

City of Calhoun
Board of Education, Georgia

A Component Unit of the City of Calhoun, Georgia

Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2018

CITY OF CALHOUN BOARD OF EDUCATION, GEORGIA

(A Component Unit of the City of Calhoun, Georgia)

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED JUNE 30, 2018

Prepared by: Finance Department

City of Calhoun Board of Education, Georgia
Comprehensive Annual Financial Report
For The Year Ended June 30, 2018

TABLE OF CONTENTS

Introductory Section
(*Unaudited*)

Letter of Transmittal ..... v – ix
Elected School Board Members……..... x
Principal Officials..... xi
Organizational Chart xii
GFOA Certificate of Achievement for Excellence in Financial Reporting..... xiii

Financial Section

Independent Auditor's Report…… 1 - 2

Management's Discussion and Analysis (*Unaudited*)……...3 - 11

Basic Financial Statements

Government-wide Financial Statements:

Comparative Statements of Net Position.....12
Statement of Activities 13

Fund Financial Statements:

Governmental Funds:
Balance Sheet 14
Reconciliation of the Balance Sheet of Governmental Funds to the Government-wide Statement of Net Position 15
Statement of Revenues, Expenditures and Changes in Fund Balances 16
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Government-wide Statement of Activities 17
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – (Budgetary Basis) - *General Fund* 18
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – *School Food Service Fund*.....19

Fiduciary Funds:
Comparative Statements of Assets and Liabilities – *Agency Funds*.....20

Notes to the Basic Financial Statements. 21-42

Required Supplementary Information
Schedule of School System's Proportionate Share of
Net Pension Liability – Teachers Retirement System of Georgia.....43
Schedule of Required Contributions During Measurement
Period – Teachers Retirement System of Georgia.....44
Schedule of Changes in the School District's Net OPEB Liability and Related
Ratios – Other Postemployment Benefits Plan.....45
Schedule of Funding Progress – Other Postemployment Benefits Plan.....46

Supplementary Information

Governmental Funds - Combining and Individual Fund Statements and Schedules:

Major *General* Fund:
Comparative Balance Sheets 47
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances.....48

Major Special Revenue Fund:
School Food Service Fund
Comparative Balance Sheets 49

Nonmajor Special Revenue Funds:
Combining Balance Sheet 50
Combining Statement of Revenues, Expenditures and Changes in Fund Balances.....51
Community Education Fund
Comparative Balance Sheets 52
Schedule of Revenues, Expenditures and Changes in Fund
Balances - Budget and Actual 53
Vocational Education Fund
Comparative Balance Sheets 54
Schedule of Revenues, Expenditures and Changes in Fund
Balances - Budget and Actual 55
ESEA Title I Fund
Comparative Balance Sheets 56
Schedule of Revenues, Expenditures and Changes in Fund
Balances - Budget and Actual 57
ESEA Title II Fund
Comparative Balance Sheets 58
Schedule of Revenues, Expenditures and Changes in Fund
Balances - Budget and Actual 59
ESEA Title III Fund
Comparative Balance Sheets 60
Schedule of Revenues, Expenditures and Changes in Fund
Balances - Budget and Actual 61
ESEA Title IV Fund
Comparative Balance Sheets 62
Schedule of Revenues, Expenditures and Changes in Fund
Balances - Budget and Actual 63

ESEA Title VI Fund
Comparative Balance Sheets……64
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual ……65
IDEA and Preschool Program Fund
Comparative Balance Sheets ……66
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual 67
Education of Homeless Children and Youth Fund
Comparative Balance Sheets ……68
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual 69
Lottery Pre-Kindergarten Fund
Comparative Balance Sheets ……70
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual ……71
Local School Activity Accounts Fund
Comparative Balance Sheets ……72
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual ……73

Major Debt Service Fund
Comparative Balance Sheets 74
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances..... 75

Nonmajor SPLOST Capital Projects Fund
Comparative Balance Sheets.....76
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances.....77

Fiduciary Funds
Agency Funds
Combining Statement of Changes in Assets and Liabilities 78

Statistical Section
(Unaudited)

Introduction to the Statistical Section 79

Financial Trend Information
Government-Wide Net Position by Component 80
Chart – Total Government-Wide Net Position 81
Changes in Net Position – Governmental Activities.....82
Chart - Governmental Fund Revenues and Expenses 83
Changes in Net Position – Governmental Activities – Percentage of Total 84
Chart – Changes in Total Net Position – Governmental Activities 85
Fund Balances - Governmental Funds 86-87
Chart – Total Fund Balances - Governmental Funds.....88
General Governmental Revenues by Source..... 89
Chart - Total General Governmental Revenues 90

General Governmental Expenditures by Function 91
Chart – Total General Governmental Expenditures....92
General Governmental Current Expenditures by Function....93
Summary of Changes in Fund Balances – Governmental Funds....94
Chart –Governmental Fund Revenues and Expenditures 95
Chart – Total Changes in Fund Balances – Governmental Funds 96

Revenue Capacity Information
Taxable Assessed Value and Estimated Actual Value of Property – By Type 97
Chart – Taxable Assessed Value – Before Tax Exempt Property Deduction 98
Direct and Overlapping Property Tax Rates 99
Chart - Direct and Overlapping Property Tax Rates....100
Property Tax Levies and Collections 101
Chart - Property Tax Levies and Collections 102
Principal Property Taxpayers.... 103
Overlapping Sales and Use Tax Rates 104
Taxable Sales by Category....105

Debt Burden Information
Ratios of Total Debt Outstanding - By Type 106
Overlapping Governmental Activities Debt....107

Demographic and Economic Information
Demographic and Economic Statistics....108
Principal Employers 109

Operating Information
Full Time Equivalent (FTE) Positions – by Function....110
Teachers' Salaries 111
School Building Information 112
Operating Statistics 113
Enrollment by Grade Level....114
Chart - Enrollment by Grade Level.... 115

Internal Control and Compliance Section

Independent Auditor's Report on Internal Control Over Financial Reporting and
on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards* 116-117
Independent Auditor's Report on Compliance for Each Major Program and
on Internal Control Over Compliance Required by the Uniform Guidance.... 118-119
Schedule of Expenditures of Federal Awards.... 120
Notes to Schedule of Expenditures of Federal Awards.... 121
Summary Schedule of Prior Audit Findings.... 122
Schedule of Findings and Questioned Costs.... 123
Special Purpose Local Option Sales and Use Tax
Schedule of Approved Local Option Sales Tax Projects 124
Notes to Schedule of Approved Local Option Sales Tax Projects....... 125

Introductory Section

CALHOUN CITY SCHOOLS

a tradition of excellence

December 27, 2018

To the Members of the Calhoun City School Board,
The Citizens of the City of Calhoun, Georgia and the Financial Community:

The ***Comprehensive Annual Financial Report*** (CAFR) of the City of Calhoun School Board, Georgia (the Board) for the fiscal year ended June 30, 2018, is submitted herewith. This report was prepared by the Board's finance department and is intended to fulfill the requirements for audit prescribed by Georgia Statutes for local boards of education. A separate report is issued to fulfill Single Audit Requirements of Federal and State governments. Board management assumes full responsibility for the completeness and reliability of the information contained in this report, based on a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

The Finance Department prepared this report in conformance with standards of the Governmental Accounting Standards Board, the American Institute of Certified Public Accountants and the Government Finance Officers Association. The legal level of control (the level at which expenditures may not legally exceed appropriations) for each adopted annual operating budget generally is the fund level for the governmental fund type.

R. M. Dobbs & Company, Certified Public Accountants, have issued an unmodified ("clean") opinion of the Board of Calhoun's financial statements for the fiscal year ended June 30, 2018. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) document 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.

SCHOOL SYSTEM PROFILE

The Calhoun City School System was established under the laws of the State of Georgia and operates under the guidance of a school board elected by the voters and a Superintendent, appointed by the Board. The Board provides education for grades K-12 as well as Pre-kindergarten for students within the City of Calhoun and for non-resident students from surrounding communities. The School System is considered to be a component unit of the City of Calhoun.

Established in 1902 the Calhoun City School System celebrates 116 years of excellence. Through its storied history, Calhoun City Schools has been known for its strong and rich tradition of excellence; excellence in

academics, arts, and athletics. Throughout Calhoun City Schools' existence, stakeholder involvement has been a critical component of its success. Although challenges exist, Calhoun City Schools looks at these challenges as opportunities to reach its mission of inspiring all students to become life-long learners in the pursuit of excellence. Interwoven into the tapestry of the historical lineage of Calhoun City Schools, is a commitment to excellence and community spirit that rests on the very pulse of its existence. This rich tradition of the Calhoun City Schools would not be possible were it not for the involvement of stakeholders over the years.

Our 2018 enrollment was 3,858 in grades K – 12 plus 184 enrolled in the Pre-kindergarten program, a total of 4,042 students. Approximately 36% percent of our students are Hispanic, 6% black, 52% white, and approximately 6% Asian, Pacific Islander, multi-racial, or American Indian. The Calhoun City School System is a system of choice. Approximately 23% of our students apply to attend our schools from surrounding districts. We serve our diverse student population through both regular and special education programs. Additionally, the system uses special programs such as English to Speakers of Other Languages (ESOL), Gifted Education, Early Intervention Programs (EIP), Remediation and Advanced Placement. The Calhoun College and Career Academy, a school within Calhoun High School, offers the courses and programs needed to achieve a well-rounded education while attaining the skills necessary to be successful beyond high school. Career clusters/pathways available to students include Culinary Arts, Audio & Video Technology and Film Graphic Design and Production, Nursing and Allied Health, Teaching as a Profession, Architecture and Construction, Web and Digital Communication Programming, Law and Justice, Agriculture Science, and STEM Engineering

In FY 2018 our school family included 224 classroom teachers, 126 support personnel and 10.5 administrators working in our schools (Pre-K-12). Eleven administrators, 14 support and 21 maintenance and transportation personnel provide system-wide support. Our multi-talented staff is committed to providing an exemplary education to our diverse student body.

Our fleet of nineteen route buses transports approximately 2,964 students daily; three of these buses which are equipped to transport special needs children throughout the City are staffed with monitors to assist in caring for the students of varying ages and disabilities. In addition, we have twelve buses used to replace out of service buses and to support extracurricular activities.

Each day our cafeteria workers prepare and serve approximately 4,384 meals to our students, faculty, and support staff. The percentage of students receiving free and/or reduced meals decreased this year with 55% of our students qualifying.

Our technology department supports an inventory of more than 8,000 laptops, desktops, iPads, wireless access points, interactive white boards and panels, projectors, and document cameras. They support a wide-area network powered by Cisco that provides added capabilities within our schools via the Internet. This infrastructure insures that our students, faculty, and support staff have access to their lessons, lesson plans, application software, and data from computers, smart phones and tablets. In addition, they provide student and staff access to Microsoft 365 and Google's G-Suite for Education, along with providing instructional support in using technology in the classroom.

All of our schools have Emergency Response Plans approved by the Georgia Emergency Management Agency. The purpose of these plans is to provide a functional, procedural framework for school staff and school emergency responders to follow when responding to emergencies in and around a school campus. The plan insures as much as humanly possible the safety, security and medical treatment of school students, staff, and visitors in an actual or threatened emergency or full-fledged disaster.

The City of Calhoun offers a safe, friendly, small town atmosphere, conveniently located on I-75 one-hour north of Atlanta and 45 minutes south of Chattanooga. This enviable location has attracted and continues to attract commercial and industrial enterprises such as major carpet and floor covering manufacturers, food processors, and distribution firms. The City of Calhoun has positioned itself very well for growth, due to capacity for expansion in the areas of water, sewer and electricity. Additionally, the City and the surrounding area possess a

vast array of quality-of-life resources including civil war historic sites, state parks, quality health care, excellent public and higher educational opportunities, a cultural arts center, and a regional outlet center.

The City incorporated in January 1852 occupies a land area of approximately 12 square miles and serves a residential population of 16,414. The City is empowered to levy a property tax on both real and personal properties located within its boundaries. It is also empowered by state statute to extend its corporate limits by annexation as deemed appropriate by the Mayor and Council. Section 5-102 (a) of the Charter of the City of Calhoun states that the "mayor and council of the city are authorized to levy a tax annually on the real and personal property in the City of Calhoun for the purpose of establishing and maintaining a system of public schools in the city; provided, however, that the money so raised shall be used for school purposes."

Section 7-105 of the Charter of the City of Calhoun states that the "school board of education shall submit to the mayor and council at a regularly scheduled council meeting an annual operating and capital budget to be funded from local sources of revenue. The mayor and council shall not be authorized to adopt the budget submitted by the school board of education until at least the next regular council meeting following the date of submission." To prepare the budget for submission the Board adopts a budget calendar which establishes the dates by which the Superintendent will submit the budget to accomplish the approved priorities and goals for the upcoming fiscal year. Throughout the budget process meetings are held with school system administrators, the Board, and the Mayor and/or his City Council representative. Input received from each of the listed groups is used to formulate the tentative budget. Once the Board has reviewed and approved the Superintendent's tentative budget it is then submitted to the mayor and council in accordance with Section 7-105. The final budget is then approved by the Board and Council respectively at their next scheduled meeting.

LOCAL ECONOMY

The Board has a large industrial base, which includes several Fortune 500 companies. Calhoun is the home of manufacturing facilities for several major companies, including Mohawk Industries, Shaw Industries, Mannington Floor Covering, and Engineered Floors LLC. Other industries, such as Kerry Inc., FieldTurf USA, and Calhoun Outlets which represent food processing, synthetic turf production, and retail outlets help to diversify the industrial base. However, the City of Calhoun continues to experience the impact of the slow recovery from the nationwide recession on all of these industries. Due to this, the Board continues to encounter financial challenges.

LONG-TERM FINANCIAL PLANNING

On November 2, 2010 the voters of the City of Calhoun and Gordon County approved the continuation of the existing ESPLOST effective July 2012 through June 2017, ESPLOST IV. The voters of the City of Calhoun also authorized the City to issue general obligation bonds in principal amount not to exceed $33,000,000 to pay the cost of the construction, furnishing, and equipping of a new middle-high complex and other projects as specified in the resolution calling the election. In May 2011 the City issued, on behalf of Calhoun City Schools, $21,000,000 of General Obligation School Bonds, Taxable – Qualified School Construction Bonds (Series 2011 QSCB). In August 2012, the City issued, on behalf of Calhoun City Schools, $12 million of local general obligation bonds (Series 2012) at a premium netting approximately $12.7 million. In addition to these funds, $15.7 million of State Regular Advance funding for capital outlay projects repaid from future state capitalization earnings and approximately $4,850,000 of local funds to be repaid from ESPLOST funds will be used to construct and equip the new middle-high school complex. Monthly ESPLOST receipts used will be deposited into the Debt Service Account (U.S. Bank) until sufficient moneys have accumulated therein to satisfy the interest payment requirements on the Series 2011 QSCB and Series 2012 Bonds and the required payment to the Series 2011 QSCB Invested Sinking Fund for the current bond year. The Invested Sinking Fund for the Series

2011 QSCB will be used to pay the principal due on the Series 2011 QSCBs on September 1st of 2022 through 2025. Monthly ESPLOST receipts will be used to pay the principal due on the Series 2012 Bonds on September 1st of 2026 through 2032.

On November 3, 2015, the voters of the City of Calhoun and Gordon County approved the continuation of the existing ESPLOST effective July 2017 through June 2022, ESPLOST V. Monthly ESPLOST receipts will continue to be deposited into the Debt Service Account (U.S.Bank) to pay the above mentioned debt.

