/30/2012</u>	<u>6/30/2013</u>
\$	1,562	\$ 1,418	\$ 1,387	\$ 1,226	\$ 1,239
	27,552	38,174	59,087	54,941	36,638
	1,935	3,018	328	2,952	4,955
	8,947	15,512	6,452	12,541	7,700
	<u>21,216</u>	<u>18,648</u>	<u>22,443</u>	<u>16,683</u>	<u>17,031</u>
\$	<u><u>61,212</u></u>	<u><u>76,770</u></u>	<u><u>89,697</u></u>	<u><u>88,343</u></u>	<u><u>67,563</u></u>
\$	-	\$ -	\$ 1,368	\$ 5,617	\$ 9,667
	2,429	2,779	4,259	2,030	-
	3,945	4,336	4,665	4,623	4,451
	-	-	2,030	3,990	10,872
\$	<u><u>6,374</u></u>	<u><u>7,115</u></u>	<u><u>12,322</u></u>	<u><u>16,260</u></u>	<u><u>24,990</u></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 SIX FISCAL YEARS**
(Amounts expressed in thousands)

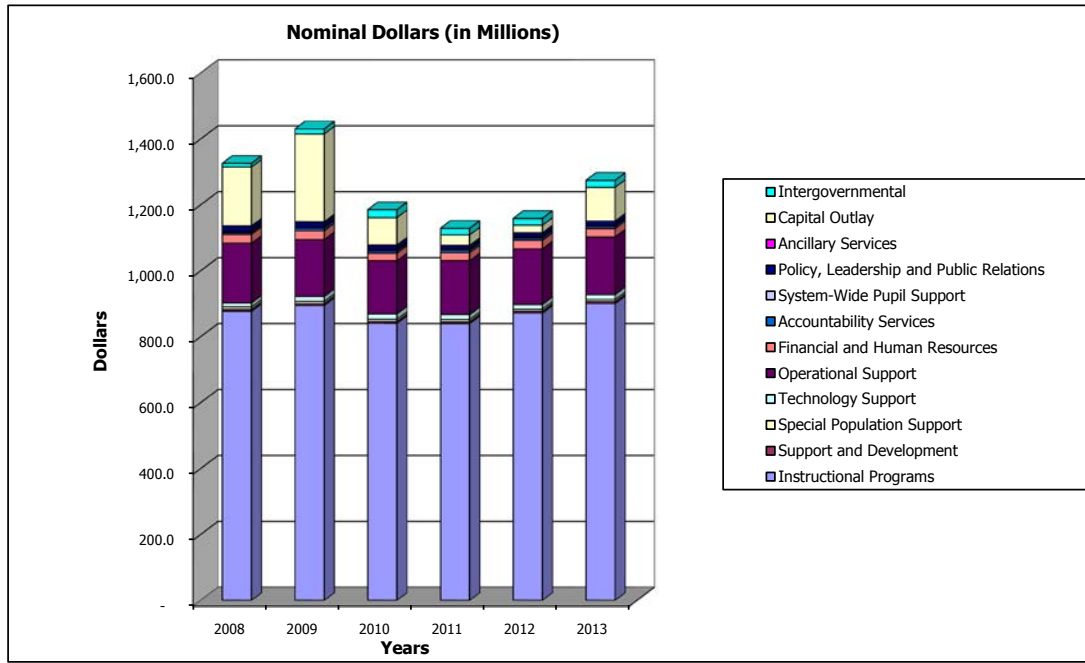
	2008	2009	2010	2011	2012	2013
REVENUES:						
State of North Carolina	\$ 691,917	\$ 716,651	\$ 646,602	\$ 649,106	\$ 670,935	\$ 711,702
Mecklenburg County	513,465	594,977	387,586	315,269	347,712	406,181
U.S. Government Agencies	72,108	75,971	128,539	136,662	110,186	91,953
Other	39,375	38,774	36,519	34,417	33,197	35,489
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>	<u>1,245,325</u>
EXPENDITURES:						
Current Operating Expenditures:						
Instructional Programs	877,230	894,939	840,678	839,729	871,650	900,746
Support and Development	5,794	5,881	5,728	5,662	5,304	5,526
Special Population Support	7,304	6,574	6,619	6,662	6,655	6,605
Technology Support	12,475	14,725	16,299	14,746	13,925	15,075
Operational Support	179,837	171,782	159,768	162,650	168,067	173,460
Financial and Human Resources	26,658	26,651	23,246	24,472	25,649	25,583
Accountability Services	5,710	8,407	6,568	7,791	7,480	6,854
System-Wide Support	3,502	3,542	3,054	2,950	3,227	3,248
Policy, Leadership, and Public Relations	15,451	14,093	13,699	10,418	11,422	12,835
Ancillary Services	1,224	1,376	1,527	1,017	986	1,142
Debt Service						
Principal	2,764	6,663	5,306	9,757	4,003	13,400
Interest	236	204	238	171	165	137
Capital Outlay	176,872	260,364	78,614	23,064	19,832	89,871
Intergovernmental Expenditures	11,024	15,349	23,883	19,920	20,564	21,138
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>	<u>1,275,620</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>	<u>(30,295)</u>
OTHER FINANCING SOURCES (USES)						
Capitalized Lease	195	11,741	2,797	12,206	-	18,762
Transfer In (Out)	(515)	(535)	(517)	(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>	<u>18,245</u>
CHANGE IN FUND BALANCE	(9,536)	7,029	16,299	18,134	2,584	(12,050)
FUND BALANCE--Beginning of Year	70,093	60,557	67,586	83,885	102,019	104,603
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>	<u>\$ 92,553</u>
Debt Service as a percent of non-capital expenditures	0.30%	0.64%	0.67%	1.02%	0.37%	1.15%

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.

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**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
GOVERNMENTAL EXPENDITURES BY FUNCTION
FOR THE LAST SIX 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
<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

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.

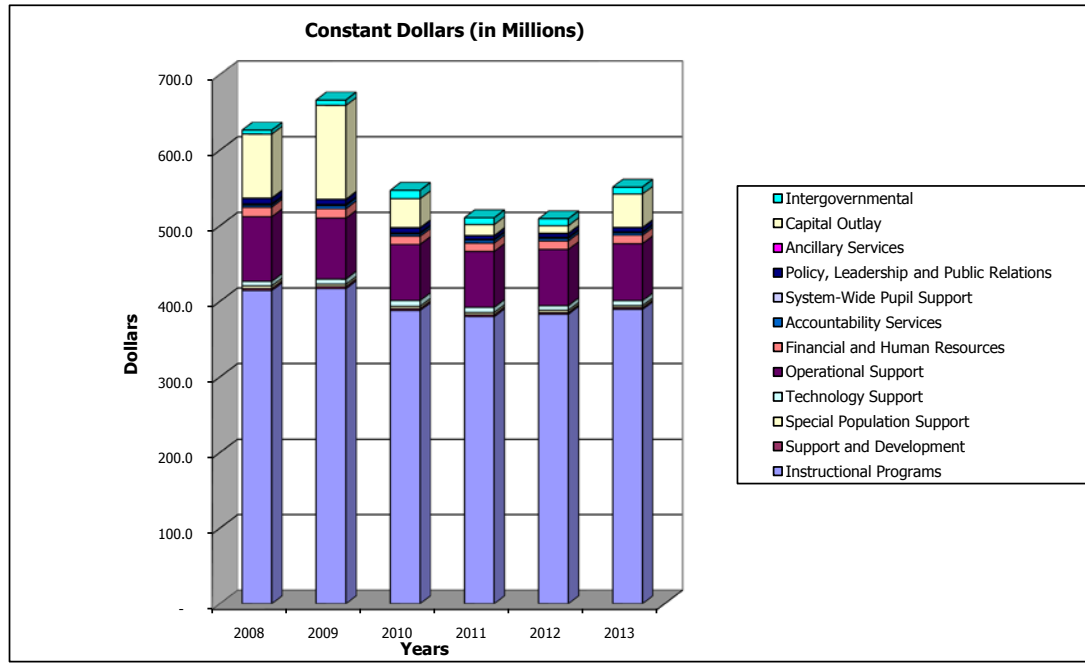
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Due to significant changes in function-level expense coding classification in Governmental Activities during the year, comparisons cannot be made between purpose-level expenses for the years ended June 30, 2008 and prior years.

Continued on next page

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
GOVERNMENTAL EXPENDITURES BY FUNCTION
FOR THE LAST SIX 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
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	551.3

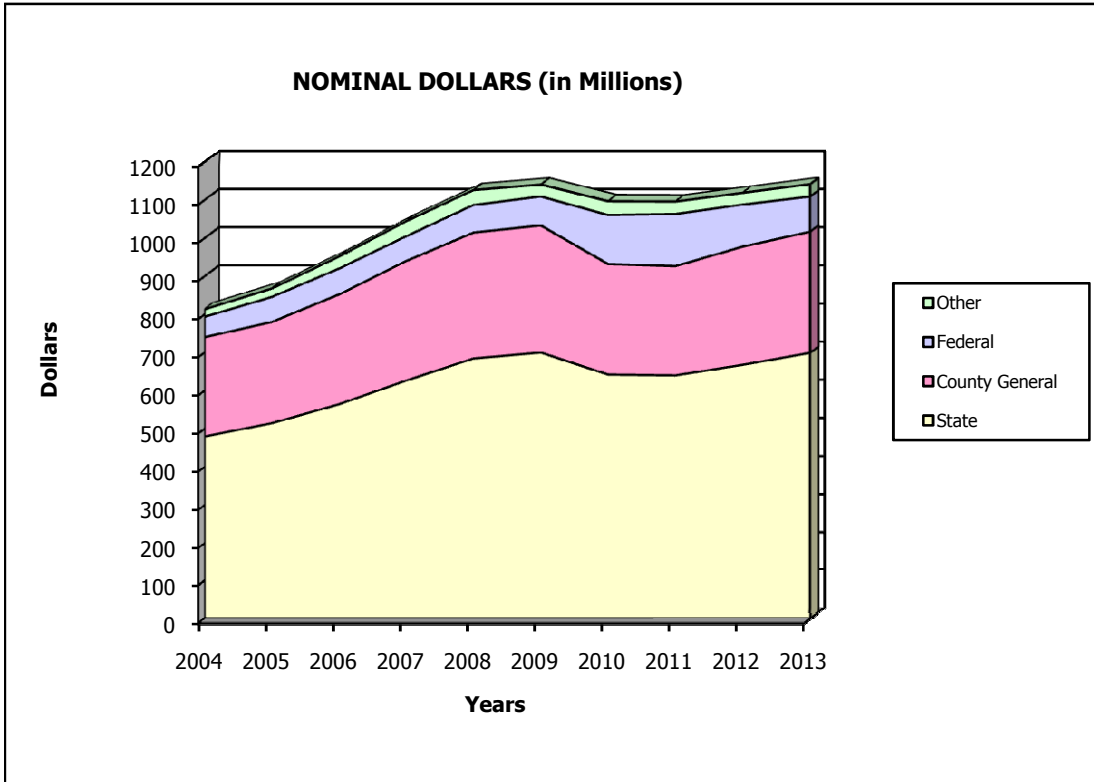
NOTES:

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**



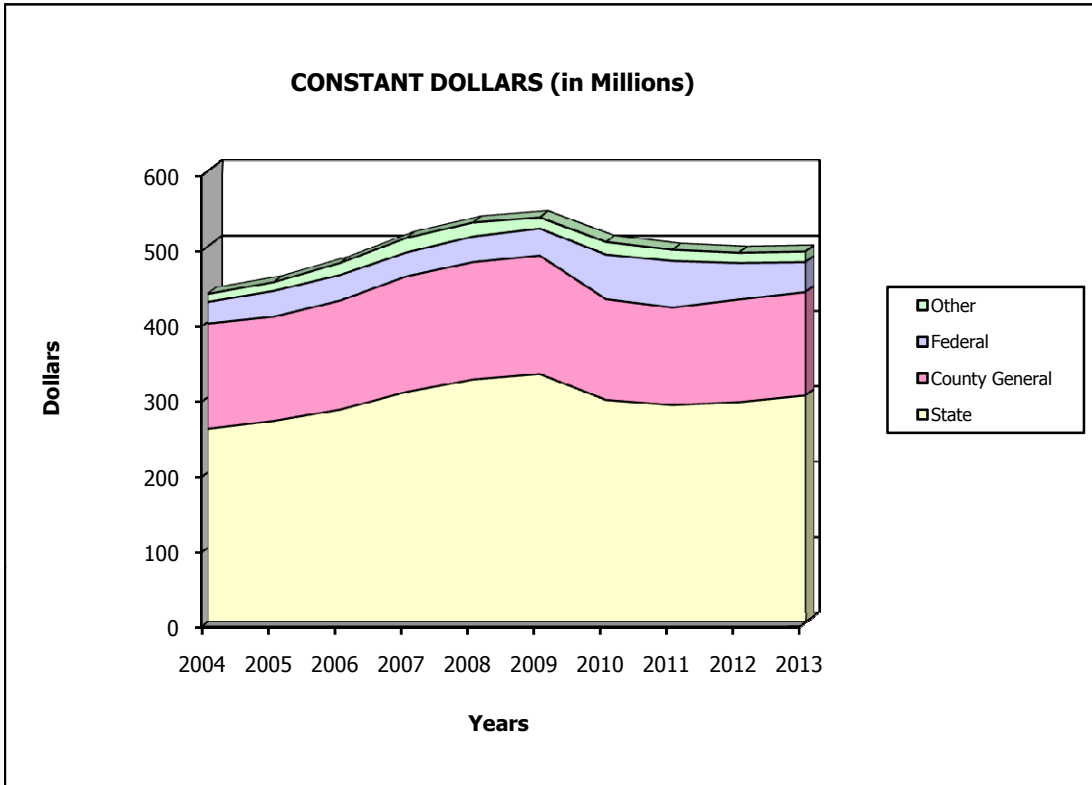
NOMINAL DOLLARS (in Millions)					
Year	Total	County			
		State	General	Federal	Other
2004	813.20	480.00	260.30	53.20	19.70
2005	867.60	514.80	265.30	65.60	21.90
2006	951.60	564.40	288.10	67.60	31.50
2007	1,044.30	626.60	313.60	64.80	39.30
2008	1,126.00	684.60	330.30	72.10	39.00
2009	1,140.40	700.10	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

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**



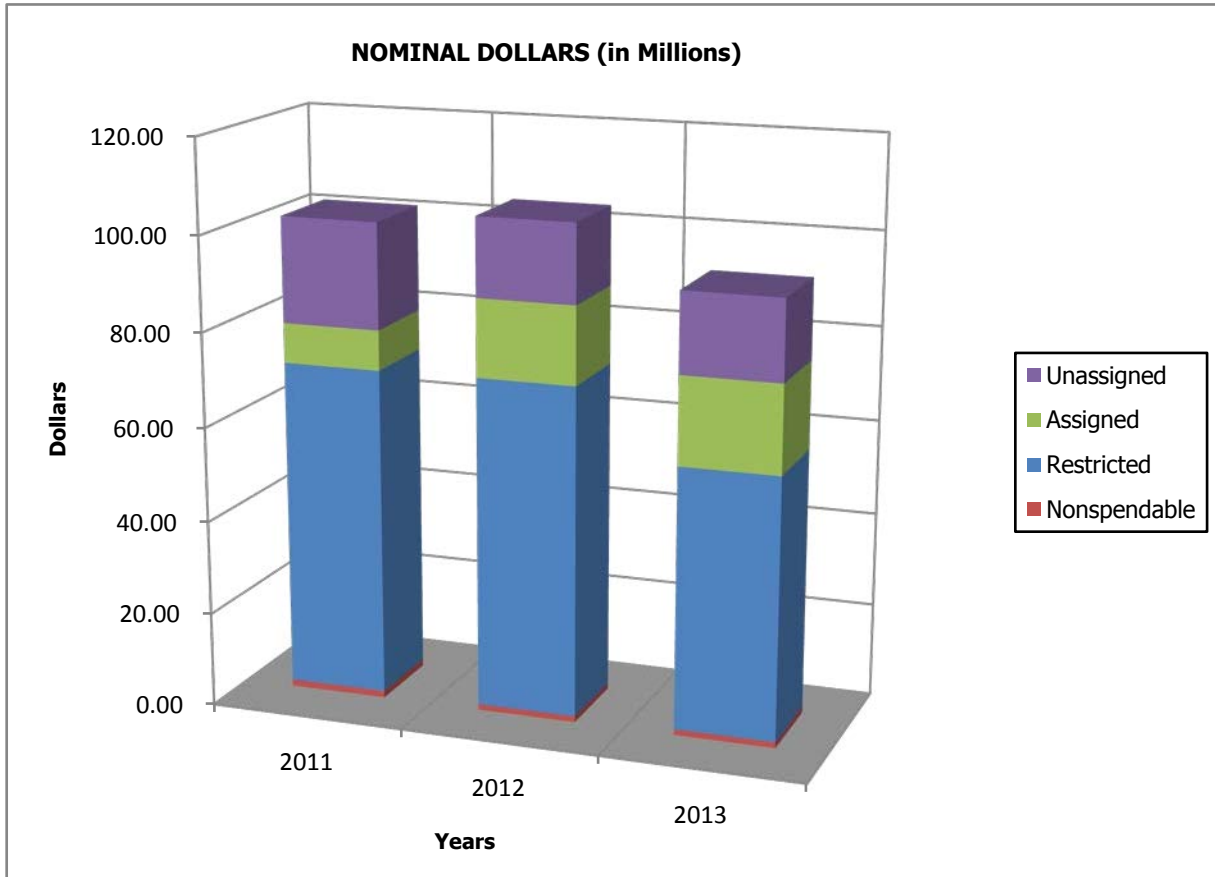
CONSTANT DOLLARS (in Millions)					
Year	Total	County			
		State	General	Federal	Other
2004	436.99	257.93	139.88	28.59	10.59
2005	452.61	268.57	138.40	34.22	11.42
2006	478.20	283.60	144.80	34.00	15.80
2007	511.56	306.95	153.62	31.74	19.25
2008	531.91	323.40	156.03	34.06	18.42
2009	538.68	330.70	157.44	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

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 THREE FISCAL YEARS**

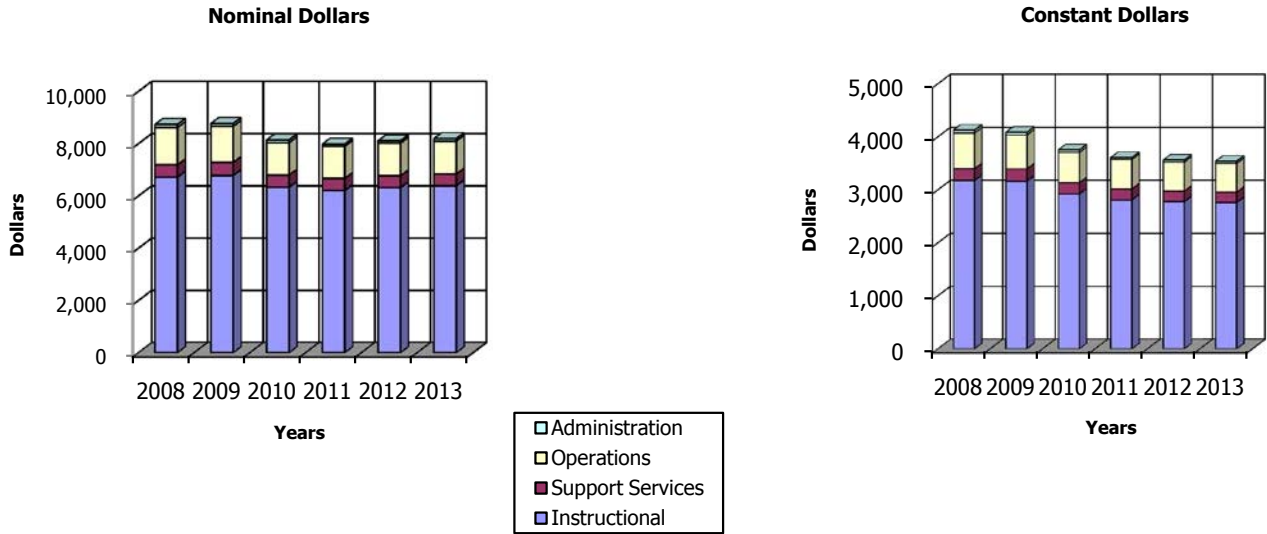


IN NOMINAL DOLLARS (IN MILLIONS)							
Year	Fund Balance				Total	Expenditures	Fund Balance to Expenditures
	Nonspendable	Restricted	Assigned	Unassigned			
2011	1.39	69.71	8.48	22.44	102.02	1,129.01	9.0%
2012	1.23	70.16	16.53	16.68	104.60	1,158.93	9.0%
2013	1.24	55.71	18.57	17.03	92.55	1,275.62	7.3%

NOTE:

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

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
GOVERNMENTAL OPERATIONAL EXPENDITURES PER PUPIL
FOR THE LAST SIX 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

CONSTANT DOLLARS						
Year	Ave. Daily Membership	Expenditures				Total per Pupil
		Instructional	Support Services	Operations	Administration	
2008	129,379	3,175	224	672	56	4,128
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