CONSTRUCTION

Construction of the new Calhoun Middle and High School Complex began in the summer of 2011 on the existing middle-high school site. The new school complex, which provides approximately 385,000 square feet of new space, has been completed. Construction has also been completed on the Calhoun Online Learning Academy (COLA) and Calhoun STEMworks Engineering Learning Lab. These two programs complement existing curriculum offerings and provide support for all students grades K-12. In addition, the Auditorium has received a major renovation which included a sound system, lighting, and seating. Funds from a community donor, the City of Calhoun, and Charter System Funds supported the renovation project. In FY 18, land was purchased in downtown Calhoun which will be the site of the new Calhoun City Schools Board of Education. Construction on this building will begin in FY19.

MAJOR BUDGETARY INITIATIVES

Calhoun City Schools employed five new instructional positions for fiscal year 2018. These positions were: ESS Pre-K Teacher, Elementary Counselor and three Paraprofessionals. A 2% increase was also given to all employees. Benefits continue to increase with health insurance for classified employees increasing from $846.20 per member per month to $945 per member per month and TRS increasing from 14.27% to 16.81%.

AWARDS

As demonstrated by the statements and schedules included in the financial and required supplemental information sections of this report, the Board continues meeting its responsibility for sound financial management.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Calhoun Board of Education for its comprehensive annual financial report for the fiscal year ended June 30, 2017. This was the tenth consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

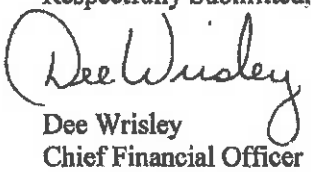
A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

ACKNOWLEDGEMENTS

The preparation of this CAFR would not have been possible without the efficient and dedicated service of the Finance Department. Thank you to our department heads and principals for understanding the importance of the financial status of this Board and as such, working diligently to provide quality service within our financial means. We also wish to extend our appreciation to the auditing firm of R. M. Dobbs & Company, Certified Public Accountants for their professionalism in conducting the audit of the Board's basic financial statements and related note disclosures.

Finally, credit also must be given to the School Board for their unfailing support for maintaining the highest standards of professionalism in the management of the Board's finances.

Respectfully Submitted,



Dee Wrisley
Chief Financial Officer



Michele Taylor, Ed.D.
Superintendent

City of Calhoun
Board of Education, Georgia

Elected School Board Members
(In Office as of June 30, 2018)

Eddie Reeves, Chairman
In office since October 2009
Current term expires January 2020

Rhoda Washington, Vice Chair
In office since September 2009
Current term expires January 2022

Tony Swink, Secretary
In office since January 2013
Current term expires January 2020
(Prior Service January 2004 – December 2011)

David Scoggins
In office since September 2012
Current term expires January 2022

Andy Baxter
In office since January 2018
Current term expires January 2022

City of Calhoun
Board of Education, Georgia

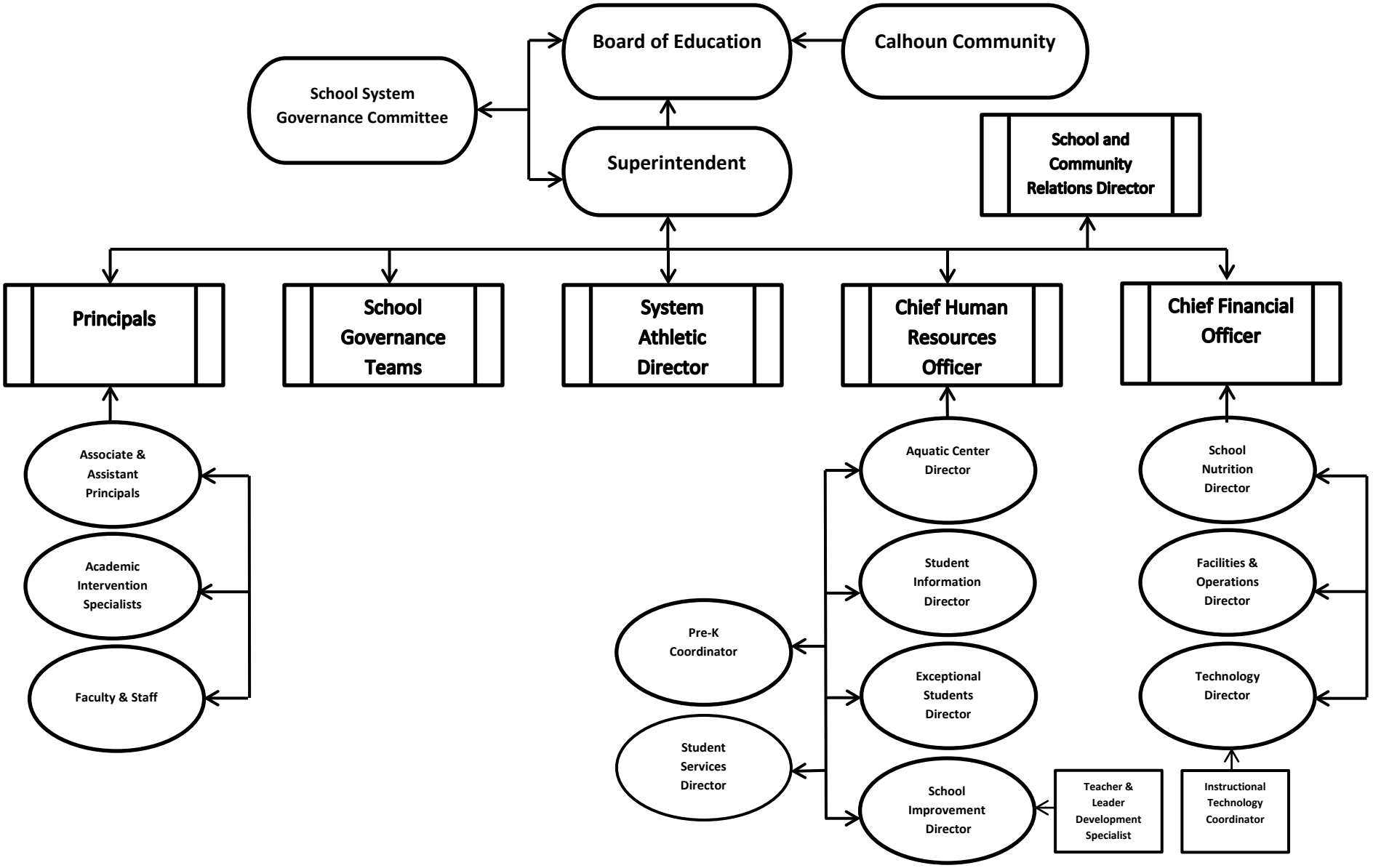
Appointed Principal Officials

Name	**Position**
Dr. Michele Taylor	Superintendent
Dee Wrisley	Chief Finance Officer
Michelle Griffith	Chief Human Resources Officer Community Education Director
Kelli Kendrick	School Improvement Director
Amanda Schutz	Student Services Director
Monica Pierson	Student Information Director
Tom Griffith	Facilities & Operations Director
Kimberly Kiker	School Nutrition Director
Hayley Gilreath	ESS Director
Mike Afdahl	Technology Director
Beth Holcomb	Principal, Calhoun Primary School Principal, Calhoun Elementary School
Peter Coombe	Principal, Calhoun Middle School Principal, Calhoun High School

CALHOUN CITY SCHOOLS

"To inspire all students to become life-long learners in the pursuit of excellence"

Organizational Chart FY18



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Calhoun Board of Education

Georgia

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2017

Christopher P. Morrill

Executive Director/CEO

Financial Section

R.M. DOBBS & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS
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MITZI B. POWELL, C.P.A.

MEMBER OF
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
AND
GEORGIA SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Superintendent and the Members of the
City of Calhoun Board of Education
Calhoun, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Calhoun Board of Education, Georgia, a component unit of the City of Calhoun, Georgia, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the City of Calhoun Board of Education, Georgia's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Calhoun Board of Education, Georgia, as of June 30, 2018, and the respective changes in financial position and the respective budgetary comparison for the General Fund and the School Food Service Special Revenue Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As described in Note 4-E to the financial statements, in fiscal year 2018, the City School Board adopted new accounting guidance, *GASBS No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the schedules of pension and OPEB amounts on pages 3–11 and 43-46 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Calhoun Board of Education, Georgia's basic financial statements. The introductory section, combining and individual comparative fund financial statements, budgetary comparison schedules, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of approved local option sales tax projects, as required by the Georgia Code section OCGA 48-8-121, and the schedule of expenditures of federal awards are presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and are also not a required part of the basic financial statements.

The combining and individual comparative fund financial statements, budgetary comparison schedules, the schedule of approved local option sales tax projects, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual comparative fund financial statements, budgetary comparison schedules, the schedule of approved local option sales tax projects, and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory 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 December 27, 2018, on our consideration of the City of Calhoun Board of Education, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of the City of Calhoun Board of Education, Georgia's 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 City of Calhoun Board of Education, Georgia's internal control over financial reporting and compliance.

R. M. Dobbs & Company

Calhoun, Georgia
December 27, 2018

MANAGEMENT'S DISCUSSION AND ANALYSIS

Within this section of City of Calhoun Board of Education, Georgia's (the "Board") annual financial report, the Board's management is pleased to provide this narrative discussion and analysis of the financial activities of the Board for the fiscal year ended June 30, 2018. The Board's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

Financial Highlights

- The Board's liabilities exceeded its assets by ($26,579,840) (net deficit position) for the fiscal year reported. Total net position is comprised of the following:

  (1) The net investment in capital assets of $3,296,814 include property and equipment, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of capital assets (if applicable).
  (2) Net position restricted of $1,051,345 by constraints imposed from outside the Board such as debt covenants, grantors, laws, or regulations.
  (3) Unrestricted net (deficit) position of ($30,927,999) represent the portion available to maintain the Board's continuing obligations to citizens and creditors.

- The Board's governmental funds reported total ending fund balance of $23,315,559 this year. This compares to the prior year ending fund balance of $21,465,303, showing an increase of $1,850,256 during the current year. The governmental unassigned fund balance of $19,277,272 for fiscal year 2018 shows a $2,082,381 increase from the prior year.

- At the end of the current fiscal year, unassigned fund balance for the general fund was $19,277,372 or 63.1% of total general fund expenditures.

- Overall, the Board continues to maintain a strong financial position.

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

Overview of the Financial Statements

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

Government-wide Financial Statements

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

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

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

Both government-wide financial statements distinguish governmental activities of the Board that are principally supported by property and sales taxes. Governmental activities include regular instruction, specialized instruction and numerous supporting services such as school administration and the operation and maintenance of the schools.

The government-wide financial statements are presented on pages 12 & 13 of this report.

Fund Financial Statements

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

The Board has two kinds of funds:

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

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

The basic governmental fund financial statements, including the general fund's budgetary statement are presented on pages 14-19 of this report.

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

The other fund type, f*iduciary funds* are used to account for the Board's school activity accounts. This comparative statement of assets and liabilities is presented on page 20.

Notes to the Basic Financial Statements

The accompanying notes to the basic financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 21 of this report.

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

Supplementary Information

This final section of the financial report includes combining and individual statements and schedules for the general fund, capital projects fund and the nonmajor funds, beginning on page 47.

Financial Analysis of the Board as a Whole

The Board's net position at fiscal year-end is a deficit of ($26,579,840). The following table provides a summary of the Board's net position:

Summary of Net Position

	2018		2017	
	Governmental Activities	Percentage of Total	Restated Governmental Activities	Percentage of Total
Assets:				
Current assets	$ 28,031,245	89%	$ 26,543,473	88%
Capital assets	3,296,814	11%	3,729,208	12%
Total assets	31,328,059	100%	30,272,681	100%
Deferred outflows of resources	6,824,220	100%	10,392,069	0%
Liabilities:				
Current liabilities	4,817,221	8%	5,169,299	8%
Long-term liabilities	55,817,969	92%	61,755,776	92%
Total liabilities	60,635,190	100%	66,925,075	100%
Deferred inflows of resources	4,096,929	100%	1,061,480	100%
Net position:				
Net investment in capital assets	3,296,814	-12%	3,018,920	-11%
Restricted	1,051,345	-4%	1,412,560	-5%
Unrestricted	(30,927,999)	116%	(31,753,285)	116%
Total net position	$ (26,579,840)	100%	$ (27,321,805)	100%

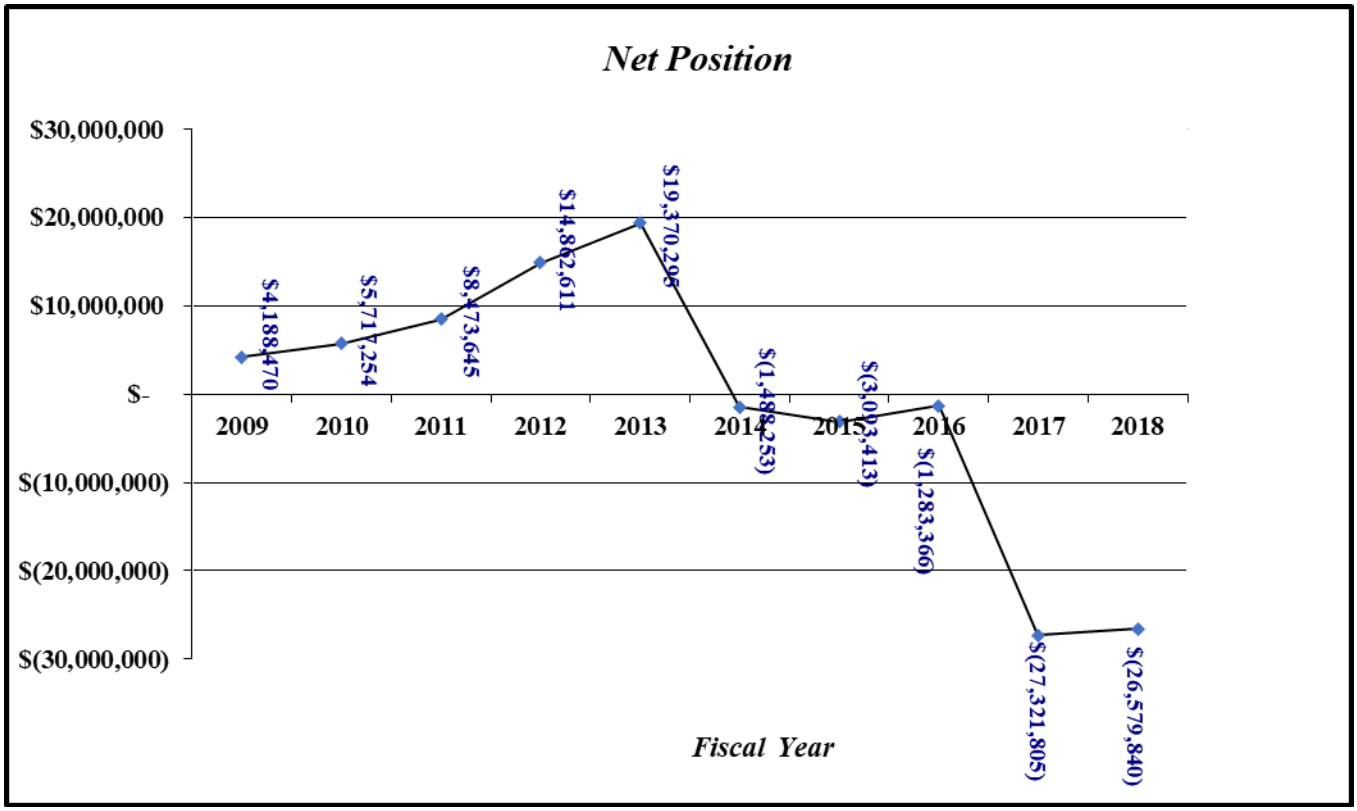
The Board continues to maintain a high current ratio. The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. The current ratio for governmental activities is 5.8 to 1 at June 30, 2018 versus 5.1 to 1 at June 30, 2017.