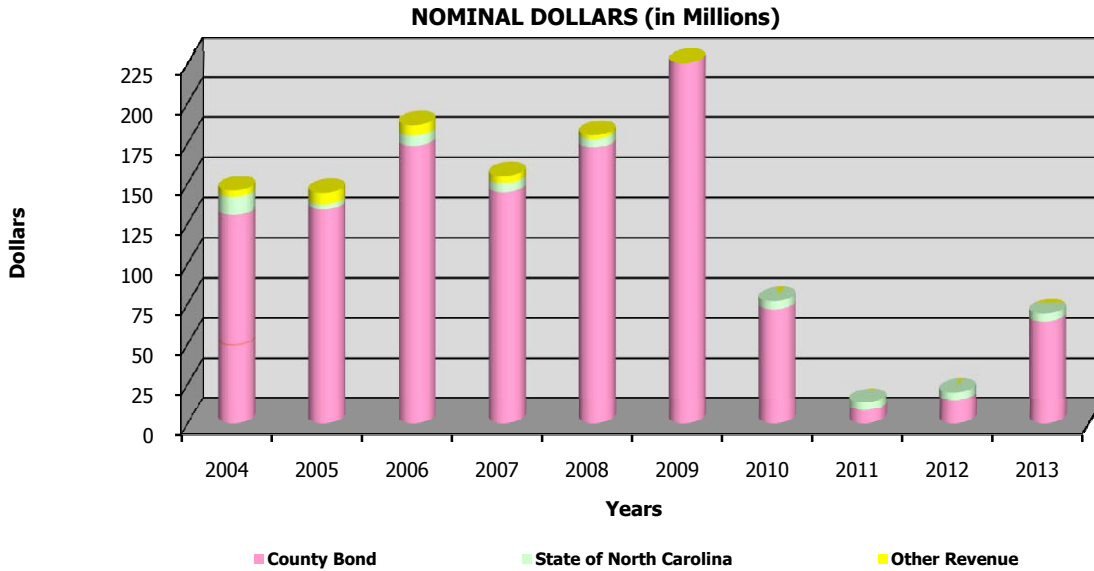
NOTES:

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. 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,	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
County Bond - Certificates of Participation	\$ 48.84	\$ 29.84	\$ 88.62	\$ 63.82	\$ 102.08	\$ 92.72	\$ 7.10	\$ 1.95	\$ 1.48	\$ 0.60
1993 (\$192.0) referendum	-	0.16	(0.28)	-	-	-	-	-	-	-
1995 (\$217.0) referendum	0.42	0.62	0.63	-	-	-	-	-	-	-
1997 (\$415.0) referendum	41.98	24.19	5.69	7.84	0.02	1.48	0.76	1.28	-	-
2000 (\$275.5) referendum	10.46	41.80	21.02	16.24	17.15	0.36	0.44	-	0.86	0.91
2002 (\$224.0) referendum	27.46	37.00	57.27	56.40	33.68	6.16	0.10	0.54	(0.09)	1.43
2007 (\$516.0) referendum	-	-	-	-	19.17	142.66	62.92	4.29	12.16	60.85
State of North Carolina	11.17	3.07	6.43	5.62	5.47	5.20	5.20	4.96	4.96	4.96
Other Revenues	4.07	7.19	6.35	4.40	2.24	0.18	-	-	-	-
Total	\$ 144.40	\$ 143.87	\$ 185.73	\$ 154.32	\$ 179.81	\$ 248.76	\$ 76.52	\$ 13.02	\$ 19.37	\$ 68.75
CONSTANT DOLLARS (in Millions)										
County Bond - All Referendum Years	\$69.40	\$69.69	\$86.91	\$70.69	\$81.30	\$ 114.96	\$ 32.91	\$ 3.65	\$ 6.33	\$ 27.57
State of North Carolina	6.00	1.61	3.23	2.75	2.58	2.46	2.40	2.24	2.20	2.14
Other Revenues	2.19	3.75	3.19	2.16	1.06	0.09	-	-	-	-
Total	\$ 77.59	\$ 75.05	\$ 93.33	\$ 75.60	\$ 84.94	\$ 117.51	\$ 35.31	\$ 5.89	\$ 8.53	\$ 29.71

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).

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

(Amounts expressed in thousands)

	<u>Fiscal Year</u>	<u>Fiscal Year</u>	<u>Fiscal Year</u>	<u>Fiscal Year</u>	<u>Fiscal Year</u>	<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>	<u>6/30/2013</u>
Co-curricular	\$ 201	\$ 165	\$ 348	\$ 189	\$ 11	\$ 137
Instructional	146,116	119,885	253,347	137,077	8,089	23,533
Operational	7,265	5,961	12,596	6,815	402	2,691
Policy Operational	31	25	54	29	2	8
Special Instruction	31	25	54	29	2	14
Technology	<u>927</u>	<u>761</u>	<u>1,608</u>	<u>870</u>	<u>51</u>	<u>2,244</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>	\$ <u>28,627</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.

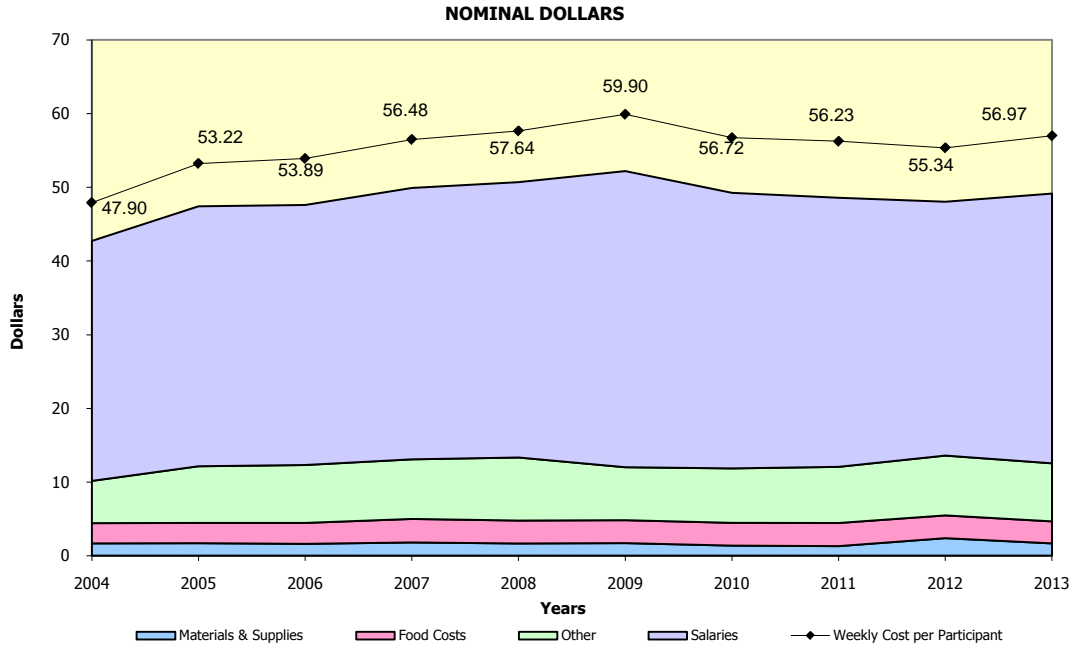
NOTES:

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	
2004	95	6,424	2.75	32.57	5.19	1.66	5.73	47.90
2005	106	6,555	2.75	35.28	5.81	1.69	7.69	53.22
2006	95	6,373	2.84	35.29	6.30	1.60	7.86	53.89
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

CONSTANT DOLLARS								
Year	Number of Sites	Participants per week	Expenditures					Total per Participant per Week
			Food Cost	Salaries	Employee Benefits	Materials & Supplies	Other	
2004	95	6,424	1.48	17.50	2.79	0.89	3.08	25.74
2005	106	6,555	1.43	18.40	3.03	0.88	4.01	27.75
2006	95	6,373	1.43	17.73	3.17	0.81	3.95	27.09
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

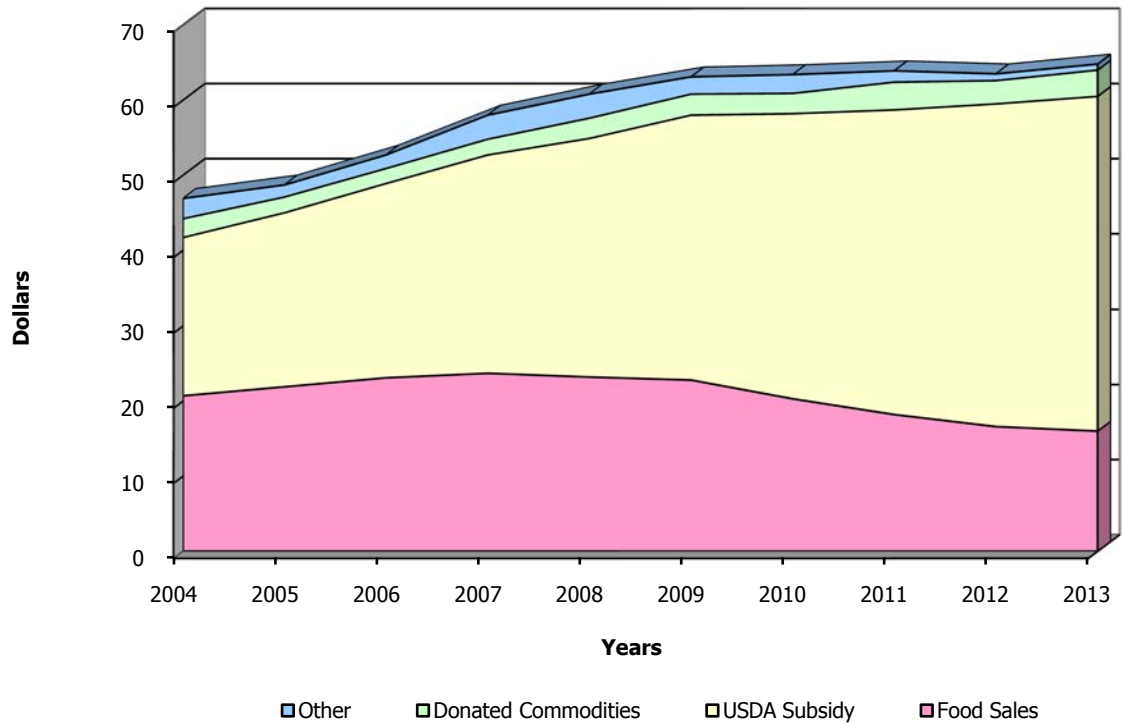
NOTE:
Nominal dollars reflect actual dollars of the period of the transaction. Constant dollars reflect dollars having a constant general purchasing power as shown by the Consumer Price Index for All Urban Consumers (CPI-U) (Calendar years 1982-84 = 100).

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)



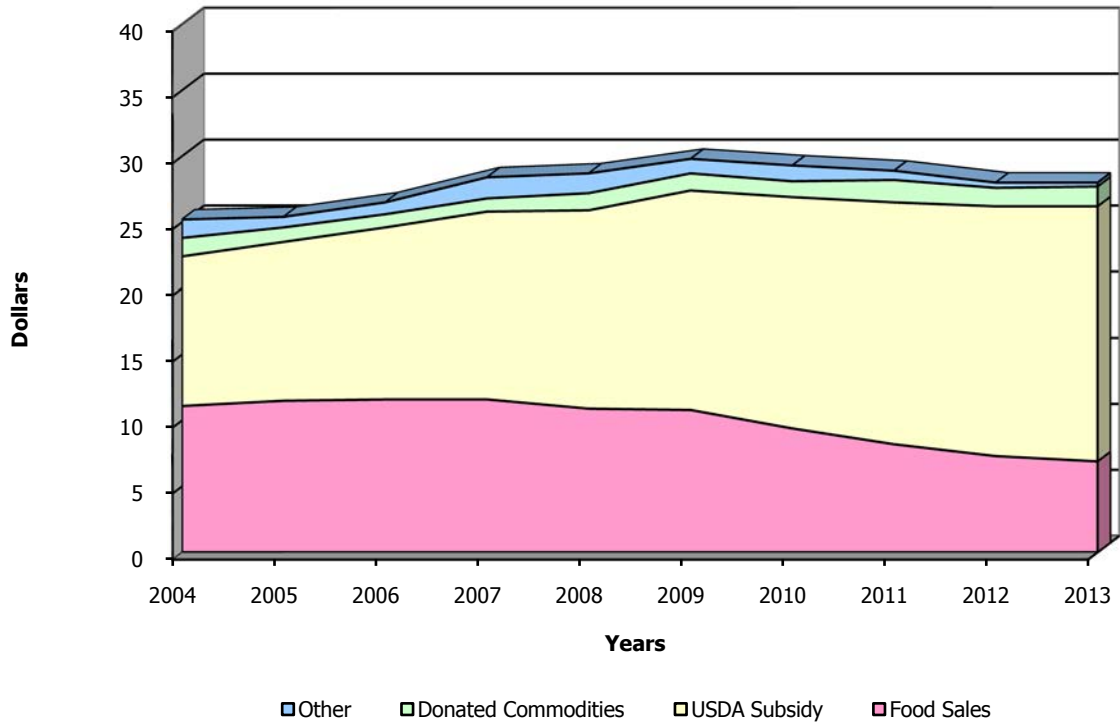
NOMINAL DOLLARS (in Millions)					
Year	Revenues				Total
	Food Sales	USDA Subsidy	Donated Commodities	Other	
2004	20.7	21.0	2.5	2.7	46.9
2005	21.9	23.1	2.1	1.6	48.7
2006	23.1	25.8	2.0	1.8	52.7
2007	23.7	29.0	2.1	3.2	58.0
2008	23.2	31.7	2.7	3.2	60.8
2009	22.8	35.2	2.8	2.3	63.1
2010	20.3	37.9	2.7	2.5	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

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)

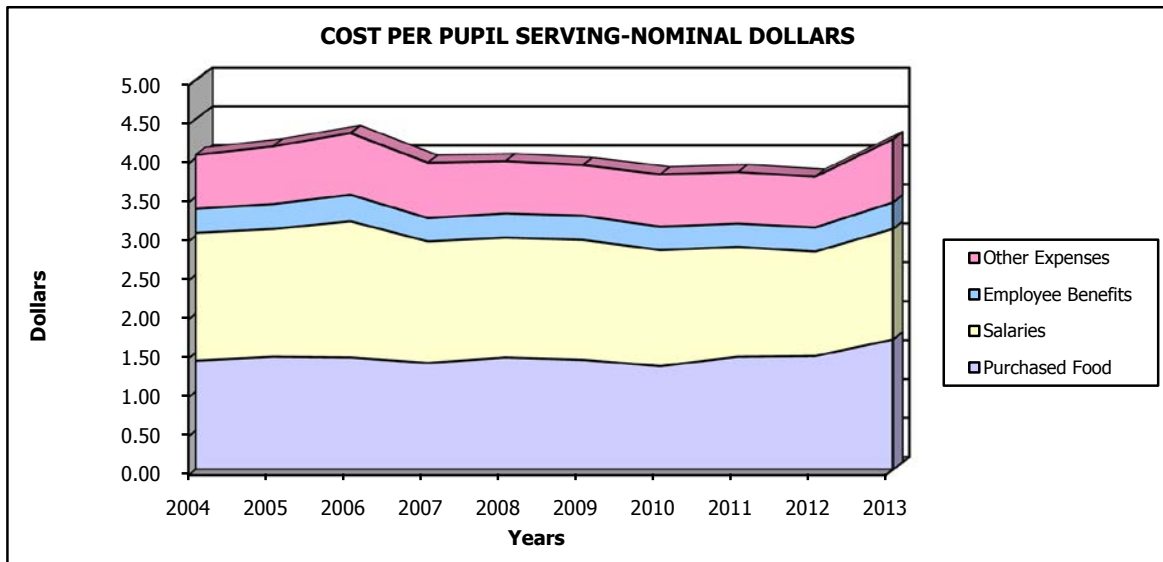


CONSTANT DOLLARS (in Millions)					
Year	Revenues				Total
	Food Sales	USDA Subsidy	Donated Commodities	Other	
2004	11.1	11.3	1.4	1.4	25.2
2005	11.5	12.0	1.1	0.8	25.4
2006	11.6	13.0	1.0	0.9	26.5
2007	11.6	14.2	1.0	1.6	28.4
2008	10.9	15.0	1.3	1.5	28.7
2009	10.8	16.6	1.3	1.1	29.8
2010	9.4	17.5	1.2	1.2	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

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
2004	59,423	1.40	1.64	0.31	0.69	4.04
2005	63,548	1.45	1.64	0.32	0.74	4.15
2006	67,889	1.44	1.75	0.34	0.79	4.32
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

CONSTANT DOLLARS						
Year	Daily Avg. Served	Purchased Food	Salaries	Employee Benefits	Other Expenses	Total Per Pupil Served
2004	59,423	0.75	0.88	0.17	0.37	2.17
2005	63,548	0.76	0.86	0.17	0.39	2.18
2006	67,889	0.72	0.88	0.17	0.40	2.17
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

NOTES:

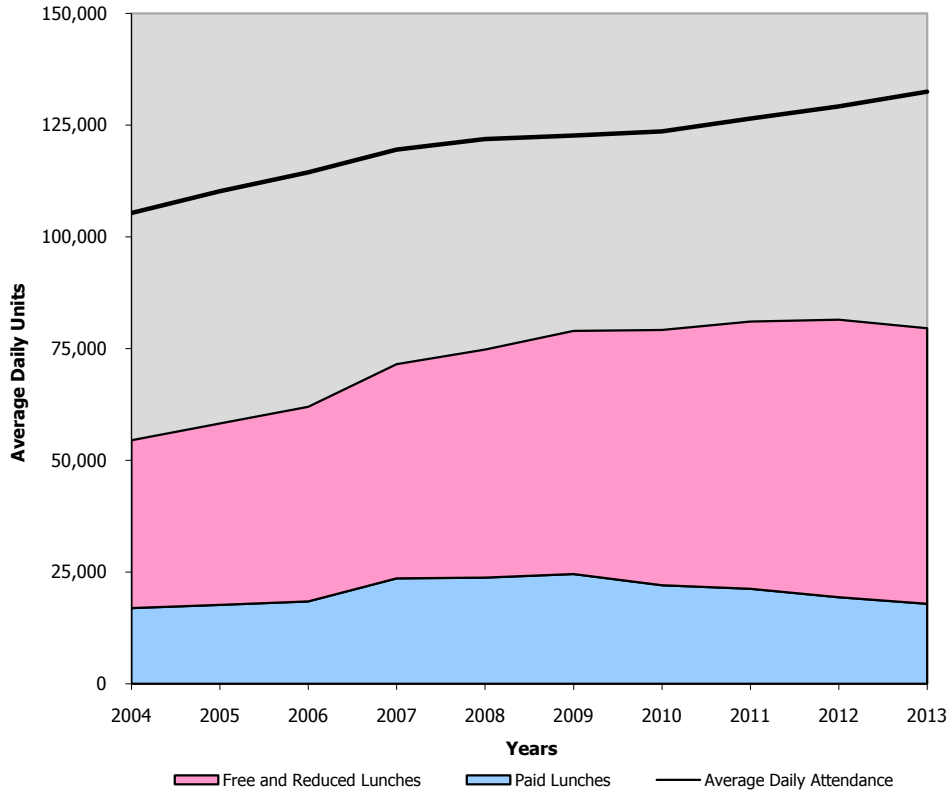
A breakfast serving is counted as equivalent to 25% of lunch service; adult meals and a la carte servings are excluded from serving counts.