The Board reported a deficit in total net position for its governmental activities totaling $26,579,840. The majority of this deficit relates to the unfunded pension liability ($29,102,548) and the unfunded other post employment benefits (OPEB) ($26,681,576). Because deficits are reported does not necessarily mean the School District has financial issues. Both of these liabilities are being funded actuarially.

Total net position increased $741,965 for governmental activities in fiscal year 2018.

Note that only 10.5% of the governmental activities' total assets is tied up in capital. The Board uses these capital assets to provide services to its students. Our school board is unique, since we are a component unit of the City of Calhoun, the City owns all of the school buildings and the City issues the debt to finance these buildings. Thus, our percentage is very low as compared to other Georgia school boards.

The following chart reports the total net position balances from fiscal year 2009 - 2018.



In fiscal year 2014, the School District implemented GASB Statement No. 68 which the recording a net pension liability and in fiscal year 2017, the School District implemented GASB Statement No. 88, the other postemployment benefits liability.

Both of these pronouncements require the reporting of deferred inflows and outflows accounts.

(This page continued on the subsequent page)

The following table provides a summary of the Board's changes in net position:

Summary of Changes in Net Position

	2018		2017	
	Governmental Activities	Percentage of Total	Restated Governmental Activities	Percentage of Total
Revenues:				
Program:				
Charges for services	$ 2,552,522	5.7%	$ 2,313,915	5.2%
Operating grants	25,235,800	56.1%	24,151,939	54.2%
Capital grants and contributions	1,083,786	2.4%	2,088,161	4.7%
General:				
Taxes	16,067,660	35.7%	16,024,129	35.9%
Other	11,301	0.0%	7,737	0.0%
Total revenues	44,951,069	100.0%	44,585,881	100.0%
Program Expenses:				
Instruction	$ 25,614,807	57.9%	24,690,632	58.5%
Pupil	1,937,847	4.4%	1,942,046	4.6%
Improvement of instructional services	2,020,086	4.6%	2,091,335	5.0%
Instructional staff training	195,538	0.4%	-	0.0%
Media	433,329	1.0%	414,416	1.0%
General administration	474,308	1.1%	475,952	1.1%
Federal grant administration	12,605	0.0%	18,713	0.0%
School administration	1,799,734	4.1%	1,712,445	4.1%
Business administration	570,753	1.3%	501,598	1.2%
Operations and maintenance	3,170,754	7.2%	3,081,137	7.3%
Student transportation	965,673	2.2%	845,700	2.0%
Central support	170,496	0.4%	170,714	0.4%
School nutrition program	2,690,113	6.1%	2,652,014	6.3%
Other supporting services	84,496	0.2%	87,371	0.2%
Community services	719,943	1.6%	770,108	1.8%
Enterprise operations	90,945	0.2%	-	0.0%
Debt service	3,257,677	7.4%	2,775,844	6.5%
Total expenses	44,209,104	100.0%	42,230,025	100.0%
Excess	741,965		2,355,856	
Beginning net position, as restated	(27,321,805)		(29,677,661)	
Ending net position	$ (26,579,840)		$ (27,321,805)	

GOVERNMENTAL REVENUES

The Board's primary revenue source is state aid, primarily the quality basic education aid. State aid and federal aid recognized for operating purposes total 56.3% of total revenue as compared to 54.2% in fiscal year 2017. In addition, the Board also is reliant on property taxes to support governmental operations and capital purposes. Property taxes provided 28.5% of the Board's total governmental revenues as compared to 30.7% in fiscal year 2017.

Property taxes decreased $438,102 or 3.3%. This decrease relates primarily to a decrease in the tax digest.

Also, note that program revenues (excluding capital program revenue) cover approximately 62.9% of governmental operating expenses. The majority of this revenue is used for direct instruction. This means that the government's taxpayers fund 37.1% of the governmental activities.

On November 2, 2010, the voters of the City of Calhoun and Gordon County approved the continuation of the existing special purpose local option sales tax (SPLOST) effective July 1, 2011 through June 30, 2018. The voters of the City of Calhoun also authorized the City to issue general obligation bonds in principal amount not to exceed $33,000,000 to pay the cost of the construction, furnishing, and equipping of a new middle-high complex and other projects as specified in the resolution calling the election.

GOVERNMENTAL FUNCTIONAL EXPENSES

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

Governmental Activities

	Total Cost of Services		Net Cost of Services	
	2018	2017	2018	2017
Instruction	$ 25,614,807	$ 24,690,632	$ (4,746,455)	$ 4,652,929
Pupil	1,937,847	1,942,046	(1,140,859)	994,254
Improvement of instructional ser.	2,020,086	2,091,335	(1,624,795)	1,428,603
Instructional staff training	195,538	-	(104,015)	-
Media	433,329	414,416	42,292	(43,610)
General administration	474,308	475,952	150,201	459,707
Federal grant administration	12,605	18,713	-	(507,709)
School administration	1,799,734	1,712,445	(958,929)	804,177
Business administration	570,753	501,598	(537,177)	499,633
Operations and maintenance	3,170,754	3,081,137	(2,132,726)	2,071,711
Student transportation	965,673	845,700	(889,723)	609,526
Central support	170,496	170,714	(161,290)	49,830
School nutrition program	2,690,113	2,652,014	(34,042)	(69,851)
Other supporting services	84,496	87,371	(84,083)	7,408
Community services	719,943	770,108	160,417	(56,442)
Enterprise operations	90,945	-	(18,135)	-
Debt service	3,257,677	2,775,844	(3,257,677)	2,775,844
Total	$ 44,209,104	$ 42,230,025	$ (15,336,996)	$ 13,676,010

Since the Board does not own any school buildings, any new buildings they construct or improvements they make are not capitalized, rather they are written off as expenses. The City capitalizes these costs. The fiscal year 2018 debt service expense includes the School Board's payment to the City to retire the principal and interest on the City's bonds issued for school purposes.

Financial Analysis of the Board's Funds

Governmental Funds

As discussed, governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of $23,315,559. Of this year-end total, $19,277,272 is unassigned indicating availability for continuing Board service requirements. $1,051,345 is legally restricted for specific program purposes, $233,197 is assigned for specific purposes and $2,668,739 is committed for program.

The total ending fund balances of governmental funds show an increase of $1,850,256 or 8.6% below the prior years' amount.

Major Governmental Funds

General Fund - The general fund is the School Board's primary operating fund and the largest source of day-to-day service delivery. The general fund's fund balance increased $2,138,554 or 11.4%. This change compares to the general fund's fund balance which increased by $3,466,085 or 22.8% in fiscal year 2017.

Total general fund revenues increased $495,621 or 1.5%. General fund local revenues increased $396,375 or 2.9% as explained above.

Total state aid increased $1,147,256 or 6% as the Governor budgeted a 2% salary increase for certified personnel with an associated benefit increase, there was a reduction in the austerity reduction and the School District received a Vocational CREQ Grant.

Federal aid for E-Rate decreased $255,260 as the School District did not have as many qualifying purchases/projects in fiscal year 2018.

Instruction expenditures were $431,107 or 2.2% over the fiscal year 2017 amount. In fiscal year 2018 all employees received a 2% salary increase along a related cost in related employee benefits.

Improvement of instructional services increased $140,912 or 9.7%. This increase relates to a 2% salary increase along a related cost in related employee benefits and a new web-based software was implemented. Media costs increased $32,155 or 9% for the same reasons as the increase for improvement of instructional services.

Business administration expenditures increased $81,193 or 17%. This increase relates to a 2% salary increase along a related cost in related employee benefits and the School District contracted with a new firm to help with different benefit responsibilities, such as ACA reporting.

Student transportation expenditures increased $114,236 or 13% above the fiscal year 2017 amount due to a 2% salary increase along a related cost in related employee benefits and more extensive bus repairs.

In fiscal year 2018, revenues and net transfers in exceeded expenditures and by transfers out by $2,138,554. In fiscal year 2017, expenditures and net transfers exceeded revenues by $3,466,085. The General Fund's ending unassigned fund balance is considered adequate, representing the equivalent of 58.7% of annual expenditures. The unassigned fund balance was 51.5% in the prior year.

School Food Service Fund - In fiscal year 2018, revenues exceeded expenditures by $52,602 compared to $259,142 in fiscal year 2017. Revenues increased $65,602 or 2.4% over fiscal year 2017 and expenditures increased $141,478 or 5.8%. over the prior year.

Debt Service Fund – This fund reports the School Board's share of the special purpose local option sales taxes, which are forwarded to the City of Calhoun to cover their debt service costs for school buildings. Revenues increased by $480,583 in the current fiscal year. Revenues plus transfers in and expenditures equaled for the last eight years.

SPLOST Capital Project Fund – This fund is being financed by the State of Georgia and proceeds for the City's sale of bonds. Local revenues included transfers from the City of Calhoun from the proceeds of the Series 2012 bond funds for construction payments.

The fiscal year 2018 expenditures were $2,290,272 which included the renovation of the auditorium and construction of the STEM/COLA Building. Fund balance at June 30, 2018 was zero.

General Fund Budgetary Highlights

The revenue budget was amended upward by $398,192. Local revenues exceeded the final budget by $225,621. State revenues exceeded the budget by $547,922, as the School District does not budget for amendments in state revenues.

The expenditure side of the original budget for the general fund was revised upward by $344,128 or just 1.1%.

Capital Assets and Debt Administration

Capital Assets

The Board's investment in capital assets, net of accumulated depreciation, for governmental activities as of June 30, 2018, was $3,296,814. See Note 3-D for additional information about changes in capital assets during the fiscal year and outstanding at the end of the year.

The following table provides a summary of capital asset activity.

	2018	2017
Depreciable assets:		
Equipment	$ 4,463,938	$ 4,424,503
Food service equipment	1,381,630	1,319,598
Computer equipment	556,246	556,246
School buses	1,740,385	1,866,484
Other vehicles	101,048	101,048
Total depreciable assets	8,243,247	8,267,879
Less accumulated depreciation	4,946,433	4,538,671
Book value - depreciable assets	$ 3,296,814	$ 3,729,208
Percentage depreciated	60%	55%
Total capital assets	$ 3,296,814	$ 3,729,208

At June 30, 2018, the depreciable capital assets for governmental activities were 60% depreciated. This compares to 55% on June 30, 2017.

The additions to food service equipment of $62,032 included the cost of two service lines ($48,006) and the cost of a convection steamer ($14,026).

Long-term Debt

The Board's compensated absence liability increased just $13,875 or 11.4%. Note 3-F provides additional information.

Economic Conditions Affecting the Board

The Board has all the power and authority to manage the public schools of the City of Calhoun as is provided to county boards of education in the Constitution of Georgia and the acts of the General Assembly of Georgia. The Board is fiscally dependent upon the City of Calhoun because the Mayor and City Council must approve the Board's annual budget, levy the necessary taxes for the Board, and issue general obligation debt for the Board.

The Board serves all the area within the City of Calhoun. Approximately 23% of the School System's students are classified as non-residents; most of these reside in unincorporated Gordon County. Funds for the general maintenance and operation of the School System are derived from local, state, and federal sources. Local revenues consist primarily of ad valorem property taxes collected within the City. The other major revenue stream is state aid provided by the State of Georgia.

Since the Board receives most its revenues from the State of Georgia, the State's continuing slow economic recovery and the withholding of funds earned by the System, austerity reductions, negatively influences the Board's financial position.

The City is the county seat of Gordon County, and is in the northwest section of Georgia. Gordon County's private employers are heavily concentrated in the carpet and carpet support industries. The public employers consist of the City, the School Board and the County government. The School Board is the third largest public employer in Gordon County.

The fiscal year 2019 budget continues the system's emphasis on Excellence in Academics, Arts, and Athletics. The estimated Ad Valorem Tax Digest decreased by 4.3% in 2018. In addition to the declining digest, other major challenges included escalating health care and retirement costs, continued austerity reductions by the state, increased cost to transport students, increased salary and benefits cost, and potential cuts to federal title programs.

Contacting the Board's Financial Management

This financial report is designed to provide a general overview of the Board's finances, comply with finance-related laws and regulations, and demonstrate the Board's commitment to public accountability. If you have, questions about this report or would like to request additional information, contact the Board's Chief Financial Officer at 380 Barrett Road, Calhoun, GA 30701.

City of Calhoun Board of Education, Georgia
Comparative Statements of Net Position
June 30, 2018
(With Comparative Totals at June 30, 2017)

	Governmental Activities	
	2018	Restated 2017
Assets		
Current Assets		
Cash and cash equivalents	$ 23,763,869	$ 22,199,686
Receivables:		
Accounts	10,819	1,614
Intergovernmental	3,944,001	3,544,703
Primary government	226,240	729,927
Inventory	79,080	65,983
Prepaid items	7,236	1,560
Total Current Assets	28,031,245	26,543,473
Noncurrent Assets		
Capital Assets		
Depreciable, net	3,296,814	3,729,208
Deferred Outflows of Resources	6,824,220	10,392,069
Total Assets and Deferred Outflows of Resources	38,152,279	40,664,750
Liabilities		
Current Liabilities		
Accounts payable	281,352	420,311
Construction contracts payable	-	559,774
Retainge payable	-	150,514
Accrued salaries and wages payable	3,921,071	3,658,728
Compensated absences payable	101,535	91,129
Due to primary government	310,873	257,473
Unearned revenue	202,390	31,370
Total Current Liabilities	4,817,221	5,169,299
Long-Term Liabilities (net of current portion):		
Compensated absences payable	33,845	30,376
Net pension liability payable	29,102,548	32,340,923
OPEB liability payable	26,681,576	29,384,477
Total Long-Term Liabilities	55,817,969	61,755,776
Deferred Inflows of Resources	4,096,929	1,061,480
Total Liabilities and Deferred Inflows of Resources	64,732,119	67,986,555
Net Position		
Net investment in capital assets	3,296,814	3,018,920
Restricted for school nutrition program	1,051,345	1,015,486
Restricted for capital outlay	-	397,074
Unrestricted (deficit)	(30,927,999)	(31,753,285)
Total Net Position	$ (26,579,840)	$ (27,321,805)

See accompanying notes to the basic financial statements

City of Calhoun Board of Education, Georgia
Statement of Activities
For the Year Ended June 30, 2018

Function/Program	Expenses	Program Revenues: Charges for Services and Sales	Program Revenues: Operating Grants, Contributions and Interest	Program Revenues: Capital Grants, Contributions and Interest	Net (Expense) Revenue and Changes in Net Position: Governmental Activities
Primary Government					
Governmental Activities					
Instruction	$ 25,614,807	$ 307,722	$ 19,476,844	$ 1,083,786	$ (4,746,455)
Pupil	1,937,847	543,225	253,763	-	(1,140,859)
Improvement of instructional services	2,020,086	894	394,397	-	(1,624,795)
Instructional staff training	195,538	372	91,151	-	(104,015)
Media	433,329	30,581	445,040	-	42,292
General administration	474,308	-	624,509	-	150,201
Federal grant administration	12,605	-	12,605	-	-
School administration	1,799,734	29,406	811,399	-	(958,929)
Business administration	570,753	30,819	2,757	-	(537,177)
Operations and maintenance	3,170,754	8,068	1,029,960	-	(2,132,726)
Student transportation	965,673	19,569	56,381	-	(889,723)
Central support	170,496	-	9,206	-	(161,290)
School nutrition program	2,690,113	628,696	2,027,375	-	(34,042)
Other supporting services	(36,449)	-	413	-	36,862
Community services	840,888	880,360	-	-	39,472
Enterprise operations	90,945	72,810	-	-	(18,135)
Debt service	3,257,677	-	-	-	(3,257,677)
Total Governmental Activities	$ 44,209,104	$ 2,552,522	$ 25,235,800	$ 1,083,786	(15,336,996)
		General Revenues			
		Property taxes levied for:			
		General government purposes			12,811,783
		Sales taxes			3,255,877
		Investment earnings			11,301
		Total General Revenues			16,078,961
		Change in Net Position			741,965
		Net Position Beginning of Year, as Restated			(27,321,805)
		Net Position End of Year			$ (26,579,840)

See accompanying notes to the basic financial statements

City of Calhoun Board of Education, Georgia
Balance Sheet
Governmental Funds
June 30, 2018
(With Comparative Totals at June 30, 2017)

	2018						2017
	General	School Food Service	Debt Service	SPLOST Capital Projects	Other Governmental Funds	Total Governmental Funds	Total Governmental Funds
Assets							
Cash and cash equivalents	$ 21,171,667	$ 997,372	$ -	$ 33,461	$ 1,561,369	$ 23,763,869	$ 22,199,686
Receivables:							
Accounts receivable	10,819	-	-	-	-	10,819	1,614
Intergovernmental	3,041,760	165,858	279,623	-	456,760	3,944,001	3,544,703
Due from primary government	226,240	-	-	-	-	226,240	729,927
Interfund	386,623	-	-	-	-	386,623	223,745
Inventory	-	79,080	-	-	-	79,080	65,983
Prepaid items	-	5,206	-	-	2,030	7,236	1,560
Total Assets	$ 24,837,109	$ 1,247,516	$ 279,623	$ 33,461	$ 2,020,159	$ 28,417,868	$ 26,767,218
Liabilities and Fund Balances							
Liabilities							
Accounts payable	$ 224,257	$ 631	$ -	$ 33,461	$ 23,003	$ 281,352	$ 420,311
Contracts payable	-	-	-	-	-	-	559,774
Retainage payable	-	-	-	-	-	-	150,514
Accrued salaries and wages payable	3,552,670	111,254	-	-	257,147	3,921,071	3,658,728
Unearned revenue	202,390	-	-	-	-	202,390	31,370
Due to primary government	31,250	-	279,623	-	-	310,873	257,473
Interfund payable	-	-	-	-	386,623	386,623	223,745
Total Liabilities	4,010,567	111,885	279,623	33,461	666,773	5,102,309	5,301,915
Fund Balances							
Nonspendable	-	84,286	-	-	-	84,286	67,543
Restricted	-	1,051,345	-	-	-	1,051,345	1,412,560
Committed	1,315,353	-	-	-	1,353,386	2,668,739	2,377,077
Assigned	233,917	-	-	-	-	233,917	413,232
Unassigned	19,277,272	-	-	-	-	19,277,272	17,194,891
Total Fund Balances	20,826,542	1,135,631	-	-	1,353,386	23,315,559	21,465,303
Total Liabilities and Fund Balances	$ 24,837,109	$ 1,247,516	$ 279,623	$ 33,461	$ 2,020,159	$ 28,417,868	$ 26,767,218

See accompanying notes to the basic financial statements

City of Calhoun Board of Education, Georgia
Reconciliation of the Balance Sheet of Governmental Funds
to the Government-wide Statement of Net Position
June 30, 2018

Total Governmental Fund Balances			$ 23,315,559
Amounts reported for governmental activities in the statement of net position are different because:			
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds balance sheet but are reported in the government-wide statement of net position.			
Cost of capital assets	$	8,243,247	
Less accumulated depreciation		(4,946,433)	3,296,814
Deferred outflows for pensions and OPEB reported on the government-wide statement of position but not reported on the govermental fund balance sheet.			6,824,220
Deferred inflows for pensions and OPEB reported on the government-wide statement of position but not reported on the govermental fund balance sheet.			(4,096,929)
Interfund receivables and payables between governmental funds are reported on the governmental fund's balance sheet but eliminated on the government-wide statement of net position.			
Interfund receivables	$	(386,623)	
Interfund payables		386,623	-
Liabilities not due and payable in the current period and therefore are not reported in the governmental fund balance sheets but are reported on the government-wide statement of net position.			
Net pension liability	$	(29,102,548)	
Net OPEB liability		(26,681,576)	
Compensated absences		(135,380)	(55,919,504)
Net Position Of Governmental Activities			$ (26,579,840)

See accompanying notes to the basic financial statements

City of Calhoun Board of Education, Georgia
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2018
(With Comparative Totals For The Year Ended June 30, 2017)

	2018						2017
	General	School Food Service	Debt Service	SPLOST Capital Projects	Other Governmental Funds	Total Governmental Funds	Total Governmental Funds
Revenues							
Local	$ 13,178,477	$ 628,860	$ 3,256,427	$ 1,027,084	$ 1,567,715	$ 19,658,563	$ 20,320,263
Intergovernmental - state	20,367,429	62,700	-	-	1,004,627	21,434,756	20,111,428
Intergovernmental - federal	56,707	1,948,045	-	-	1,847,126	3,851,878	4,098,530
Total Revenues	33,602,613	2,639,605	3,256,427	1,027,084	4,419,468	44,945,197	44,530,221
Expenditures							
Current:							
Instruction	20,337,250	-	-	-	2,250,038	22,587,288	21,754,757
Supporting services:							
Pupil	1,241,110	-	-	-	670,152	1,911,262	1,900,534
Improvement of instructional services	1,589,016	-	-	-	337,445	1,926,461	1,965,343
Instructional staff training	104,191	-	-	-	91,347	195,538	-
Media	390,834	-	-	-	38,201	429,035	400,519
Federal grant administration	-	-	-	-	12,605	12,605	16,245
General administration	465,375	-	-	-	-	465,375	463,962
School administration	1,691,544	-	-	-	76,938	1,768,482	1,639,950
Business administration	558,954	-	-	-	-	558,954	477,761
Operations and maintenance	2,734,295	-	-	-	2,906	2,737,201	2,660,814
Student transportation services	991,612	-	-	-	56,121	1,047,733	930,200
Central support	158,295	-	-	-	7,892	166,187	163,113
School nutrition program	28,532	2,587,003	-	-	-	2,615,535	2,497,286
Other supporting services	82,627	-	-	-	-	82,627	81,501
Community services	140,479	-	-	-	687,272	827,751	669,576
Enterprise operations	-	-	-	-	90,945	90,945	87,182
Intergovernmental	-	-	3,257,677	-	-	3,257,677	2,775,844
Capital Outlay	19,534	-	-	2,290,272	104,479	2,414,285	1,911,928
Total Expenditures	30,533,648	2,587,003	3,257,677	2,290,272	4,426,341	43,094,941	40,396,515
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,068,965	52,602	(1,250)	(1,263,188)	(6,873)	1,850,256	4,133,706
Other Financing Sources (Uses)							
Transfers in	-	-	1,250	866,114	63,047	930,411	1,456,109
Transfers out	(930,411)	-	-	-	-	(930,411)	(1,456,109)
Total Other Financing Sources (Uses)	(930,411)	-	1,250	866,114	63,047	-	-
Net Change in Fund Balances	2,138,554	52,602	-	(397,074)	56,174	1,850,256	4,133,706
Fund Balances Beginning of Year	18,687,988	1,083,029	-	397,074	1,297,212	21,465,303	17,331,597
Fund Balances End of Year	$ 20,826,542	$ 1,135,631	$ -	$ -	$ 1,353,386	$ 23,315,559	$ 21,465,303

See accompanying notes to the basic financial statements

City of Calhoun Board of Education, Georgia
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Government-wide Statement of Activities
For the Year Ended June 30, 2018

Net Changes In Fund Balances - Total Governmental Funds			$ 1,850,256
Amounts reported for governmental activities in the statement of activities are different because:			
Governmental funds report capital outlays as expenditures on the governmental fund type operating statement. However, in the government-wide statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeded capitalized capital outlay expenditures in the current period.			
	Depreciation expense	$ (699,861)	
	Capital outlay	267,467	(432,394)
Interfund transfers are reported in the governmental fund operating statement, but are eliminated in the government-wide statement of activities.			
	Transfers in	$ (930,411)	
	Transfers out	930,411	-
Other postemployment and pension expenses are reported in the government-wide statement of activities, but do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.			563,263
School District contributions subsequent to the measurement date			(1,225,285)
Compensated absences are reported in the government-wide statement of activities, but do not require the use of current financial resources and therefore are not reported as expenditures in the governmental fund operating statement.			
	Liability @ 06/30/18	$ (135,380)	
	Liability @ 06/30/17	121,505	(13,875)
Change In Net Position of Governmental Activities			$ 741,965

See accompanying notes to the basic financial statements

City of Calhoun Board of Education, Georgia
General Fund
Statement of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual (BudgetaryBasis)
For the Year Ended June 30, 2018
(With Comparative Actual Amounts for the Year Ended June 30, 2017)

	2018				2017
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Local	12,848,456	12,952,856	$ 13,178,477	$ 225,621	$ 13,574,852
Intergovernmental - state	19,582,715	19,819,507	20,367,429	547,922	19,220,173
Intergovernmental - federal	-	57,000	56,707	(293)	311,967
Total Revenues	32,431,171	32,829,363	33,602,613	773,250	33,106,992
Expenditures					
Current:					
Instruction	21,715,018	22,092,754	20,337,250	1,755,504	19,906,143
Supporting services:					
Pupil	1,363,465	1,294,030	1,241,110	52,920	1,225,457
Improvement of instruction	1,682,334	1,816,626	1,589,016	227,610	1,448,104
Instructional staff training	-	71,248	104,191	(32,943)	-
Media	393,966	393,966	390,834	3,132	358,679
General administration	485,230	490,524	465,375	25,149	463,962
School administration	1,988,839	1,696,652	1,691,544	5,108	1,601,835
Business administration	517,855	559,855	558,954	901	477,761
Operations and maintenance	3,028,508	3,047,238	2,734,295	312,943	2,657,878
Student transportation services	971,152	991,252	991,612	(360)	877,376
Central support	182,478	184,978	158,295	26,683	159,600
Other supporting services	24,951	29,801	82,627	(52,826)	81,501
School nutrition program	-	29,000	28,532	468	51,761
Community educational services	-	-	19,534	(19,534)	3,692
Facilities acquisition	-	-	140,479	(140,479)	-
Total Expenditures	32,353,796	32,697,924	30,533,648	2,164,276	29,313,749
Excess of Revenues Over Expenditures	77,375	131,439	3,068,965	2,937,526	3,793,243
Other Financing (Uses)					
Transfers out	92,262	-	(930,411)	(930,411)	(327,158)
Net Change in Fund Balances	$ 169,637	$ 131,439	2,138,554	$ 2,007,115	3,466,085
Fund Balances Beginning of Year			18,687,988		15,221,903
Fund Balances End of Year			$ 20,826,542		$ 18,687,988

See accompanying notes to the basic financial statements

City of Calhoun Board of Education, Georgia
School Food Service Fund
Statement of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2018
(With Comparative Actual Amounts for the Year Ended June 30, 2017)

	2018				2017
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Local	$ 639,305	$ 639,305	$ 628,860	$ (10,445)	$ 624,982
Intergovernmental - state	65,000	65,000	62,700	(2,300)	60,456
Intergovernmental - federal	1,950,000	2,235,500	1,948,045	(287,455)	2,019,229
Total Revenues	2,654,305	2,939,805	2,639,605	(300,200)	2,704,667
Expenditures					
Current:					
Supporting services:					
School nutrition program	2,622,503	2,787,253	2,587,003	200,250	2,445,526
Excess of Revenues Over Expenditures	$ 31,802	$ 152,552	52,602	$ (99,950)	259,142
Fund Balances Beginning of Year			1,083,029		823,887
Fund Balances End of Year			$ 1,135,631		$ 1,083,029

See accompanying notes to the basic financial statements

City of Calhoun Board of Education, Georgia
Comparative Statements of Assets and Liabilities
Agency Funds
June 30, 2018
(With Comparative Totals at June 30, 2017)

	2018	2017
Assets		
Cash and cash equivalents	$ 695,369	$ 645,538
Liabilities		
Due to others	$ 695,369	$ 645,538

See accompanying notes to the basic financial statements

Index

Summary of Significant Accounting Policies 1
- Reporting Entity 1-A
- Basis of Presentation 1-B
- Measurement Focus 1-C
- Basis of Accounting 1-D
- Assets, Liabilities and Fund Equity 1-E
  - Cash, Cash Equivalents and Investments 1-E-1
  - Receivables 1-E-2
  - Interfund Balances 1-E-3
  - Consumable Inventories 1-E-4
  - Capital Assets 1-E-5
  - Compensated Absences 1-E-6
  - Accrued Liabilities and Long-term Obligations 1-E-7
  - Deferred Outflows/Inflows of Resources 1-E-8
  - Pensions 1-E-9
  - Other Postemployment Benefits (OPEB) 1-E-10
  - Fund Equity 1-E-11
  - Interfund Activity 1-E-12
  - Estimates 1-E-13
  - Comparative Data 1-E-14

Stewardship, Compliance and Accountability 2
- Budgetary Information 2-A

Detailed Notes on All Funds 3
- Deposits and Investments 3-A
- Receivables 3-B
- Property Taxes 3-C
- Capital Assets 3-D
- Interfund Balances and Transfers 3-E
- Long-Term Debt 3-F
- Pension 3-G
- Other Post-employment Benefits 3-H
- Fund Equity 3-I

Other Notes 4
- Risk Management 4-A
- Contingent Liabilities 4-B
- On-Behalf Payments 4-C
- Property Tax Abatements 4-D
- Prior Period Adjustments 4-E

The City of Calhoun Board of Education, Georgia (the "Board") was established under the laws of the State of Georgia and operates under the guidance of a school board elected by the voters and a Superintendent, appointed by the Board. The Board provides education for grades K-12 within the city limits of the City of Calhoun, Georgia.

Note 1 - Summary of Significant Accounting Policies

The financial statements of the Board have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting.

The most significant of the Board's accounting policies are described below.

1-A. Reporting Entity

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the Board consists of all funds, departments, boards and agencies that are not legally separate from the Board.

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

Board members are elected by the public and have decision-making authority, the power to designate management, and the ability to significantly influence operations, but do not have the authority to levy taxes or incur bonded indebtedness. The Board is required to submit a budget to the City of Calhoun, Georgia City Council for approval. The City Council determines the amount of tax revenues levied for the Board. As a result, the Board is a discretely presented component unit of the City of Calhoun, Georgia.

1-B. Basis of Presentation

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

Government-wide Financial Statements - The government-wide financial statements include the statement of net position and the statement of activities. These statements report financial information for the Board. Individual funds are not displayed. Fiduciary funds are not presented within the government-wide financial statements.

The statement of net position presents the financial position of the governmental activities of the Board.

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

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

Major individual governmental funds are reported in separate columns.

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

> ***Governmental Funds*** - Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Fund liabilities are assigned to the fund from which they will be liquidated. The Board reports the difference between governmental fund assets and liabilities as fund balance. The following is the Board's major governmental fund:
>
> > ***The General Fund*** – The general fund accounts for and reports all financial resources not accounted for and reported in another fund. The general fund's fund balance is available to the Board for any purpose provided it is expended or transferred according to the general laws of Georgia.
> >
> > ***The School Food Service Fund*** – This fund is used to account for the Board's school nutrition program. The revenue sources include the sale of meals and federal meal reimbursement.
> >
> > ***The Debt Service Fund*** – This fund recognizes special purpose local option sales taxes and forwards them to the City of Calhoun, GA, who retires the debt on school buildings.
> >
> > ***SPLOST Capital Projects Fund*** - This fund accounts for the special purpose local option sales tax as authorized in 2010 and is being used primarily for constructing and equipping a new middle-high school.
>
> ***Fiduciary Funds*** – Fiduciary fund reporting focuses on changes in assets and liabilities. The Board's fiduciary funds are agency funds, which are primary student activity.