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



LUNCH									
Year	Average Daily Servings						Average Daily		
	Paid	%	Free	%	Reduced	%	Total	Attendance	Percent Served
2004	16,932	31.1	32,798	60.2	4,750	8.7	54,480	105,342	51.7
2005	17,650	30.3	35,618	61.2	4,968	8.5	58,236	110,185	52.9
2006	18,426	29.7	38,388	62.0	5,152	8.3	61,966	114,459	54.1
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

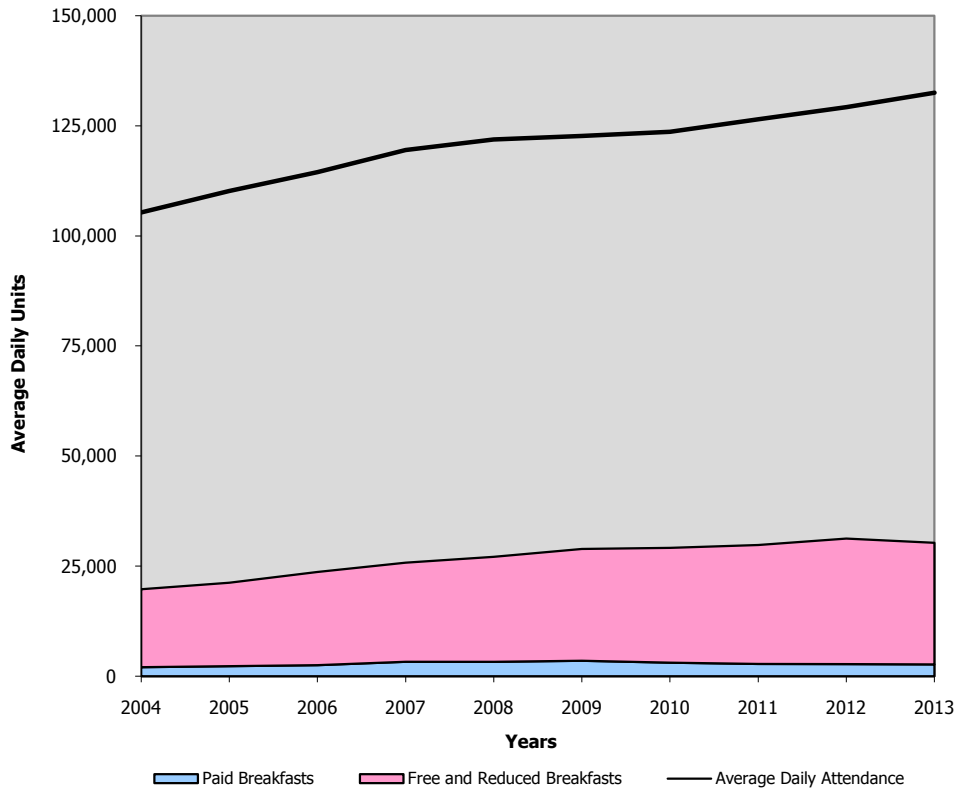
NOTES:

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



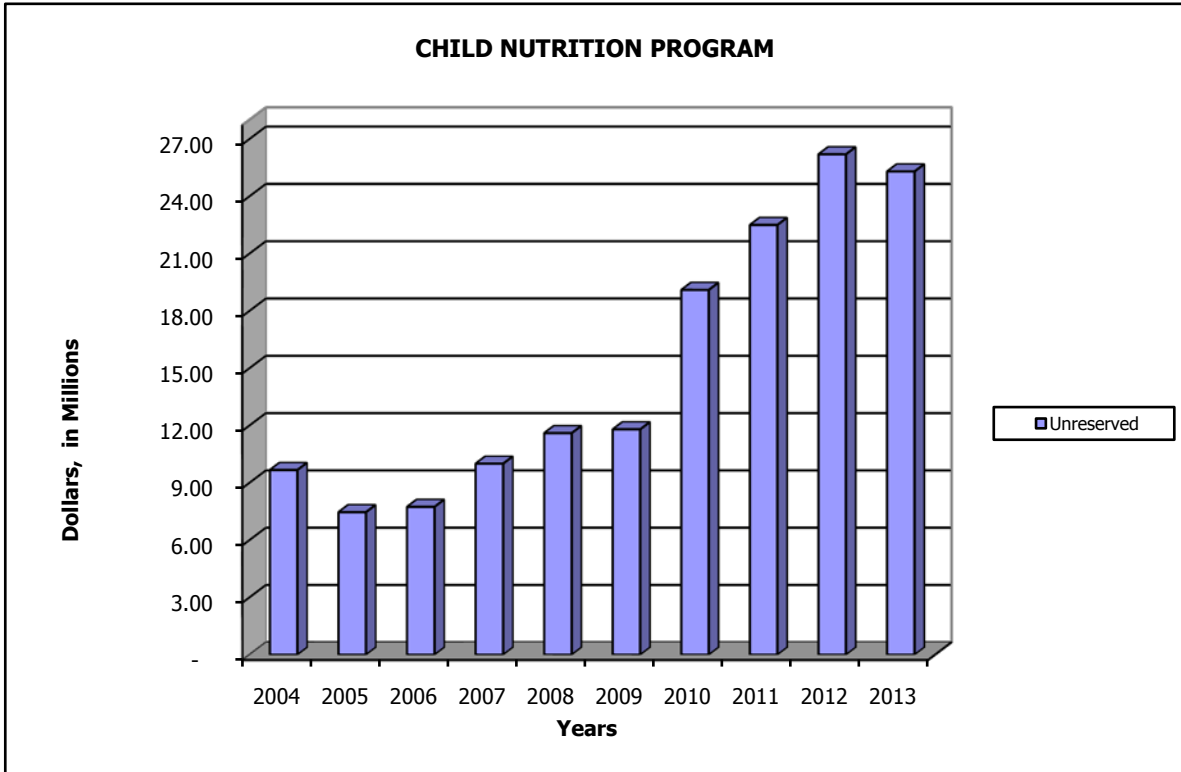
BREAKFASTS									
Year	Average Daily Servings						Average Daily		
	Paid	%	Free	%	Reduced	%	Total	Attendance	Percent Served
2004	2,069	10.4	16,125	81.6	1,576	8.0	19,770	105,342	18.8
2005	2,302	10.8	17,318	81.5	1,631	7.7	21,251	110,185	19.3
2006	2,530	10.7	19,398	81.9	1,766	7.4	23,694	114,459	20.7
2007	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	2,701	8.9	25,563	84.3	2,053	6.7	30,317	132,498	22.9

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
 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
2004		9.67	43.12	22.4%
2005		7.46	47.51	15.7%
2006		7.74	52.68	14.7%
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%

**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>						
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
2005	791,473	84,302.3	846.9	163.9	131.1	1,141.9
2004	768,421	83,487.6	800.1	159.9	117.9	1,077.9
2003	746,040	68,494.1	748.1	168.1	116.7	1,032.9
<i>Expressed in Constant Dollars</i>						
2012	966,160	\$ 50,021.7	\$ 497.0	\$ 80.8	\$ 46.2	\$ 624.0
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	672.5
2005	791,473	46,095.1	502.9	82.8	81.7	667.5
2004	768,421	46,292.0	465.0	90.0	72.0	627.0
2003	746,040	45,844.6	439.3	87.8	64.7	591.9

Source: Mecklenburg County, North Carolina, Comprehensive Annual Financial Report for the Year Ended June 30, 2012 (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
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
2005	67,762.8	13,111.9	3,595.3	(167.7)		84,302.3	0.7567
2004	67,121.9	12,880.2	3,642.7	(157.2)		83,487.6	0.7364
2003	53,292.3	12,890.8	3,434.3	(1,123.3)		68,494.1	0.8397

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

Source: Mecklenburg County, North Carolina Comprehensive Annual Financial Report for the Year Ended June 30, 2012 (most current information available).

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

Taxpayer	Fiscal Year 2013			Fiscal Year 2004		
	Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Duke Energy	\$ 2,114,958,237	1	2.21 %	\$ 2,211,213,206	1	2.65 %
Bank of America	1,643,304,341	2	1.71	1,108,871,866	2	1.33
Wells Fargo Bank	1,479,723,560	3	1.54	-	-	-
US Airways	556,308,956	4	0.58	419,748,379	6	0.50
AT&T/Bellsouth	491,135,745	5	0.51	-	-	-
Piedmont Natural Gas Co	387,750,552	6	0.40	286,311,421	8	0.34
Southpark Mall	342,442,340	7	0.36	-	-	-
Time Warner	325,524,928	8	0.34	190,502,646	10	0.23
Teachers Insurance	321,033,187	9	0.33	-	-	-
CK-Southern Associates	183,424,313	10	0.19	-	-	-
Wachovia Bank	-	-	-	874,200,135	3	1.05
Bellsouth Telecommunications	-	-	-	582,628,205	4	0.70
Bissell	-	-	-	466,332,542	5	0.56
Childress Klein	-	-	-	355,280,604	7	0.43
Carolina Stadium	-	-	-	193,886,977	9	0.23
Total	\$ 7,845,606,159		8.17 %	\$ 6,688,975,981		8.02 %

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, 2013**

(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	\$ 90,210,667	77.30%	\$ 1,616,777	\$ 788,565	\$ 2,405,342
Cornelius	4,939,194	4.23%	88,462	1,875	90,337
Davidson	1,607,210	1.38%	28,860	-	28,860
Huntersville	5,935,762	5.09%	106,447	14,905	121,352
Matthews	3,452,247	2.96%	61,902	2,215	64,117
Mint Hill	2,273,611	1.95%	40,780	3,225	44,005
Pineville	1,712,136	1.47%	30,742	6,364	37,106
Unincorporated Areas	<u>6,561,032</u>	<u>5.62%</u>	<u>117,530</u>	<u>-</u>	<u>117,530</u>
	<u>\$ 116,691,859</u>	<u>100.00%</u>	<u>\$ 2,091,500</u>	<u>\$ 817,149</u>	<u>\$ 2,908,649</u>

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 2010, net of releases made by that date.
(2) Provided by 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
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%
2005	791,473	20,127,796,478	25,431	34.7	5.0%
2004	768,421	18,684,117,114	24,315	33.4	5.2%
2003	746,040	17,941,310,099	24,049	33.4	5.8%

N/A: Data not available

Source: Mecklenburg County, North Carolina Comprehensive Annual Financial Report for the Year Ended June 30, 2012 (most current information available).

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

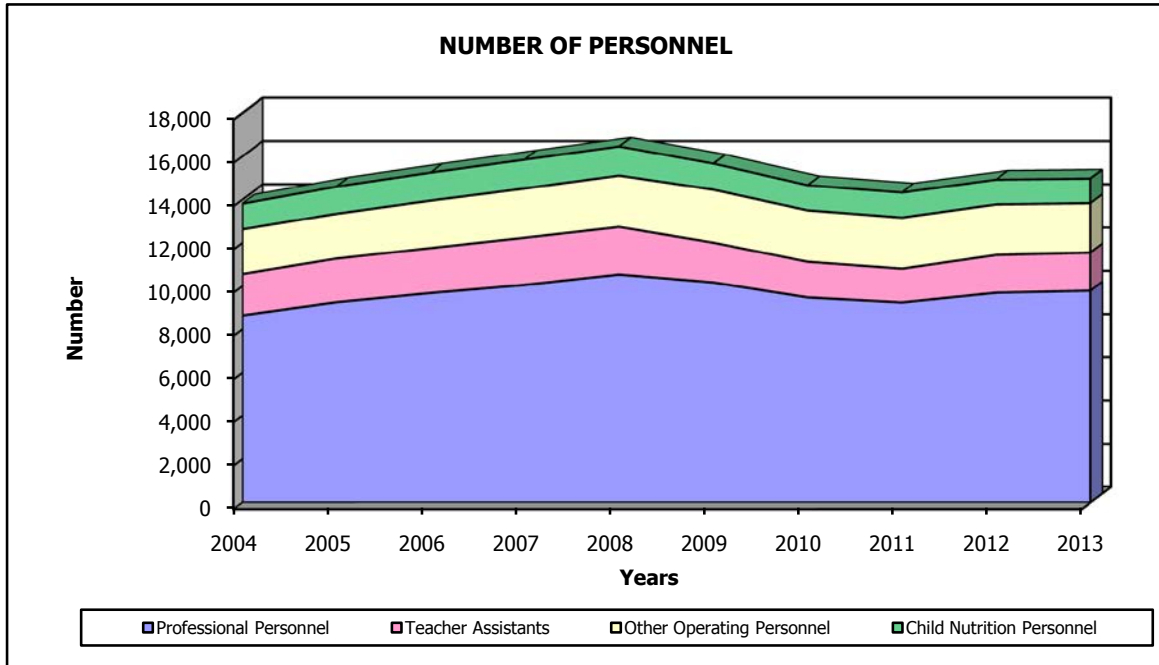
Employer	2013			2004		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Carolina HealthCare System	32,500	1	7.17%	17,700	2	4.46%
Wells Fargo/Wachovia Corporation	20,600	2	4.54%	18,000	1	4.54%
Charlotte - Mecklenburg Schools	18,143	3	4.00%	*	*	*
Bank of America	15,000	4	3.31%	12,000	3	3.02%
Wal-Mart Stores Inc	12,220	5	2.69%	8,140	6	2.05%
Presbyterian Healthcare/Novant Health	10,573	6	2.33%	6,037	8	1.52%
Lowe's Companies	8,500	7	1.87%	*	*	*
Food Lion, Inc.	7,734	8	1.71%	8,658	5	2.18%
Duke Energy Corporation	7,700	9	1.70%	10,000	4	2.52%
State of North Carolina	7,684	10	1.69%	*	*	*
Total	<u>140,654</u>			<u>80,535</u>		

* Employer is not one of the ten largest employers during the year noted.