1-C. Measurement Focus

Government-wide Financial Statements - The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the Board are included on the statement of net position. The statement of activities reports revenues and expenses. The facilities and acquisitions function includes the School Board's expenses for school buildings that are owned by the City of Calhoun, Georgia.

Note 1 - Summary of Significant Accounting Policies (Continued)

Fund Financial Statements - All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the way in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the governmental fund statements.

1-D. Basis of Accounting

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

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

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

The State of Georgia reimburses the School System for teachers' salaries and operating costs through the Quality Basic Education (QBE) Formula Earnings program. State of Georgia law defines the formula driven grant that determines the cost of an academic school year and the State of Georgia's share in this cost. Generally, teachers are contracted for the school year (July 1 – June 30) and paid over a twelve-month contract period, generally September 1 through August 31. In accordance with the requirements of the enabling legislation of the QBE program, the State of Georgia reimburses the School System over the same twelve-month period in which teachers are paid, funding the academic school year expenditures. At June 30, the amount of teachers' salaries incurred but not paid until July and August of the subsequent fiscal year are accrued as the State of Georgia has only postponed the final payment of their share of the cost until the subsequent appropriations for cash management purposes. By June 30 of each fiscal year, the State of Georgia has a signed appropriation that includes this final amount, which represents the State of Georgia's intent to fund this final payment. Based on guidance in GASB Statement No. 33, paragraph 74, the State of Georgia recognizes its QBE liability for the July and August salaries at June 30, and the School System recognizes the same QBE as a receivable and revenue, consistent with symmetrical recognition.

Under the modified accrual basis, the following revenue sources are considered to be susceptible to accrual: property taxes, sales taxes, and federal and state grants.

Unearned Revenue - Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied. On both the government-fund financial statements and the government-wide financial statements, cash advances on grants are reported as unearned revenues.

Note 1 - Summary of Significant Accounting Policies (Continued)

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

1-E. Assets, Liabilities and Fund Equity

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

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the Board.

Investments are stated at fair value based on quoted market prices.

Georgia law authorizes the Board to invest in the following type of obligations:

- Obligations of the State of Georgia or of any other states
- Obligations of the United States Government
- Obligations fully insured or guaranteed by the United States Government or government agency
- Obligations of any corporation of the United States Government
- Prime bankers' acceptances
- The State of Georgia local government investment pool (i.e., Georgia Fund I)
- Repurchase agreements
- Obligations of the other political subdivisions of the State of Georgia

1-E-2 Receivables

All trade and property tax receivables are reported net of an allowance for uncollectibles, where applicable.

1-E-3 Interfund Balances

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

1-E-4 Consumable Inventories

Inventories of donated food commodities used in the preparation of meals are valued at their federally assigned value. Purchased food inventories are reported at cost, on a first-in, first-out basis. Donated food commodities are recorded as revenues and expenditures at the time commodity items are received. Purchased food inventories are recorded as expenditures at the time of purchase. The inventories reported on the balance sheet are offset by classifying fund balance as Nonspendable, which indicated that these amounts do not constitute "available spendable resources" although they are a component of net current assets.

1-E-5 Capital Assets

General capital assets are those assets used by the Board to provide educational and supporting services. These assets generally result from expenditures in governmental funds. The Board reports these assets in the governmental activities column of the government-wide statement of net position but does not report these assets in the Board fund financial statements.

Note 1 - Summary of Significant Accounting Policies (Continued)

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

All land and buildings used by the Board are the property of the primary government, the City of Calhoun, Georgia. If the Board purchases or constructs any of these assets, they are recorded as expenditures in the facilities acquisition and construction function and not capitalized on the Board's statement of net position. All reported capital assets are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

Asset Class	Governmental Activities
Equipment	10 Years
Food service equipment	10 Years
Computer equipment	5 Years
School buses	10 Years
Other vehicles	5 Years

1-E-6 Compensated Absences

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

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

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

1-E-7 Accrued Liabilities and Long-term Obligations

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

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

1-E-8 Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will report a separate section for deferred outflows of resources. This separate financial statement element, represents a consumption of resources that applies to a future period(s) and therefore will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position will report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of resources that applies to a future period(s) and therefore will not be recognized as an inflow of resources (revenue) until that time.

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-9 Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the pension plan's fiduciary net position and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

1-E-10 Other Postemployment Benefits (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Georgia School Employees Postemployment Benefit Fund (School OPEB Fund) and additions to/deductions from School OPEB Fund fiduciary net position have been determined on the same basis as they are reported by School OPEB Fund. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

1-E-11 Fund Equity

Fund equity at the governmental fund financial reporting level is classified as "fund balance." Fund equity for all other reporting is classified as "net position."

Fund Balance – Generally, fund balance represents the difference between the current assets and current liabilities. In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the Board is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

Fund balances are classified as follows:

- ***Nonspendable*** – Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.

- ***Restricted*** – Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School System or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

- ***Committed*** – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the School System Board of Education through the approval of a motion. Only, the Board of Education also may modify or rescind the commitment.

- ***Assigned*** – Fund balances are reported as assigned when amounts are constrained by the School System's intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the Board of Education has authorized the School System's superintendent or designee to assign fund balances.

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

Flow Assumptions – When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the Board's policy to use restricted amounts first and then unrestricted amounts as they are needed.

Note 1 - Summary of Significant Accounting Policies (Continued)

For unrestricted amounts of fund balance, it is the Board's policy to use fund balance in the following order:

- Committed
- Assigned
- Unassigned

Net Position - Net position represent the difference between assets and liabilities. Net investment in capital assets, consists of capital assets, net of accumulated depreciation. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Board or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net position is reported as unrestricted.

The Board applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

1-E-12 Interfund Activity

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

Transfers between funds reported in the governmental activities column are eliminated.

1-E-13 Estimates

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

1-E-14 Comparative Data

Comparative total data for the prior year have been presented only for individual funds in the fund financial statements and in the government-wide statement of net position, to provide an understanding of the changes in the financial position and operations of these funds. Also, certain amounts presented in the prior year data have been reclassified to be consistent with the current year's presentation.

Note 2 – Stewardship, Compliance and Accountability

2-A. Budgetary Information – The Board adopts an annual operating budget for the general fund and each special revenue fund. A project budget is adopted for each capital projects fund. The budget resolution reflects the total of each function's appropriation within each fund.

The budgets are adopted on a basis consistent with GAAP. Budgets for capital projects funds are adopted on a basis consistent with GAAP except the budget period is a project period rather than an annual period.

The legal level of control (the level at which expenditures may not legally exceed appropriations) for each adopted annual operating budget generally is the fund level for the governmental fund type. Any change in the total fund level requires approval of the school board.

However, the annual budget is prepared by fund type, fund, function, and object.

Note 2 – Stewardship, Compliance and Accountability (Continued)

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

Note 3 - Detailed Notes on All Funds

3-A. Deposits and Investments

Deposits – The Official Code of Georgia Annotated (OCGA) Section 45-8-12 provides that there shall not be on deposit at any time in any depository for a time longer than ten days a sum of money which has not been secured by surety bond, by guarantee of insurance, or by collateral in an amount of not less than 110 percent of the public funds being secured after the deduction of the amount of deposit insurance. OCGA Section 45-8-11 provides an officer holding public funds may, in his discretion, waive the requirement for security in the case of operating funds placed in demand deposit checking accounts.

Acceptable security for deposits consists of any one of or any combination of the following:

- Surety bond signed by a surety company duly qualified and authorized to transact business within the State of Georgia,
- Insurance on accounts provided by the Federal Deposit Insurance Corporation,
- Bonds, bills, notes, certificates of indebtedness or other direct obligations of the United States or of the State of Georgia,
- Bonds, bills, notes, certificates of indebtedness or other obligations of the counties or municipalities of the State of Georgia,
- Bonds of any public authority created by the laws of the State of Georgia, providing that the statute that created the authority authorized the use of the bonds for this purpose,
- Industrial revenue bonds and bonds of development authorities created by the laws of the State of Georgia, and
- Bonds, bills, notes, certificates of indebtedness, or other obligations of a subsidiary corporation of the United States government, which are fully guaranteed by the United States government both as to principal and interest and debt obligations issued by the Federal Land Bank, the Federal Home Loan Bank, the Federal Intermediate Credit Bank, the Central Bank for Cooperatives, the Farm Credit Banks, the Federal Home Loan Mortgage Association, and the Federal National Mortgage Association.

At June 30, 2018, all bank balances were covered by Federal Depository Insurance or collateral held by the pledging banks' agent in the Board's name.

Investments – The Board invests excess cash in the Local Government Investment Pool of the State of Georgia (Georgia Fund 1). Funds included in the State Treasurer's Investment Pool are not required to be collateralized. The pool is regulated by the oversight of the Georgia Office of Treasury and Fiscal Services. The pool is not registered with the SEC as an investment company but does operate in a manner consistent with Rule 2a-7 of the Investment Company Act of 1940 and is considered to be a Rule 2a-7 like pool.

Credit risk, value, and interest risk at June 30, 2018 are as follows:

Credit Risk	Value	Interest Risk
AAAf rated	$ 609,527	10 day WAM

Note 3 - Detailed Notes on All Funds (Continued)

The fair value of the Board's position in the pool approximates the value of the Board's pool shares. This pool is managed under the policies included in Georgia Law (O.C.G.A. 36-83-4). The entire portfolio, including the Board's pro-rata portion, consists of collateralized certificates of deposit and Board or Board agency securities owned outright and under agreement to resale. The title to all investments, including collateral pledged to secure certificates of deposit, is held in the custody of the Director, Fiscal Division, Department of Administrative Services, State of Georgia, in accordance with Georgia law. Since these investments are not evidenced by securities that exist in physical or book entry form, they are not classified by category of credit risk.

The School Board has no specific financial policy regarding the credit risk or interest rate risk of investments.

Cash & Investment Reconciliation:

	Cash and Cash Equivalents
Fund Reporting Level:	
Governmental Funds Balance Sheet	$ 23,763,869
Statement of Fiduciary Assets and Liabilities	699,760
Total	$ 24,463,629

	Per Categorization
Deposits	$ 23,847,953
LGIP	615,676
Total	$ 24,463,629

3-B. Receivables

Receivables at June 30, 2018, consisted of intergovernmental receivables arising from grants and taxes due from the Primary Government.

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

3-C. Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. The City of Calhoun levied and billed property taxes October 2, 2017. Property taxes were payable on December 20, 2017. Liens have not been issued as of the report date. The City of Calhoun Clerk bills and collects the property taxes for the Board and remits the taxes collected to the Board.

Note 3 - Detailed Notes on All Funds (Continued)

3-D. Capital Assets

Capital asset activity for the year ended June 30, 2018, was as follows:

	Balance 7/1/2017	Additions	Deductions	Balance 6/30/2018
Governmental activities:				
Depreciable capital assets:				
Equipment	$ 4,424,503	$ 39,435	$ -	$ 4,463,938
Food service equipment	1,319,598	62,032	-	1,381,630
Computer equipment	556,246		-	556,246
School buses	1,866,484	166,000	292,099	1,740,385
Other vehicles	101,048	-	-	101,048
Total depreciable capital assets	8,267,879	267,467	292,099	8,243,247
Accumulated depreciation:				
Equipment	1,885,498	440,451	-	2,325,949
Food service equipment	650,482	124,894	-	775,376
Computer equipment	508,608	48,367	-	556,975
School buses	1,444,756	72,543	292,099	1,225,200
Other vehicles	49,327	13,606	-	62,933
Total accumulated depreciation	4,538,671	699,861	292,099	4,946,433
Governmental activities capital assets,	$ 3,729,208	$ (432,394)	$ -	$ 3,296,814

Governmental activities depreciation expense

Instruction	$ 15,372
Pupil services	1,370
Improvement of instructional services	48,367
Maintenance and operations	427,808
Transportation	75,024
School nutrition	124,894
Community education	7,026
Total governmental activities depreciation expense	$ 699,861

3-E. - Interfund Balances and Transfers

Interfund Balances - At June 30, 2018, the nonmajor governmental funds owed the general fund $386,623 to cover the cash deficits in the cash pool. Normally, these amounts are repaid in the current year.

Interfund Transfers - Interfund transfers for the year ended June 30, 2018 consisted of a transfer of $62,873 from the general fund to the lottery pre-kindergarten fund to cover the difference between revenues and expenditures, $866,114 from the general fund to the SPLOST capital projects fund to fund capital projects, $1,250 from the general fund to debt service fund and $174 from the general fund to the special education fund to cover the current year deficit.

Note 3 - Detailed Notes on All Funds (Continued)

3-F. Long-Term Debt

The Board does not have the authority to issue general long-term debt. Therefore, the only long-term debt of the Board was the compensated absences liability.

Changes in Long-term Debt - Changes in the Board's long-term obligations consisted of the following for the year ended June 30, 2018:

Governmental Activities	Outstanding 7/1/2017	Additions	Reductions	Outstanding 6/30/2018	Amounts Due in One Year	Long-term Portion
Compensated absences	$ 121,505	$ 105,004	$ 91,129	$ 135,380	$ 101,535	$ 33,845
Net pension liability payable	32,340,923	-	3,238,375	29,102,548	-	29,102,548
OPEB liability payable	29,384,477	-	2,702,901	26,681,576	-	26,681,576
Total	$ 61,846,905	$ 105,004	$ 6,032,405	$ 55,919,504	$ 101,535	$ 55,817,969

The compensated absences liability, the net pension liability payable and the OPEB liability payable will be paid from the fund from which the employees' salaries are paid, generally the general fund.

3-G. Pension

Teachers Retirement System of Georgia (TRS)

Pensions - For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Teachers Retirement System of Georgia (TRS) and additions to/deductions from this plan's fiduciary net position have been determined on the same basis as they are reported by this plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Plan Description - Substantially all teachers, administrators, and clerical personnel employed by the School System are members of TRS. TRS provides retirement and disability benefits, and death benefits to plan members and beneficiaries. Title 47 Chapter 3 of the Official Code of Georgia Annotated, assigns the authority to establish and amend benefit provisions to the TRS Board of Trustees. TRS, is a cost-sharing multiple-employer defined benefit pension plan and is administered by the TRS Board of Trustees (TRS Board). Title 47 of the O.C.G.A, which assigns the authority to establish and amend the benefit provisions to the State Legislature. TRS issues a publicly available financial report that can be obtained at www.trsga.com/publications.

Plan Benefits - TRS provides service retirement, disability retirement, and death benefits. Normal retirement benefits are determined as 2% of the average of the employee's two highest paid consecutive years of service, multiplied by the number of years of creditable service up to 40 years. An employee is eligible for normal service retirement after 30 years of creditable service, regardless of age, or after 10 years of service and attainment of age 60. Ten years of service is required for disability and death benefits eligibility. Disability benefits are based on the employee's creditable service and compensation up to the time of disability. Death benefits equal the amount that would be payable to the employee's beneficiary had the employee retired on the date of death. Death benefits are based on the employee's creditable service and compensation up to the date of death.

Note 3 - Detailed Notes on All Funds (Continued)

Funding Policy – Per Title 47 of the O.C.G.A., contribution requirements of active employees and participating employers, as actuarially determined, are established and may be amended by the TRS Board. Pursuant to O.C.G.A. §47-3-63, the employer contributions for certain full-time public-school support personnel are funded on behalf of the employer by the State of Georgia. Contributions are expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Employees were required to contribute 6.00% of their annual pay during fiscal year 2018. The school district's contractually required contribution rate for the year ended June 30, 2018 was 16.81% of annual school district payroll. District contributions to TRS were $3,053,333 for the year ended June 30, 2017.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2018, the School System reported a liability for its proportionate share of the net pension liability that reflected a reduction for support provided to the School System by the State of Georgia for certain public-school support personnel.

The amount recognized by the School System as its proportionate share of the net pension liability, the related State of Georgia support, and the total portion of the net pension liability that was associated with the School District were as follows:

District's proportionate share of the net pension liability	$	29,102,548
State of Georgia's proportionate share of the net pension liability associated with the Schoool System		377,468
Total	$	29,480,016

The net pension liability was measured as of June 30, 2017. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of June 30, 2017. An expected total pension liability as of June 30, 2017 was determined using standard roll-forward techniques. The District's proportion of the net pension liability was based on contributions to TRS during the fiscal year ended June 30, 2017. At June 30, 2017, the District's proportion was .156589%, which was a decrease of .000169% from its proportion measured as of June 30, 2016.

For the year ended June 30, 2018, the District recognized pension expense of $3,550,129 and revenue of $5,873 for support provided by the State of Georgia for certain support personnel. At June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in proportion and differences between School System contributions and proportionate share of contributions	$ 811,218	$ 704,105
Differences between expected and actual experience	1,088,615	109,830
Changes in assumptions	637,964	-
Net difference betweeen projected and actual earnings on pension plan investments	-	200,274
District contributions subsequent to the measurement date	3,053,334	-
Total	$ 5,591,131	$ 1,014,209

Note 3 - Detailed Notes on All Funds (Continued)

District contributions subsequent to the measurement date of $3,053,334 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30,	Amount
2019	$ 167,648
2020	1,544,172
2021	582,982
2022	(788,246)
2023	17,032

Actuarial assumptions: The total pension liability as of June 30, 2018 was determined by an actuarial valuation as of June 30, 2017 using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation 2.75%
Salary increases 3.25 – 9.00%, average, including inflation
Investment rate of return 7.50%, net of pension plan investment expense, including inflation

Post-retirement mortality rates were based on the RP-2000 White Collar Mortality Table for future mortality improvement projected to 2025 with the Society of Actuaries' projection scale BB (set forward one year for males) for service retirements and dependent beneficiaries. Rates of mortality in active service were based on the RP-2000 Employee Mortality Table projected to 2025 with projection scale BB.

The actuarial assumptions used in the June 30, 2017 valuation were based on the results of an actuarial experience study for the period July 1, 2009 – June 30, 2014.

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

Asset Class	Target Allocation	Expected Real Rate of Return
Fixed Income	30.00%	-0.50%
Domestic large cap. equities	39.80%	9.00%
Domestic mid cap. equities	3.70%	12.00%
Domestic small cap. equities	1.50%	13.50%
International developed market equities	19.40%	8.00%
International merging market equities	5.60%	12.00%
Total	100%	

Note 3 - Detailed Notes on All Funds (Continued)

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

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

	1% Decrease or 6.5%	Current Discount Rate 7.50%	1% Increase or 8.5%
District's Proportionate Share of the net pension liability	$ 47,760,696	$ 29,102,548	$ 13,732,428

3-H. Other Post-employment Benefits

Plan Description: Certified teachers and non-certified public school employees of the School District as defined in §20-2-875 of the Official Code of Georgia Annotated (O.C.G.A.) are provided OPEB through the School OPEB Fund - a cost-sharing multiple-employer defined benefit postemployment healthcare plan, reported as an employee trust fund and administered by a Board of Community Health (Board). Title 20 of the O.C.G.A. assigns the authority to establish and amend the benefit terms of the group health plan to the Board.

Benefits Provided: The School OPEB Fund provides healthcare benefits for retirees and their dependents due under the group health plan for public school teachers, including librarians, other certified employees of public schools, regional educational service agencies and non-certified public school employees. Retiree medical eligibility is attained when an employee retires and is immediately eligible to draw a retirement annuity from Employees' Retirement System (ERS), Georgia Judicial Retirement System (JRS), Legislative Retirement System (LRS), Teachers Retirement System (TRS) or Public School Employees Retirement System (PSERS). If elected, dependent coverage starts on the same day as retiree coverage. Medicare-eligible retirees are offered Standard and Premium Medicare Advantage plan options. Non-Medicare eligible retiree plan options include Health Reimbursement Arrangement (HRA), Health Maintenance Organization (HMO) and a High Deductible Health Plan (HDHP). The School OPEB Fund also pays for administrative expenses of the fund. By law, no other use of the assets of the School OPEB Fund is permitted.

Contributions: As established by the Board, the School OPEB Fund is substantially funded on a pay-as-you-go basis; that is, annual cost of providing benefits will be financed in the same year as claims occur. Contributions to the School OPEB Fund from the School District were $3,502,381 for the year ended June 30, 2018. Active employees are not required to contribute to the School OPEB Fund.

Note 3 - Detailed Notes on All Funds (Continued)

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB:

At June 30, 2018, the School District reported a liability of $26,681,576 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2017. The total OPEB liability used to calculate the net OPEB liability was based on an actuarial valuation as of June 30, 2016. An expected total OPEB liability as of June 30, 2017 was determined using standard rollforward techniques. The School District's proportion of the net OPEB liability was actuarially determined based on employer contributions during the fiscal year ended June 30, 2017. At June 30, 2017, the School District's proportion was .189905%, which was a decrease of .008367% from its proportion measured as of June 30, 2016. For the year ended June 30, 2018, the School District recognized OPEB expense of $1,362,197. At June 30, 2018, the School District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in proportion and differences between School System contributions and proportionate share of contributions	$ -	$ 1,050,986
Differences between expected and actual experience	-	-
Changes in assumptions	-	2,031,734
Net difference betweeen projected and actual earnings on OPEB plan investments	7,804	-
District contributions subsequent to the measurement date	1,225,285	-
Total	$ 1,233,089	$ 3,082,720

School District contributions subsequent to the measurement date of $1,225,285 are reported as deferred outflows of resources and will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30,	Amount
2019	$ (552,496)
2020	(552,496)
2021	(552,496)
2022	(552,496)
2023	(554,446)
2024	(310,486)

Note 3 - Detailed Notes on All Funds (Continued)

Actuarial Assumptions: The total OPEB liability as of June 30, 17 was determined by an actuarial valuation as of June 30, 2016 using the following actuarial assumptions and other inputs, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2017:

OPEB:

Inflation	2.75%
Salary increases	3.25% – 7.00%, average, including inflation
ERS	4.50%, including inflation
JRS	4.50%, including inflation
LRS	None
TRS	3.25 — 9.00%, including inflation
PSERS	N/A
Long-term expected rate of return	3.88%, compounded annually, net of investment expense, and including inflation
Healthcare cost trend rate	
Pre-Medicare Eligible	7.75%
Medicare Eligible	5.75%
Ultimate trend rate	
Pre-Medicare Eligible	5.00%
Medicare Eligible	5.00%
Year of Ultimate trend rate	2022

Mortality rates were based on the RP-2000 Combined Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale BB as follows:

- For TRS members: The RP-2000 White Collar Mortality Table projected to 2025 with projection scale BB (set forward 1 year for males) is used for death after service retirement and beneficiaries. The RP-2000 Disabled Mortality Table projected to 2025 with projection scale BB (set forward two years for males and four years for females) is used for death after disability retirement.

For PSERS members: The RP-2000 Blue-Collar Mortality Table projected to 2025 with projection scale BB (set forward 3 years for males and 2 years for females) is used for the period after service retirement and for beneficiaries of deceased members. The RP-2000 Disabled Mortality Table projected to 2025 with projection scale BB (set forward 5 years for both males and females) is used for the period after disability retirement.

The actuarial assumptions used in the June 30, 2016 valuation were based on the results of an actuarial experience study for the pension systems, which covered the five-year period ending June 30, 2014.

Projection of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculation.

Additionally, there was a change that affected measurement of the total OPEB liability since the prior measurement date. The methodology used to determine employee and retiree participation in the School OPEB Fund is based on their current or last employer payroll location. Current and former employees of public school districts, libraries, regional educational service agencies and community colleges are allocated to the School OPEB Fund irrespective of retirement system affiliation.

Note 3 - Detailed Notes on All Funds (Continued)

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

Asset class	OPEB Target allocation
Fixed income	
Agency	18.05%
U.S. Treasury	9.27%
Cash	70.40%
Asset Backed Securities	2.28%
Total	100.00%

Discount rate: In order to measure the total OPEB liability for the School OPEB Fund, a single equivalent interest rate of 3.58% was used as the discount rate. This is comprised mainly of the yield or index rate for 20-year tax-exempt general obligation municipal bonds with an average rating of AA or higher (3.56% per the Bond Buyers Index). The projection of cash flows used to determine the discount rate assumed that contributions from members and from the employer will be made at the current level as averaged over the last five years, adjusted for annual projected changes in headcount. Projected future benefit payments for all current plan members were projected through 2115. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be available to make OPEB payments for inactive employees through year 2029. Therefore, the calculated discount rate of 3.58% was applied to all periods of projected benefit payments to determine the total OPEB liability.

Sensitivity of the District's proportionate share of the net OPEB liability to changes in the discount rate: The following presents the School District's proportionate share of the net OPEB liability calculated using the discount rate of 3.58%, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.58%) or 1 percentage-point higher (4.58%) than the current discount rate:

	1% Decrease (2.58%)	Current Discount Rate (3.58%)	1% Increase (4.58%)
Net OPEB Liability (asset)	$ 31,679,592	$ 26,681,576	$ 22,737,129

Sensitivity of the District's proportionate share of the net OPEB liability to changes in the healthcare cost trend rates: The following presents the School District's proportionate share of the net OPEB liability, as well as what the School District's proportionate share of the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
Net OPEB Liability	$ 22,115,987	$ 26,681,576	$ 32,625,967

OPEB plan fiduciary net position: Detailed information about the OPEB plan's fiduciary net position is available in the Comprehensive Annual Financial Report (CAFR) which is publicly available at https://sao.georgia.gov/comprehensive-annual-financial-reports.

Note 3 - Detailed Notes on All Funds (Continued)

The actuarial assumptions used in the June 30, 2016 valuation were based on the results of an actuarial experience study for the pension systems, which covered the five-year period ending June 30, 2014.

Projection of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculation.

Additionally, there was a change that affected measurement of the total OPEB liability since the prior measurement date. The methodology used to determine employee and retiree participation in the School OPEB Fund is based on their current or last employer payroll location. Current and former employees of public school districts, libraries, regional educational service agencies and community colleges are allocated to the School OPEB Fund irrespective of retirement system affiliation.

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

Asset class	OPEB Target allocation
Fixed income	
Agency	18.05%
U.S. Treasury	9.27%
Cash	70.40%
Asset Backed Securities	2.28%
Total	100.00%

OPEB plan fiduciary net position: Detailed information about the OPEB plan's fiduciary net position is available in the Comprehensive Annual Financial Report (CAFR) which is publicly available at https://sao.georgia.gov/comprehensive-annual-financial-reports.

The School System's contributions to the health insurance plans for the fiscal years ended June 30, 2018, June 30, 2017, and June 30, 2016, were $3,502,381, and $3,395,551, and $3,257,514 respectively, which equaled the required OPEB cost.

Note 3 - Detailed Notes on All Funds (Continued)

3-I. Fund Equity

Fund Balances – Fund balances are classified as follows:

- ***Nonspendable*** – The following fund balances are nonspendable because they are not in spendable form:

Major Governmental Fund:	
School Food Service Fund:	
Inventory	$ 79,080
Prepaid items	5,206
Total School Food Service Fund	$ 84,286

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

Major Governmental Funds:	
School Food Service Fund:	
School nutrition program	$ 1,051,345

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

General Fund:	
Dental and Flex Plan, budget shortfall and capital projects	$ 1,315,353
Nonmajor Special Revenue Funds:	
Community education	$ 1,091,135
Lottery pre-kindergarten	14,169
Local School Activity Accounts	248,082
Total Nonmajor Special Revenue Funds	$ 1,353,386

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

General Fund:	
Capital projects	$ 233,917

Note 3 - Detailed Notes on All Funds (Continued)

Net Investment in Capital Assets - The account "net investment in capital assets" amount reported on the government-wide statement of net position as of June 30, 2018 is as follows:

Net investment in capital assets	Governmental Activities
Cost of capital assets	$ 8,243,247
Less accumulated depreciation	4,946,433
Net investment in capital assets	$ 3,296,814

Note 4 – Other Notes

4-A. Risk Management

The Board is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disaster. The School District has established a limited risk management program for Unemployment Compensation. There have been no unemployment claims in the last three years. The Board purchases commercial insurance for all other risks of loss. Settled claims have not exceeded this commercial coverage in any of the past three years.

4-B. Contingent Liabilities

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

4-C. On-Behalf Payments

The Board has recognized revenues and expenditures in the amount of $55,658 for retirement contributions paid on the Board's behalf by the following State Agencies.

Teachers Retirement System of Georgia	
For Teachers Retirement System Employer's Cost	$33,816
Office of Treasury and Fiscal Services	
Paid to the Public School Employees Retirement System	
For Public School Employees Retirement (PSERS) Employer's Cost	21,842
Total	$55,658

4-D. Property Tax Abatements

The ad valorem tax abatements for privately-used facilities or equipment serve economic development and/or job creation by employment of bond-lease transaction tax incentives as authorized by O.C.G.A. § 36-62-3 resulting from an approved and executed P.I.I.O.T. Agreement between the private business entity and the Development Authority of Gordon County (the Development Authority.")

Note 4 – Other Notes (Continued)

The Development Authority was created in accordance with the Development Authorities Law, Chapter 62 of Title 36 of the Official Code of Georgia, as a purely public charity performing an essential governmental function. Pursuant to O.C.G.A. § 36-62-3, the Development Authority is immune from taxation or assessments imposed by the state or any of its counties, municipal corporations, political subdivisions, or taxing districts for any property acquired by the authority or under its jurisdiction, control, possession, or supervision or leased by it to others, or upon its activities in the operation or maintenance of any such property or an on any income derived by the authority, and that the bonds of such authority, their transfer, and the income therefrom shall at all times be exempt from taxation within this state.

The abatements are determined on a case by case basis. The industry/commercial entity's financial stability would be taken into consideration. Their capital investment, the amount of jobs created, the amount the wage rates are above average and the creation of critical infrastructure will all be factors in determining a possible abatement.

The statutory ad valorem taxation exemptions or abatements remain in effect for the remaining duration of the approved P.I.L.O.T. Agreement, and are governed by the express language of same pending the completion of the terms of the current bond-lease transaction.

Immaterial amounts were abated pursuant to O.C.G.A. § 48-5-7.4 through conservation agreements.

The following entities, that are in excess of 10% of total abated amounts, received abatements in the current fiscal year:

Purpose	% Abated	$ Abated
Carpet Manufacturer	80%	$3,323
Food & Beverage Ingredient Flavor Co.	50%	$2,077
Carpet Manufacturer	100%	$6,434
Carpet Manufacturer	50%	$2,428

4-E. Prior Period Adjustments

The School System has implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than* Pensions in this fiscal year. These statements require the School System to restate net position at June 30, 2017 at the government-wide financial reporting level.