Source: Charlotte Chamber of Commerce

Most recent data per Charlotte Chamber of Commerce publication, Charlotte's Largest Employers, dated May 2013.

**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
2004	8,651	1,912	2,067	1,182	13,812
2005	9,259	2,020	2,067	1,254	14,600
2006	9,687	2,075	2,196	1,290	15,248
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

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

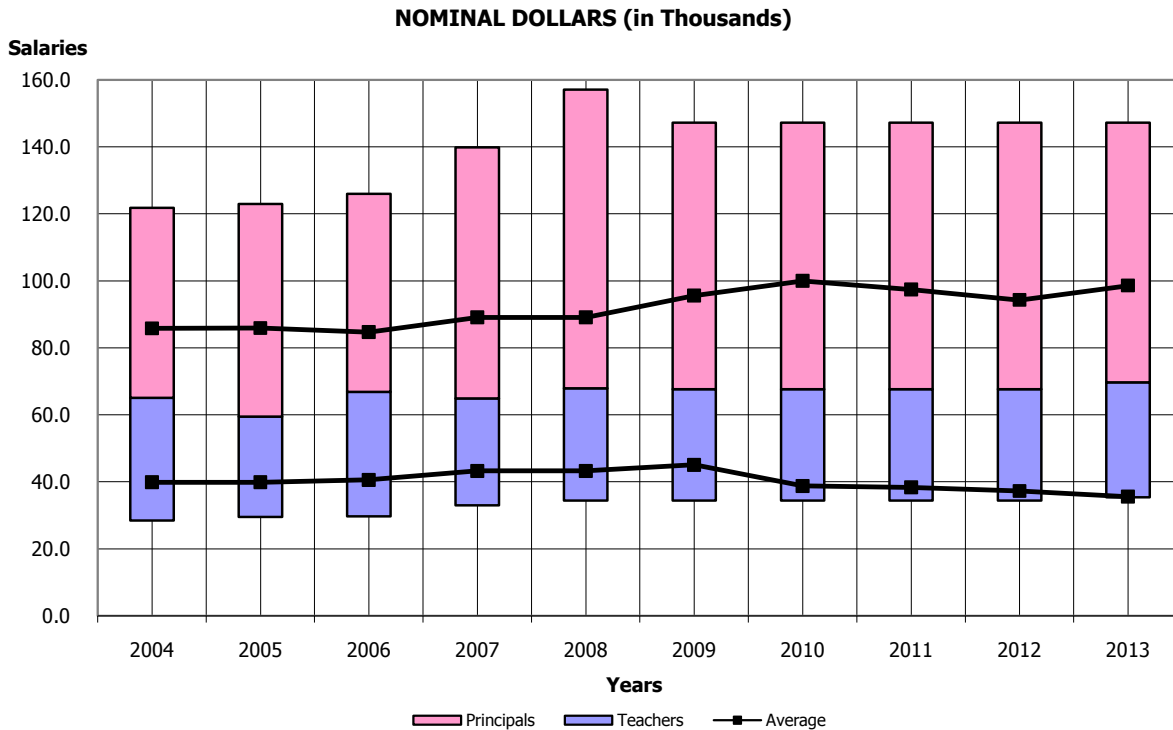
**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
PERSONNEL SUMMARY
FOR THE LAST TEN FISCAL YEARS**

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>
2004	112,552	11.6	20.2
2005	117,103	11.6	20.2
2006	121,836	11.6	20.6
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

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>
2004	20.6	79.4	59.4	37.2	3.4
2005	20.2	79.8	59.2	36.9	3.9
2006	20.6	79.4	58.2	37.4	4.4
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

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
2004	28.5	65.1	39.9	58.9	121.8	85.8
2005	29.5	59.5	39.9	59.9	122.9	85.9
2006	29.7	66.9	40.6	60.5	126.0	84.7
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

NOTES:

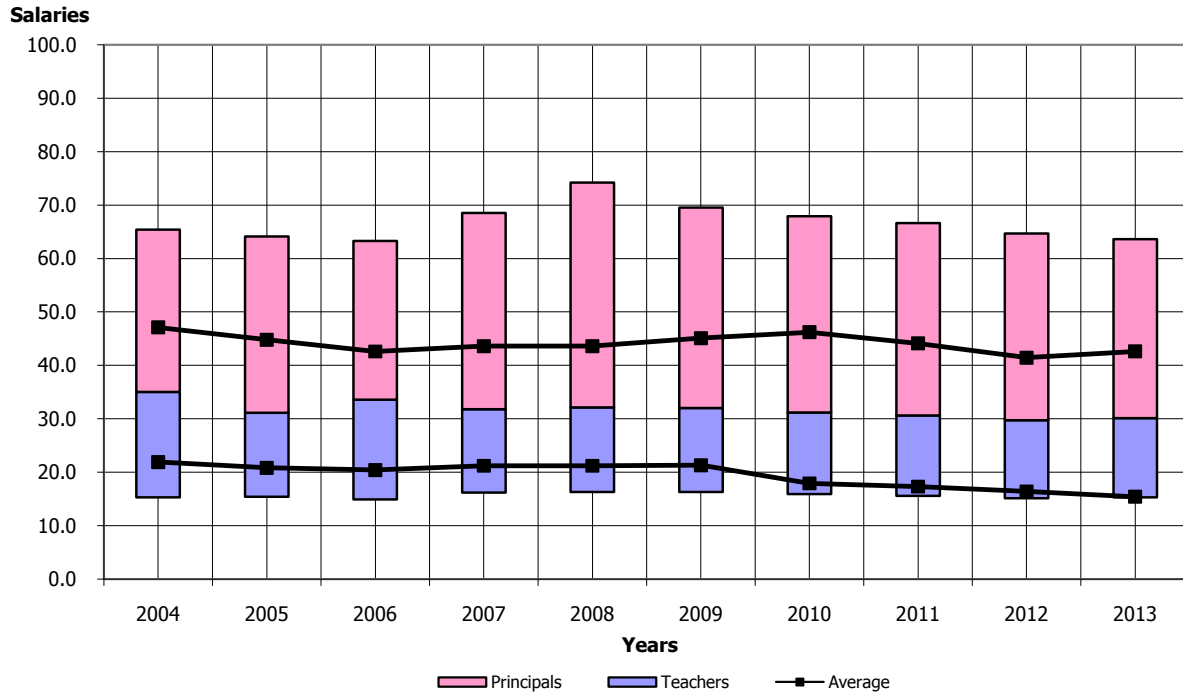
The above tabulation represents total salaries including both the state base salary and the local supplement, but does not include the following:

- 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.
- c) Bonuses paid via the ABC or School House Bonus Programs, which are awarded based on merit.

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)



CONSTANT DOLLARS (in Thousands)						
Year	Teachers			Principals		
	MIN	MAX	AVE	MIN	MAX	AVE
2004	15.3	35.0	21.9	31.6	65.4	47.1
2005	15.4	31.1	20.8	31.3	64.1	44.8
2006	14.9	33.6	20.4	30.4	63.3	42.6
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

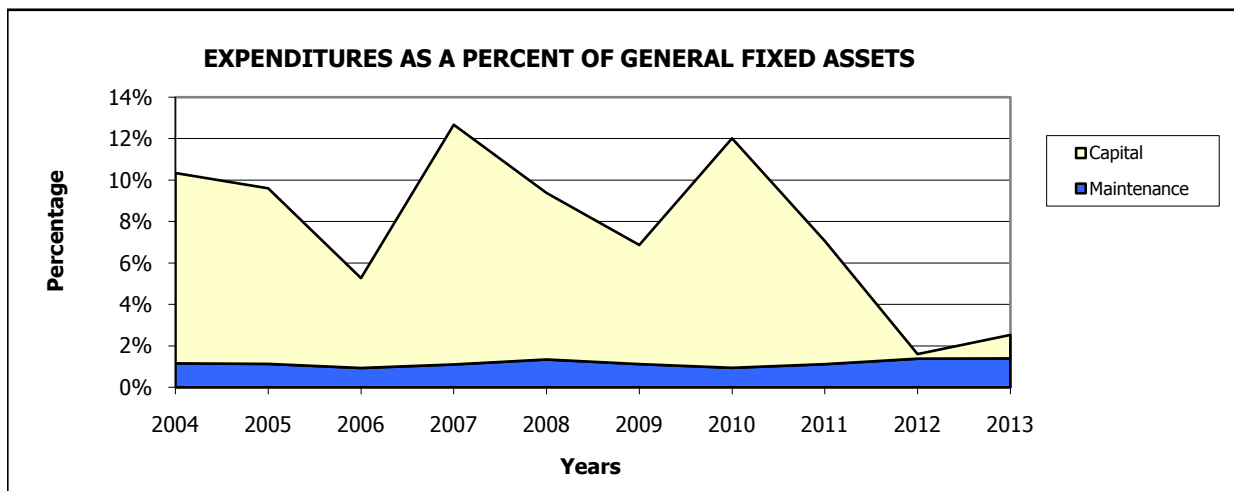
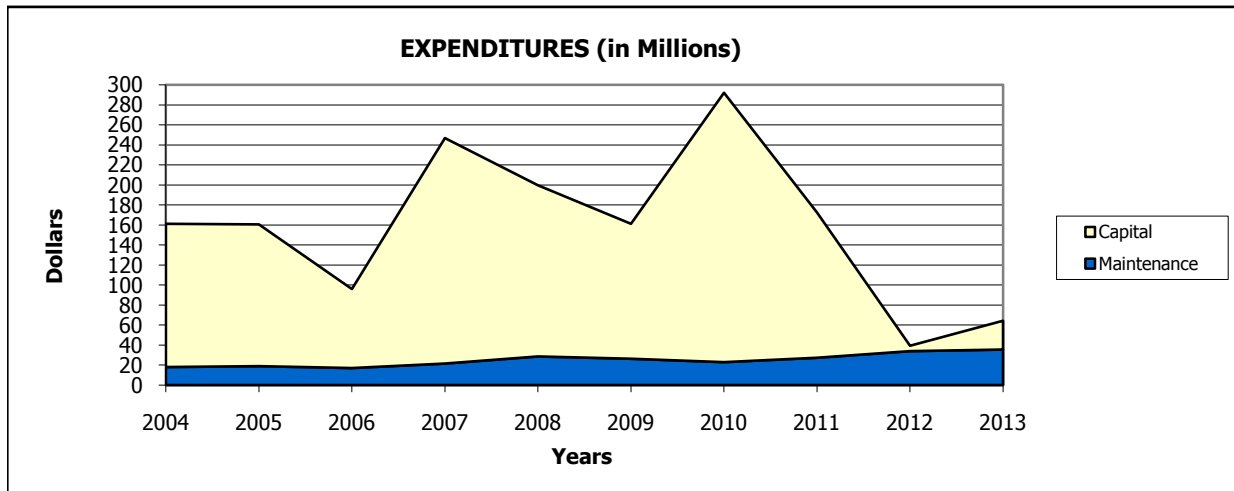
NOTES:

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.
- c) Bonuses paid via the ABC or School House Bonus Programs, which are awarded based on merit.

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 Historical Dollars	Maintenance Expenditures		Capital Expenditures				
		Total Expenditures	% of Assets	Land & Building	Furniture & Equipment	Vehicles & Other	Total Expenditures	% of Assets
2004	1,558.1	18.0	1.2%	128.9	11.4	2.9	143.2	9.2%
2005	1,671.7	18.9	1.1%	130.2	3.6	7.9	141.7	8.5%
2006	1,820.9	17.0	0.9%	73.3	2.9	2.8	79.0	4.3%
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%

NOTE:
Capital Expenditures include capital outlay and capital projects.

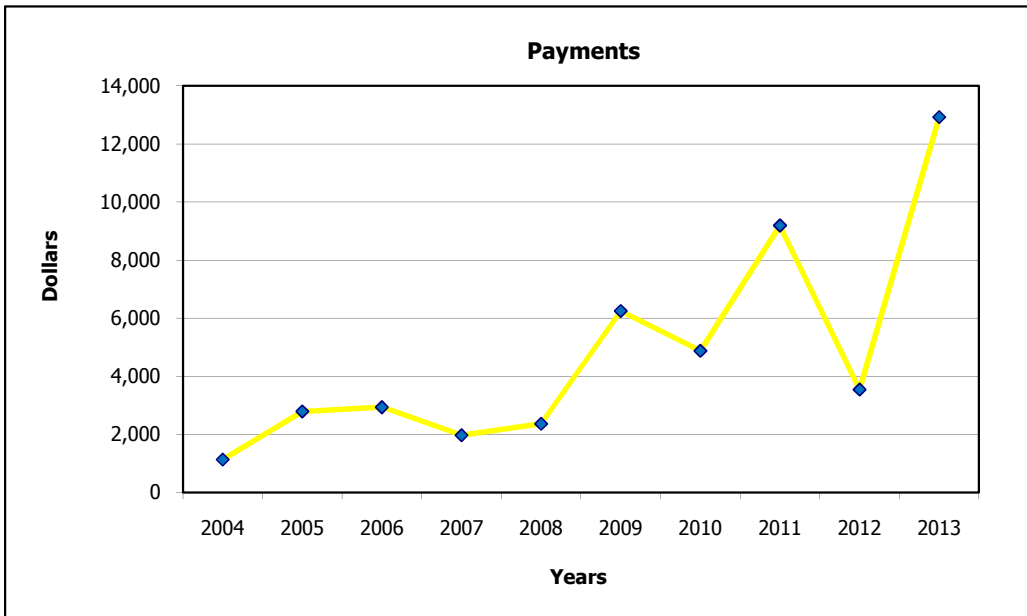
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**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
CAPITAL LEASE AND INSTALLMENT PURCHASE PAYMENTS
FOR THE LAST TEN FISCAL YEARS**

(Amounts expressed in thousands)

Department	2004	2005	2006	2007	2008
Data Processing - Equipment	53	44	67	96	83
Graphic Productions - Equipment	132	264	366	456	452
Transportation - School Buses	948.00	2,483	2,503	1,419	1,830
Total Payments	1,133	2,791	2,936	1,971	2,365

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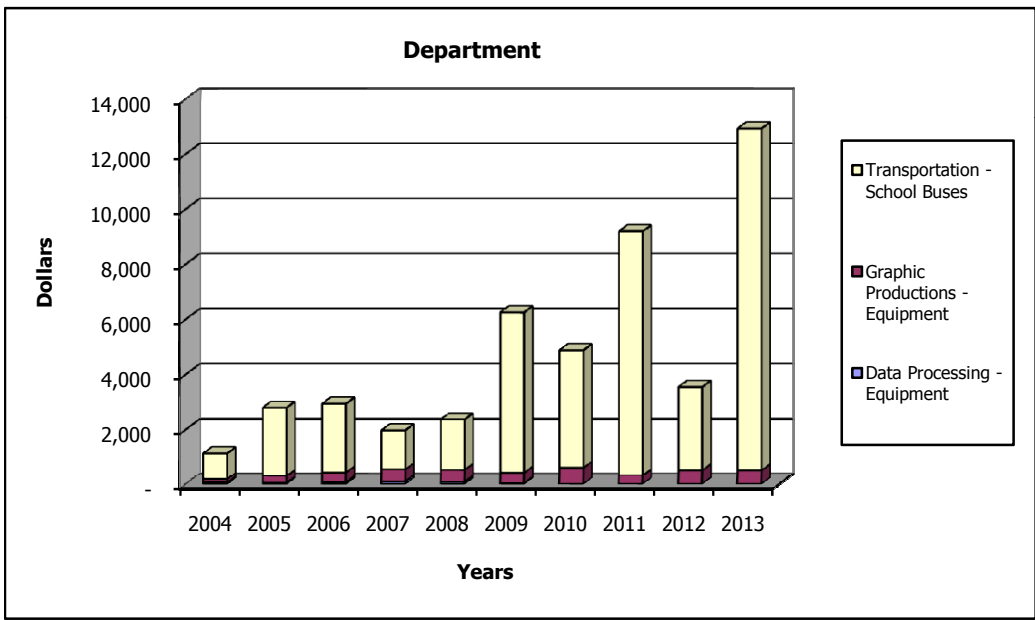


Source: Charlotte Mecklenburg School Schedule of Capital Lease Payments

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

(Amounts expressed in thousands)

	2009	2010	2011	2012	2013
	28	-	-	-	-
	397	611	335	516	516
	5,825	4,267	8,859	3,028	12,409
	<u>6,250</u>	<u>4,878</u>	<u>9,194</u>	<u>3,544</u>	<u>12,925</u>



Source: Charlotte Mecklenburg School Schedule of Capital Lease Payments

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
SCHOOL BUILDINGS
FOR THE YEAR ENDING JUNE 30, 2013**

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	1,145
Allenbrook Elementary	K-5	18.4	51,904	1966	21	510
Ashley Park PreK-8 School	PK-8	12.7	72,469	1951	28	545
Bain Elementary	K-5	15.8	74,091	1925	33	955
Ballantyne Elementary	K-5	6.8	77,850	2008	39	835
Barnette Elementary	K-5	42.1	85,896	2008	39	670
Barringer Elementary	K-5	29.0	92,376	2002	36	631
Berryhill School	PK-8	15.0	62,782	1978	20	583
Berewick Elementary	PK-5	**	96,459	2009	39	675
Beverly Woods Elementary	PK-5	15.3	78,371	1969	38	754
Billingsville Elementary	PK-5	6.4	97,614	1927	35	540
Blythe Elementary	PK-5	45.9	121,292	1998	50	1,070
Briarwood Elementary	K-5	15.0	63,279	1956	32	708
Bruns Avenue Academy	PK-8	13.2	138,917	1969	37	762
Chantilly Elementary Magnet	PK-6	16.2	90,680	1948	18	267
Clear Creek Elementary	PK-5	12.8	44,886	1960	30	678
Collinswood Elementary Magnet	K-7	15.0	74,292	1959	22	701
Cornelius Elementary	K-5	19.5	80,505	1930	39	626
Cotswold Elementary	K-5	11.0	80,887	1956	32	781
Croft Community Elementary	K-5	25.8	77,881	2008	39	723
Crown Point Elementary	PK-5	43.0	71,953	1993	37	718
David Cox Elementary	PK-5	18.0	82,370	1994	37	857
Davidson Elementary	K-5	19.5	92,119	1994	35	770
Devonshire Elementary	K-5	21.0	83,846	1964	32	565
Dilworth Elementary Magnet	K-5	4.6	100,992	1966	28	534
Druid Hills Academy	PK-8	19.7	92,833	2004	35	632
Eastover Elementary	PK-5	4.0	64,407	1935	24	450
Elizabeth Lane Elementary	K-5	27.0	81,400	1996	35	973
Elon Park Elementary	K-5	***	79,278	2007	39	1,090
Elizabeth Traditional Elementary Magnet	K-5	0.9	94,836	1925	26	542
Endhaven Elementary	K-5	15.4	91,728	2003	35	747
First Ward Elementary	K-5	7.3	93,525	1967	34	530
Greenway Park Elementary	PK-5	17.0	83,480	1995	37	619
Hawk Ridge Elementary	K-5	17.9	84,237	1951	34	896
Hickory Grove Elementary	PK-5	12.6	166,434	1966	33	1,014

Source: Charlotte-Mecklenburg Schools Auxiliary Services

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
SCHOOL BUILDINGS
FOR THE YEAR ENDING JUNE 30, 2013**