Total Net Position @ 6/30/2017, as previously reported	$	1,072,490
Prior Period Adjustments:		
Record School System's proportionate share of OPEB's net OPEB liability @ 6/30/2017		(29,384,477)
Record the deferral of the School System's OPEB contributions in fiscal year 2017.		990,182
Total Net Position @ 6/30/2017, as restated	$	(27,321,805)

City of Calhoun Board of Education, Georgia
Required Supplementary Information
Schedule of the School System's Proportionate Share of the Net Pension Liability
Teachers Retirement System of Georgia
For the Fiscal Years Ended June 30, 2018 - 2015

	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
School System's proportion of the net pension liability	15.658900%	15.675800%	16.283800%	16.364200%
School System's proportionate share of the net pension liability	$ 29,102,548	$ 32,340,923	$ 24,790,469	$ 20,674,008
State of Georgia's proportionate share of the net pension liability associated with the School System	377,468	590,256	434,189	379,647
Total	$ 29,480,016	$ 32,931,179	$ 25,224,658	$ 21,053,655
School System's covered-employee payroll during measurement period	$ 18,214,321	$ 17,510,253	$ 17,448,043	$ 17,001,341
School System's proportionate share of the net pension liability as a percentage of its covered-employee payroll	162%	181%	145%	124%
Plan fiduciary net position as a percentage of the total pension liability	79.33%	76.06%	81.44%	84.03%

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

City of Calhoun Board of Education, Georgia

Required Supplementary Information

Schedule of Required Contributions During Measurement Period

Teachers Retirement System of Georgia

For the Fiscal Year Ended June 30, 2018

Fiscal Year Ended	Contractually Required Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
June 30, 2016	$ 2,498,618	$ 2,498,618	$ -	$ 17,510,255	14.27%
June 30, 2017	2,566,197	2,566,197	-	18,214,321	14.09%
June 30, 2018	3,053,333	3,053,333	-	18,163,411	16.81%

Notes to Required Supplementary Information

Changes of assumptions - In 2010 and later, the expectation of retired life mortality was changed to the RP2000 Mortality Tables rather than the 1994 Group Annuity Mortality Table, which was used prior to 2010. In 2010, rates of withdrawal, retirement, disability and mortality were adjusted to more closely reflect actual experience. In 2010, assumed rates of salary increase were adjusted to more closely reflect actual and anticipated experience.

***Method and assumptions used in calculations of actuarially determined contributions*:** The actuarially determined contribution rates in the schedule of contributions are calculated as of June 30, three years prior to the end of the fiscal year in which contributions are reported. The following actuarial methods and assumptions were used to determine the contractually required contributions for year ended June 30, 2015 and 2016 reported in that schedule:

	Fiscal Year 2018	Fiscal Year 2016 and 2017
Valuation Date	June 30, 2017	6/30/2015 and 6/30/2016
Actuarial Cost Method	Entry Age	Entry Age
Amortization Method	Level % of Payroll, Open	Level % of Payroll, Open
Remaining Amortization Period	30 Years	30 Years
Asset Valuation Method	7 Year Smoothed Market	7 Year Smoothed Market
Inflation Rate	3%	3%
Salary Increases	3.75-7.00%, including inflation	3.75-7.00%, including inflation
Investment Rate of Return	7.5%, net of pension plan investment expense, including inflation	7.5%, net of pension plan investment expense, including inflation

City of Calhoun Board of Education, Georgia

Required Supplementary Information

Schedule of Changes in the School District's Net OPEB Liability and Related Ratios

City of Calhoun Board of Education Other Postemployment Benefits Plan

For the Years Ended Juned 30, 2018

District's proportion of the net OPEB liability		0.1899%
District's proportionate share of the net OPEB liability (asset)	$	26,681,576
District's covered-employee payroll	$	15,605,360
District's proportionate share of the net OPEB liability (asset) as a % of its covered-employee payroll		170.98%
Plan fiduciary net position as a % of the total OPEB liability		1.61%

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

City of Calhoun Board of Education, Georgia

Required Supplementary Information

Schedule of Funding Progress

City of Calhoun Board of Education Other Postemployment Benefits Plan

For the Last Ten Fiscal Years

	Fiscal Year Ended June 30, 2018
Actuarilly Determined Contribution	$ 121,627
Contributions in Relation to the Actuarially Determined Contribution	14,319
Contribution Defiency (Excess)	$ 107,308
Covered Employee Payroll	$ 15,799,829
Contribution as a % of Covered Employee Payroll	0.09%

Notes to this Schedule:

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

City of Calhoun Board of Education, Georgia
General Fund
Comparative Balance Sheets
June 30, 2018 and 2017

	2018	2017
Assets		
Cash and investments	$ 21,171,667	$ 19,111,790
Receivables:		
Accounts	10,819	1,614
Intergovernmental	3,041,760	2,694,888
Due from primary government	226,240	242,959
Interfund	386,623	223,745
Total Assets	$ 24,837,109	$ 22,274,996
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 224,257	$ 212,367
Salaries and benefits payable	3,552,670	3,333,717
Unearned rervenue	202,390	31,370
Due to primary government	31,250	9,554
Total Liabilities	4,010,567	3,587,008
Fund Balances		
Committed	1,315,353	1,079,865
Assigned	233,917	413,232
Unassigned	19,277,272	17,194,891
Total Fund Balances	20,826,542	18,687,988
Total Liabilities and Fund Balances	$ 24,837,109	$ 22,274,996

City of Calhoun Board of Education, Georgia
General Fund
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended June 30, 2018 and 2017

	2018	2017
Revenues		
Local	$ 13,178,477	$ 13,574,852
Intergovernmental - state	20,367,429	19,220,173
Intergovernmental - federal	56,707	311,967
Total Revenues	33,602,613	33,106,992
Expenditures		
Current:		
Instruction	20,337,250	19,906,143
Supporting services:		
Pupil	1,241,110	1,225,457
Improvement of instruction	1,589,016	1,448,104
Instructional staff training	104,191	-
Media	390,834	358,679
General administration	465,375	463,962
School administration	1,691,544	1,601,835
Business administration	558,954	477,761
Operations and maintenance	2,734,295	2,657,878
Student transportation services	991,612	877,376
Central support	158,295	159,600
Other supporting services	82,627	81,501
School nutrition program	28,532	51,761
Community educational services	19,534	3,692
Facilities acquisition and construction	140,479	-
Total Expenditures	30,533,648	29,313,749
Excess of Revenues Over Expenditures	3,068,965	3,793,243
Other Financing (Uses)		
Transfers out	(930,411)	(327,158)
Other Financing Sources (Uses)	(930,411)	(327,158)
Net Change in Fund Balances	2,138,554	3,466,085
Fund Balances Beginning of Year	18,687,988	15,221,903
Fund Balances End of Year	$ 20,826,542	$ 18,687,988

City of Calhoun Board of Education, Georgia
School Food Service Fund
Comparative Balance Sheets
June 30, 2018 and 2017

	2018	2017
Assets		
Cash and cash equivalents	$ 997,372	$ 972,924
Intergovernmental receivable	165,858	155,355
Inventory	79,080	65,983
Prepaid items	5,206	1,560
Total Assets	$ 1,247,516	$ 1,195,822
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 631	$ -
Accrued salaries and wages payable	111,254	112,793
Total Liabilities	111,885	112,793
Fund Balances		
Nonspendable	84,286	67,543
Restricted	1,051,345	1,015,486
Total Fund Balances	1,135,631	1,083,029
Total Liabilities and Fund Balances	$ 1,247,516	$ 1,195,822

Nonmajor Governmental Funds

Nonmajor Special Revenue Funds:

Community Education Fund – Accounts for funds designated for programs sponsored by the Community Education Department. These programs include after school care, professional education for staff members, and drivers education programs for students.

Vocational Education Fund – Accounts for funds designated for use in accordance with the Carl D. Perkins Career and Technical Education Act of 2006, and state and local effort to strengthen the system's career and technical education programs.

ESEA Title I Fund – Accounts for funds designated to help ensure that all children meet challenging State academic content and student academic achievement standards.

ESEA Title II Fund – Accounts for funds designated for preparing, training, and recruiting high-quality teachers and principals. Title II also includes competitive grants to be used to enhance technology.

ESEA Title III Fund – Accounts for funds designated for serving students with limited proficiency in the English language.

ESEA Title IV Fund – Accounts for funds designated for student support and academic enrichment.

ESEA Title VI Fund - Accounts for funds designated for a broad array of local activities that support student achievement.

Individuals With Disabilities Education Act Fund - IDEA and Preschool Program – Accounts for funds designated to assist a local school system in providing special education and related service to students with disabilities.

Education of Homeless Fund – Accounts for funds designated for programs and services to ensure that each homeless child and youth has access to the same free, appropriate public education, including a public preschool education, as other children and youth.

Lottery Pre-kindergarten Fund – Accounts for funds designated for the delivery of early care and education programs that improve the quality of early learning experiences, increase school readiness, and improve overall school performance.

Local School Activity Accounts Fund - Accounts for funds used to support the system's co-curricular and extra-curricular activities.

City of Calhoun Board of Education, Georgia
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2018

	Community Education	Vocational Education	Elementary and Secondary Education					Individuals With Disabilities Education Act - IDEA and Preschool Program	Education of Homeless	Lottery Pre-kindergarten	Local School Activity Accounts	Total Nonmajor Special Revenue Funds
			Title I	Title II	Title III	Title IV	Title VI					
Assets												
Cash and cash equivalents	$ 1,128,506	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 184,781	$ 248,082	$ 1,561,369
Intergovernmental receivable	-	3,639	168,621	14,856	10,417	13,666	12,650	229,068	3,843	-	-	456,760
Prepaid items	-	2,030	-	-	-	-	-	-	-	-	-	2,030
Total Assets	$ 1,128,506	$ 5,669	$ 168,621	$ 14,856	$ 10,417	$ 13,666	$ 12,650	$ 229,068	$ 3,843	$ 184,781	$ 248,082	$ 2,020,159
Liabilities and Fund Balances												
Liabilities												
Accounts payable	$ 6,567	$ -	$ -	$ -	$ -	$ 1,529	$ -	$ 13,148	$ 1,386	$ 373	$ -	$ 23,003
Accrued salaries and wages	30,804	-	-	-	-	-	-	56,104	-	170,239	-	257,147
Interfund payable	-	5,669	168,621	14,856	10,417	12,137	12,650	159,816	2,457	-	-	386,623
Total Liabilities	37,371	5,669	168,621	14,856	10,417	13,666	12,650	229,068	3,843	170,612	-	666,773
Fund Balances												
Committed	1,091,135	-	-	-	-	-	-	-	-	14,169	248,082	1,353,386
Total Liabilities and Fund Balances	$ 1,128,506	$ 5,669	$ 168,621	$ 14,856	$ 10,417	$ 13,666	$ 12,650	$ 229,068	$ 3,843	$ 184,781	$ 248,082	$ 2,020,159

City of Calhoun Board of Education, Georgia
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2018

	Community Education	Vocational Education	Elementary and Secondary Education					Individuals With Disabilities Education Act - IDEA and Preschool Program	Education of Homeless	Lottery Pre-kindergarten	Local School Activity Accounts	Total Nonmajor Special Revenue Funds
			Title I	Title II	Title III	Title IV	Title VI					
Revenues												
Local	$ 880,360	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 687,355	$ 1,567,715
Intergovernmental - state	-	-	-	-	-	-	-	-	-	1,004,627	-	1,004,627
Intergovernmental - federal	-	39,533	861,890	89,617	55,953	21,685	80,980	651,043	46,425	-	-	1,847,126
Total Revenues	880,360	39,533	861,890	89,617	55,953	21,685	80,980	651,043	46,425	1,004,627	687,355	4,419,468
Expenditures												
Current:												
Instruction	-	21,861	514,141	47,767	33,507	21,685	52,055	513,008	15,107	1,010,589	20,318	2,250,038
Supporting services:												
Pupil	-	-	66,452	5,166	3,625	-	4,399	28,494	28,297	10,945	522,774	670,152
Improvement of instruction	-	7,158	219,094	20,567	14,430	-	19,863	53,056	2,698	579	-	337,445
Instructional staff training	-	10,514	59,081	8,199	4,373	-	4,641	4,343	-	196	-	91,347
Media	-	-	-	-	-	-	-	-	-	-	38,201	38,201
Federal grant administration	-	-	2,834	-	-	-	-	9,771	-	-	-	12,605
School administration	-	-	-	-	-	-	-	-	-	40,646	36,292	76,938
Operations and maintenance	-	-	-	-	-	-	-	-	-	-	2,906	2,906
Student transportation services	-	-	288	26	18	-	22	42,545	323	4,545	8,354	56,121
Central services	-	-	-	7,892	-	-	-	-	-	-	-	7,892
Community services	687,272	-	-	-	-	-	-	-	-	-	-	687,272
Enterprise operations	-	-	-	-	-	-	-	-	-	-	90,945	90,945
Facilities acquisition and construction services	-	-	-	-	-	-	-	-	-	-	104,479	104,479
Total Expenditures	687,272	39,533	861,890	89,617	55,953	21,685	80,980	651,217	46,425	1,067,500	824,269	4,426,341
Excess of Revenues Over Expenditures	193,088	-	-	-	-	-	-	(174)	-	(62,873)	(136,914)	(6,873)
Other Financing Sources												
Transfers in	-	-	-	-	-	-	-	174	-	62,873	-	63,047
Total Other Financing Sources	-	-	-	-	-	-	-	174	-	62,873	-	63,047
Net Change in Fund Balances	193,088	-	-	-	-	-	-	-	-	-	(136,914)	56,174
Fund Balances Beginning of Year	898,047	-	-	-	-	-	-	-	-	14,169	384,996	1,297,212
Fund Balances End of Year	$ 1,091,135	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 14,169	$ 248,082	$ 1,353,386

City of Calhoun Board of Education, Georgia
Community Education Fund
Comparative Balance Sheets
June 30, 2018 and 2017

	2018	2017
Assets		
Cash and cash equivalents	$ 1,128,506	$ 934,824
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 6,567	$ 11,647
Accrued salaries and wages payable	30,804	25,130
Total Liabilities	37,371	36,777
Fund Balances		
Committed	1,091,135	898,047
Total Liabilities and Fund Balances	$ 1,128,506	$ 934,824

City of Calhoun Board of Education, Georgia
Community Education Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2018
(With Comparative Actual Amounts for the Year Ended June 30, 2017)

	2018				2017
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Local	$ 803,905	$ 897,490	$ 880,360	$ (17,130)	$ 826,550
Expenditures					
Current:					
Supporting services					
Community services	771,162	806,703	687,272	119,431	665,884
Excess of Revenues Over Expenditures	$ 32,743	$ 90,787	193,088	$ 102,301	160,666
Fund Balances Beginning of Year			898,047		737,381
Fund Balances End of Year			$ 1,091,135		$ 898,047

City of Calhoun Board of Education, Georgia
Vocational Education Fund
Comparative Balance Sheets
June 30, 2018 and 2017

	2018	2017
Assets		
Intergovernmental receivable	$ 3,639	$ 10,383
Prepaid items	2,030	-
Total Assets	$ 5,669	$ 10,383
Liabilities		
Interfund payable	$ 5,669	$ 10,383

City of Calhoun Board of Education, Georgia
Vocational Education Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2018
(With Comparative Actual Amounts for the Year Ended June 30, 2017)

	2018				2017
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Intergovernmental - federal	$ 23,325	$ 40,627	$ 39,533	$ (1,094)	$ 42,756
Expenditures					
Current:					
Instruction	2,125	22,753	21,861	892	20,480
Supporting services:					
Improvement of instruction	21,200	7,187	7,158	29	22,276
Instructional staff training	-	10,687	10,514	173	-
Total Expenditures	23,325	40,627	39,533	1,094	42,756
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	(2)
Other Financing Sources					
Transfers in	$ -	$ -	-	-	2
Net Change in Fund Balances	$ -	$ -	-	$ -	
Fund Balances Beginning of Year			-		-
Fund Balances End of Year			$ -		$ -

City of Calhoun Board of Education, Georgia
ESEA Title I Fund
Comparative Balance Sheets
June 30, 2018 and 2017

	2018	2017
Assets		
Intergovernmental receivable	$ 168,621	$ 101,910
Liabilities		
Accounts payable	$ -	$ 7,022
Interfund payable	168,621	94,888
Total Liabilities	$ 168,621	$ 101,910

City of Calhoun Board of Education, Georgia
ESEA Title I Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2018
(With Comparative Actual Amounts for the Year Ended June 30, 2017)