SCHOOL NAME	Grades	Site Size (Acres)	Square Footage	Year First Occupied	Building Classrooms	ADM 9th Month
Hidden Valley Elementary	K-5	15.0	90,400	1967	39	820
Highland Creek Elementary	K-5	26.6	91,098	2006	39	1,232
Highland Mill Montessori Magnet	PK-6	4.9	48,410	1954	15	232
Highland Renaissance Elementary	PK-5	17.3	90,858	2001	36	469
Hornets Nest Elementary	K-5	22.9	72,115	1991	36	587
Huntersville Elementary	K-5	28.6	93,766	1938	37	793
Huntingtowne Farms Elementary	K-5	19.0	83,429	1964	26	900
Idlewild Elementary	PK-5	16.2	75,030	1957	39	803
Irwin Avenue Academic Center	K-5	14.6	104,597	1935	36	545
J. H. Gunn Elementary	K-5	14.0	102,455	2002	35	718
J.V. Washam Elementary	PS-5	20.8	96,128	2006	39	1,113
Joseph W. Grier Elementary	PK-5	21.9	89,116	2001	35	851
Lake Wylie Elementary	PK-5	20.0	79,410	1992	39	629
Lansdowne Elementary	K-5	16.3	65,757	1959	32	641
Lebanon Road Elementary	PK-5	29.5	71,917	1990	36	801
Long Creek Elementary	PK-5	22.4	65,305	1932	39	511
Mallard Creek Elementary	K-5	28.3	84,096	1987	40	839
Matthews Elementary	PK-5	18.4	95,323	1954	46	995
McAlpine Elementary	PK-5	15.3	67,362	1986	35	501
McKee Road Elementary	K-5	17.0	63,847	1989	31	519
Merry Oaks Elementary	PK-5	23.9	96,454	2002	42	722
Montclair Elementary	PK-5	14.7	49,888	1958	24	576
Morehead Elementary Magnet	PK-7	*	132,231	1998	53	1,073
Mountain Island Elementary	PK-5	15.9	91,158	2002	35	652
Myers Park Traditional Elementary Magnet	K-5	10.0	105,537	1928	37	724
Nathaniel Alexander Elementary	PK-5	204.6	114,229	1996	54	887
Nations Ford Elementary	PK-5	14.6	54,999	1957	27	608
Newell Elementary	K-5	20.5	71,968	1958	32	752
Oakdale Elementary	K-5	9.0	90,652	2006	35	670
Oaklawn Elementary Magnet	K-7	8.6	74,905	1963	26	522
Olde Providence Elementary	K-5	40.0	63,417	1968	32	720
Park Road Elementary Magnet	PK-6	24.0	49,499	1949	19	423
Paw Creek Elementary	PK-5	26.7	80,809	1954	37	507
Pineville Elementary	K-5	19.2	67,932	1968	36	758
Pinewood Elementary	PK-5	20.0	85,517	1953	35	527
Piney Grove Elementary	PK-5	14.7	70,887	1977	36	803
Polo Ridge Elementary	K-5	8.0	79,278	2007	39	1,014
Providence Spring Elementary	K-5	23.5	88,947	2002	36	888
Rama Road Elementary	PK-5	15.0	87,454	1964	37	625
Reedy Creek Elementary	PK-5	26.0	65,865	1981	30	754

Source: Charlotte-Mecklenburg Schools Auxiliary Services

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
SCHOOL BUILDINGS
FOR THE YEAR ENDING JUNE 30, 2013**

SCHOOL NAME	Grades	Site Size (Acres)	Square Footage	Year First Occupied	Building Classrooms	ADM 9th Month
Reid Park Academy	PK-8	36.7	83,500	1994	36	775
River Gate Elementary	K-5	18.1	83,632	2009	39	769
River Oaks Academy	PK-5	26.0	81,470	2009	39	618
Sedgefield Elementary	PK-5	14.8	85,109	1954	36	415
Selwyn Elementary	K-5	12.4	77,274	1958	25	872
Shamrock Gardens Elementary	PK-5	12.3	71,781	1954	30	465
Sharon Elementary	K-5	14.8	65,894	1977	28	803
Smithfield Elementary	PK-5	16.8	83,480	1994	37	645
Statesville Road Elementary	PK-5	25.6	63,417	1955	28	581
Steele Creek Elementary	K-5	15.0	65,753	1968	33	728
Sterling Elementary	PK-5	29.8	92,500	2002	36	590
Stoney Creek Elementary	K-5	13.3	83,424	2009	39	874
Thomasboro Academy	PK-8	15.5	65,791	1941	32	741
Torrence Creek Elementary	K-5	18.2	92,029	2005	35	1,193
Tuckaseegee Elementary	K-5	15.0	93,044	1957	28	777
University Meadows Elementary	PK-5	17.5	76,880	1992	40	718
University Park Elementary Magnet	K-5	15.0	69,101	1957	34	376
Walter G. Byers School	PK-8	15.0	90,860	2001	35	536
Westerly Hills Academy	PK-8	11.5	74,224	1969	36	550
Whitewater Academy Elementary	PK-5	50.0	79,278	2007	39	704
Winding Springs Elementary Magnet	PK-5	38.7	83,480	1995	36	767
Windsor Park Elementary	PK-5	15.0	151,058	2004	35	881
Winget Park Elementary	K-5	20.0	100,319	2006	39	949
Winterfield Elementary	PK-5	17.7	82,931	1964	35	691
<i>MIDDLE SCHOOLS</i>						
Albemarle Road Middle	6-8	25.8	138,088	1966	51	1,154
Alexander Middle	6-8	27.1	121,208	1959	51	883
Alexander Graham Middle	6-8	38.4	108,484	1958	37	1,444
Bailey Middle	6-8	25.0	152,960	2006	57	1,529
Bradley Middle	6-8	61.4	145,777	1998	54	1,143
Carmel Middle	6-8	40.3	127,910	1996	52	1,089
Cochrane Middle	6-8	30.4	121,692	1961	47	793
Community House Middle	6-8	65.4	148,996	2005	58	1,578
Coulwood Middle	6-8	30.5	108,627	1960	45	778
Crestdale Middle	6-8	48.7	145,777	1997	54	910
Eastway Middle	6-8	31.6	153,285	2005	54	809
Kennedy Middle	6-8	32.1	105,633	1989	38	683
Marie G. Davis Military Academy	6-12	35.5	63,052	2007	36	685
Martin Middle	6-8	*	174,000	1998	67	1,081

Source: Charlotte-Mecklenburg Schools Auxiliary Services

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
SCHOOL BUILDINGS
FOR THE YEAR ENDING JUNE 30, 2013**

SCHOOL NAME	Grades	Site Size (Acres)	Square Footage	Year First Occupied	Building Classrooms	ADM 9th Month
Martin Luther King, Jr. Middle	6-8	54.8	152,452	2003	58	945
McClintock Middle	6-8	30.3	117,745	1955	45	704
Mint Hill Middle	6-8	64.3	159,230	2003	48	1,231
Northeast Middle	6-8	30.0	132,485	1976	54	821
Northridge Middle	6-8	32.0	133,000	1996	40	802
Piedmont Open Middle Magnet	6-8	10.8	145,861	1925	42	933
Quail Hollow Middle	6-8	30.1	120,902	1964	50	929
Randolph Middle Magnet	6-8	25.0	120,643	1967	46	1,171
Ranson Middle	6-8	30.0	140,028	1964	52	1,113
Ridge Road Middle	6-8	26.2	130,156	2009	54	1,445
Jay M. Robinson Middle	6-8	45.9	148,996	2002	54	1,068
Sedgefield Middle	6-8	23.4	108,865	1955	41	598
E.E. Waddell Language Academy	K-8	130.0	234,731	2001	75	1,259
South Charlotte Middle	6-8	33.1	132,500	1992	40	923
Southwest Middle	6-8	41.2	156,132	2003	54	1,425
Whitewater Middle	6-8	50.0	130,156	2009	54	904
<i>HIGH SCHOOLS</i>						
Ardrey Kell High	9-12	59.2	310,970	2006	96	2,417
Phillip O. Berry High Magnet	9-12	51.0	321,996	2002	80	1,547
Butler High	9-12	74.6	273,440	1997	75	2,001
Cato Middle College High	<i>Classes held on CPCC Cato Campus</i>					194
East Mecklenburg High	9-12	45.5	235,947	1949	82	1,726
Garinger High	9-12	63.4	236,546	1959	89	1,346
Harding University High Magnet	9-12	51.4	167,889	1961	55	1,454
Hopewell High	9-12	78.0	274,931	2001	75	1,614
Independence High	9-12	53.7	293,730	1966	100	2,096
Mallard Creek High	9-12	***	306,950	2007		2,237
Myers Park High	9-12	72.3	262,164	1951	108	2,666
North Mecklenburg High	9-12	53.8	207,420	1951	81	1,573
Olympic High	9-12	51.6	245,252	1965	84	-
Renaissance at Olympic	<i>See Olympic High</i>					461
International Business & Communication Studies at Olympic	<i>See Olympic High</i>					402

Source: Charlotte-Mecklenburg Schools Auxiliary Services

**CHARLOTTE-MECKLENBURG BOARD OF EDUCATION
SCHOOL BUILDINGS
FOR THE YEAR ENDING JUNE 30, 2013**

SCHOOL NAME	Grades	Site Size (Acres)	Square Footage	Year First Occupied	Building Classrooms	ADM 9th Month
International Studies and Global Economics at Olympic	<i>See Olympic High</i>					408
Math, Science, Pre-Engineering & Technology at Olympic	<i>See Olympic High</i>					508
Biotech, Health, & Public Administration at Olympic	<i>See Olympic High</i>					441
Performance Learning Center	9-12	4.18	13,078	1926	7	146
Providence High	9-12	58.7	270,965	1989	88	1,981
Rocky River High	9-12	64.0	258,191	2010	100	1,638
South Mecklenburg High	9-12	52.0	239,093	1958	91	2,450
Vance High	9-12	*	236,196	1997	77	1,679
W.A. Hough High	9-12	88.3	258,191	2010	100	2,080
West Charlotte High	9-12	50.0	240,470	1950	96	1,577
West Mecklenburg High	9-12	53.7	244,439	1951	102	1,784
<i>Special Schools</i>						
Turning Point Academy	1-12	9.16	61,861	1927	30	218
Hawthorne High	9-12	14.4	104,567	1922	30	211
Metro School	K-12	10.69	156,727	2006	32	242
Lincoln Heights Academy	1-12	10.8	91,728	2002	35	96
Northwest School of the Arts 6-12 Magnet	6-12	9.5	186,223	1937	49	931

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

** - Berwick land owned by Parks and Recreation

*** - Elon Park and Mallard Creek High are on Mecklenburg County Park and Recreation Land and therefore acreage is not tracked
Year figure indicates the first year school occupied, does not reflect renovations, additions or rebuilds

Source: Charlotte-Mecklenburg Schools Auxiliary Services



Charlotte-Mecklenburg Schools

Every Child. Every Day. For a Better Tomorrow.