	2018				2017
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Intergovernmental - federal	$ -	$ 953,488	$ 861,890	$ (91,598)	$ 804,866
Expenditures					
Current:					
Instruction	-	932,954	514,141	418,813	379,521
Supporting services:					
Pupil services	-	11,340	66,452	(55,112)	100,540
Improvement of instruction	-	-	219,094	(219,094)	318,968
Instruction staff training	-	-	59,081	(59,081)	-
Federal grant administration	-	9,194	2,834	6,360	5,837
Student transportation services	-	-	288	(288)	-
Total Expenditures	-	953,488	861,890	91,598	804,866
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ -	$ -	-	$ -	-
Fund Balances Beginning of Year			-		-
Fund Balances End of Year			$ -		$ -

City of Calhoun Board of Education, Georgia
ESEA Title II Fund
Comparative Balance Sheets
June 30, 2018 and 2017

	2018	2017
Assets		
Intergovernmental receivable	$ 14,856	$ 8,328
Liabilities		
Accrued salaries and wages payable	$ -	$ 539
Interfund payable	14,856	7,789
Total Liabilities	$ 14,856	$ 8,328

City of Calhoun Board of Education, Georgia
ESEA Title II Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2018
(With Comparative Actual Amounts for the Year Ended June 30, 2017)

	2018				2017
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Intergovernmental - federal	$ -	$ 109,191	$ 89,617	$ (19,574)	$ 63,663
Expenditures					
Current:					
Instruction	-	82,764	47,767	34,997	28,551
Supporting services:					
Pupil services	-	-	5,166	(5,166)	7,105
Improvement of instructional services	-	4,225	20,567	(16,342)	24,494
Instruction staff training	-	-	8,199	(8,199)	-
Federal grant administration	-	3,754	-	3,754	-
Student transportation services	-	-	26	(26)	-
Central services	-	18,448	7,892	10,556	3,513
Total Expenditures	-	109,191	89,617	19,574	63,663
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ -	$ -	-	$ -	-
Fund Balances Beginning of Year			-		-
Fund Balances End of Year			$ -		$ -

City of Calhoun Board of Education, Georgia
ESEA Title III Fund
Comparative Balance Sheets
June 30, 2018 and 2017

	2018	2017
Assets		
Intergovernmental receivable	$ 10,417	$ 6,306
Liabilities		
Interfund payable	$ 10,417	$ 6,306

City of Calhoun Board of Education, Georgia
ESEA Title III Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2018
(With Comparative Actual Amounts for the Year Ended June 30, 2017)

	2018				2017
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Intergovernmental - federal	$ -	$ 67,429	$ 55,953	$ (11,476)	$ 72,774
Expenditures					
Current:					
Instruction	-	58,059	33,507	24,552	32,611
Supporting services:					
Pupil services	-	-	3,625	(3,625)	6,527
Improvement of instructional services	-	9,370	14,430	(5,060)	33,636
Instruction staff training	-	-	4,373	(4,373)	-
Student transportation services		-	18	(18)	-
Total Expenditures	-	67,429	55,953	11,476	72,774
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ -	$ -	-	$ -	-
Fund Balances Beginning of Year			-		-
Fund Balances End of Year			$ -		$ -

City of Calhoun Board of Education, Georgia
ESEA Title IV Fund
Comparative Balance Sheets
June 30, 2018 and 2017

	2018	2017
Assets		
Intergovernmental receivable	$ 13,666	$ -
Liabilities		
Accounts payable	$ 1,529	$ -
Interfund payable	12,137	-
Total Liabilities	$ 13,666	$ -

City of Calhoun Board of Education, Georgia
ESEA Title IV Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2018
(With Comparative Actual Amounts for the Year Ended June 30, 2017)

	2018				2017
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Intergovernmental - federal	$ -	$ 21,685	$ 21,685	$ -	$ -
Expenditures					
Current:					
Instruction	-	21,685	21,685	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ -	$ -	-	$ -	-
Fund Balances Beginning of Year			-		-
Fund Balances End of Year			$ -		$ -

City of Calhoun Board of Education, Georgia
ESEA Title VI Fund
Comparative Balance Sheets
June 30, 2018 and 2017

	2018	2017
Assets		
Intergovernmental receivable	$ 12,650	$ 9,949
Liabilities		
Interfund payable	$ 12,650	$ 9,949

City of Calhoun Board of Education, Georgia
ESEA Title VI Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2018
(With Comparative Actual Amounts for the Year Ended June 30, 2017)

	2018				2017
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Intergovernmental - federal	$ -	$ 84,208	$ 80,980	$ (3,228)	$ 89,320
Expenditures					
Current:					
Instruction	-	81,856	52,055	29,801	42,783
Supporting services:					
Pupil services:	-	2,352	4,399	(2,047)	10,447
Improvement of instructional services	-	-	19,863	(19,863)	36,090
Instructional staff training	-	-	4,641	(4,641)	-
Student transportation services	-	-	22	(22)	-
Total Expenditures	-	84,208	80,980	3,228	89,320
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ -	$ -	-	$ -	-
Fund Balances Beginning of Year			-		-
Fund Balances End of Year			$ -		$ -

City of Calhoun Board of Education, Georgia
IDEA and Preschool Program Fund
Comparative Balance Sheets
June 30, 2018 and 2017

	2018	2017
Assets		
Intergovernmental receivable	$ 229,068	$ 147,133
Liabilities		
Accounts payable	$ 13,148	$ 2,585
Accrued salaries and wages payable	56,104	59,959
Interfund payable	159,816	84,589
Total Liabilities	$ 229,068	$ 147,133

City of Calhoun Board of Education, Georgia
IDEA and Preschool Program Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2018
(With Comparative Actual Amounts for the Year Ended June 30, 2017)

	2018				2017
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Intergovernmental - federal	$ 668,557	$ 798,397	$ 651,043	$ (147,354)	$ 633,545
Expenditures					
Current:					
Instruction	490,902	584,848	513,008	71,840	481,975
Supporting services:					
Pupil	44,714	55,891	28,494	27,397	36,963
Improvement of instruction	67,422	69,783	53,056	16,727	61,841
Instructional staff training	-	11,537	4,343	7,194	-
Federal grant administration	17,433	19,256	9,771	9,485	10,408
Student transportation services	48,086	57,257	42,545	14,712	42,358
Total Expenditures	668,557	798,572	651,217	147,355	633,545
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(175)	(174)	1	-
Other Financing Sources					
Transfers in	-	175	174	(1)	-
Net Change in Fund Balances	$ -	$ -	-	$ -	-
Fund Balances Beginning of Year			-		-
Fund Balances End of Year			$ -		$ -

City of Calhoun Board of Education, Georgia
Education of Homeless Children and Youth Fund
Comparative Balance Sheets
June 30, 2018 and 2017

	2018	2017
Assets		
Intergovernmental receivable	$ 3,843	$ 12,532
Liabilities		
Accounts payable	$ 1,386	$ 2,691
Interfund payable	2,457	9,841
Total Liabilities	$ 3,843	$ 12,532

City of Calhoun Board of Education, Georgia
Education of Homeless Children and Youth Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2018
(With Comparative Actual Amounts for the Year Ended June 30, 2017)

	2018				2017
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Intergovernmental - federal	$ 41,898	$ 46,455	$ 46,425	$ (30)	$ 39,232
Expenditures					
Current:					
Instruction	20,190	14,975	15,107	(132)	17,653
Supporting services:					
Pupil	16,311	28,917	28,297	620	18,604
Improvement of instructional services	2,550	2,240	2,698	(458)	1,102
Student transportation	2,847	323	323	-	1,873
Total Expenditures	41,898	46,455	46,425	30	39,232
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ -	$ -	-	$ -	-
Fund Balances Beginning of Year			-		-
Fund Balances End of Year			$ -		$ -

City of Calhoun Board of Education, Georgia
Lottery Pre-Kindergarten Fund
Comparative Balance Sheets
June 30, 2018 and 2017

	2018	2017
Assets		
Cash and cash equivalents	$ 184,781	$ 151,858
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 373	$ 11,099
Accrued salaries	170,239	126,590
Total Liabilities	170,612	137,689
Fund Balance		
Commited	14,169	14,169
Total Liabilities and Fund Balances	$ 184,781	$ 151,858

City of Calhoun Board of Education, Georgia
Lottery Pre-Kindergarten Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2018
(With Comparative Actual Amounts for the Year Ended June 30, 2017)

	2018				2017
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Intergovernmental - state	$ 765,507	$ 1,004,632	$ 1,004,627	$ (5)	$ 830,799
Expenditures					
Current:					
Instruction	806,069	1,012,927	1,010,589	2,338	807,536
Supporting services:					
Pupil services	-	10,946	10,945	1	12,486
Improvement of instructional services	-	580	579	1	917
Instructional staff training	-	196	196	-	-
School administration	1,700	42,141	40,646	1,495	1,161
Student transportation	-	4,549	4,545	4	4,998
Total Expenditures	807,769	1,071,339	1,067,500	3,839	827,098
Excess (Deficiency) of Revenues Over (Under) Expenditures	(42,262)	(66,707)	(62,873)	3,834	3,701
Other Financing Sources					
Transfers in	42,262	66,707	62,873	(3,834)	10,468
Net Change in Fund Balances	$ -	$ -	-	$ -	14,169
Fund Balances Beginning of Year			14,169		-
Fund Balances End of Year			$ 14,169		$ 14,169

City of Calhoun Board of Education, Georgia
Local School Activity Accounts Fund
Comparative Balance Sheets
June 30, 2018 and 2017

	2018	2017
Assets		
Cash and cash equivalents	$ 248,082	$ 384,996
Fund Balances		
Committed	$ 248,082	$ 384,996

City of Calhoun Board of Education, Georgia
Local School Activity Accounts Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2018
(With Comparative Actual Amounts for the Year Ended June 30, 2017)

	2018				2017
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Local	$ 795,170	$ 795,170	$ 687,355	$ (107,815)	$ 741,818
Expenditures					
Current:					
Instruction	6,000	6,000	20,318	(14,318)	35,107
Supporting services:					
Pupil	620,675	664,675	522,774	141,901	481,539
Media	50,000	50,000	38,201	11,799	41,840
School administration	45,000	65,000	36,292	28,708	36,954
Operations and maintenance	8,000	8,000	2,906	5,094	2,936
Student transportation services	-	-	8,354	(8,354)	3,595
Other supporting services	8,000	8,000	-	8,000	-
Enterprise operations	35,150	35,150	90,945	(55,795)	87,182
Facilities acquisition and construction	-	105,000	104,479	521	-
Total Expenditures	772,825	941,825	824,269	117,556	689,153
Excess of Revenues Over Expenditures	22,345	(146,655)	(136,914)	9,741	52,665
Other Financing Sources (Uses)					
Transfers in	40,500	90,500	-	(90,500)	-
Transfer out	(40,500)	(57,500)	-	57,500	-
Other Financing Sources (Uses)	-	33,000	-	(33,000)	-
Net Change in Fund Balances	$ 22,345	$ (113,655)	(136,914)	$ (23,259)	52,665
Fund Balances Beginning of Year			384,996		332,331
Fund Balances End of Year			$ 248,082		$ 384,996

City of Calhoun Board of Education, Georgia
Debt Service Fund
Comparative Balance Sheets
June 30, 2018 and 2017

	2018	2017
Assets		
Intergovernmental receivables	$ 279,623	$ 247,919
Liabilities		
Due to primary government	$ 279,623	$ 247,919

City of Calhoun Board of Education, Georgia
Debt Service Fund
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended June 30, 2018 and 2017

	2018	2017
Revenues		
Local	$ 3,256,427	$ 2,775,844
Expenditures		
Intergovernmental	3,257,677	2,775,844
Excess (Deficiency) of Revenues		
Over (Under) Expenditures	(1,250)	-
Other Financing Sources		
Transfers in	1,250	-
Net Change in Fund Balances	-	-
Fund Balances Beginning of Year	-	-
Fund Balances End of Year	$ -	$ -

City of Calhoun Board of Education, Georgia
SPLOST Capital Projects Fund
Comparative Balance Sheets
June 30, 2018 and 2017

	2018	2017
Assets		
Cash and cash equivalents	$ 33,461	$ 643,294
Intergovernmental receivable -state	-	150,000
Due from primary government	-	486,968
Total Assets	$ 33,461	$ 1,280,262
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 33,461	$ 172,900
Contracts payable	-	559,774
Retainage payable	-	150,514
Total Liabilities	33,461	883,188
Fund Balances		
Restricted	-	397,074
Total Liabilities and Fund Balances	$ 33,461	$ 1,280,262

City of Calhoun Board of Education, Georgia
SPLOST Capital Projects Fund
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended June 30, 2018 and 2017

	2018	2017
Revenues		
Local	$ 1,027,084	$ 1,776,217
Expenditures		
Facilities acquisition and construction	2,290,272	1,911,928
(Deficiency) of Revenues (Under) Expenditures	(1,263,188)	(135,711)
Other Financing Sources		
Transfers in	866,114	316,690
Total Other Financing Sources (Uses)	866,114	316,690
Net Change in Fund Balances	(397,074)	180,979
Fund Balances Beginning of Year	397,074	216,095
Fund Balances End of Year	$ -	$ 397,074

City of Calhoun Board of Education, Georgia
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For The Year Ended June 30, 2018

Local School Activity Accounts	Balance July 1, 2017	Additions	Deductions	Balance June 30, 2018
Assets				
Cash and cash equivalents	$ 288,290	$ 719,992	$ 675,768	$ 332,514
Liabilities				
Due to others	$ 288,290	$ 719,992	$ 675,768	$ 332,514

Calhoun Educational Foundation	Balance July 1, 2017	Additions	Deductions	Balance June 30, 2018
Assets				
Cash and cash equivalents	$ 357,248	$ 19,637	$ 14,030	$ 362,855
Liabilities				
Due to others	$ 357,248	$ 19,637	$ 14,030	362,855

Total	Balance July 1, 2017	Additions	Deductions	Balance June 30, 2018
Assets				
Cash and cash equivalents	$ 645,538	$ 739,629	$ 689,798	$ 695,369
Liabilities				
Due to others	$ 645,538	$ 739,629	$ 689,798	$ 695,369

Statistical Section

City of Calhoun Board of Education, Georgia

Introduction to the Statistical Section

(Unaudited)

The objetive of the statistical section is to present detailed information as a context for understanding this year's financial statements, note disclosures, and supplementary information. This information is unaudited.

Contents	***Exhibit #***
Financial Trends These tables contain trend information that may assist the reader in assessing the Board's current financial performance by placing it in an historical perspective.	I - VII
Revenue Capacity These tables contain information that may assist the reader in assessing the viability of the Board's two most significant "own-source" revenue sources, property taxes and sales taxes.	VIII - XIII
Debt Capacity Generally, the Board is not authorized to issue long-term debt. However, the Board may enter into capital leases that include an annual fiscal funding clause. These tables present information that may assist the reader in analyzing the affordability of the Board's current levels of outstanding debt and the Board's ability to enter into a capital lease in the future. The calculation of the legal debt margin is not applicable to the Board.	XIV - XV
Demographic and Economic Information These tables present demographic and economic information intended (1) to assist users in understanding the socioeconomic environment within which the Board operates and (2) to provide information that facilitates comparisons of financial statement information over time and among Boards.	XVI - XVII
Operating Information These tables contain service indicators that can inform one's understanding how the information in the Board's financial statements relates to the services the Board provides and the activities it performs. The Board will be expanding the disclosure of operating information in future years.	XVIII - XXII

Data Source:

Unless otherwise noted, the information in these tables is derived from the comprehensive annual financial report for the applicable year.

Exhibit I

City of Calhoun Board of Education, Georgia

Government-wide Net Position by Component (Unaudited) [1]

Last Ten Fiscal Years

(accrual basis of accounting)

	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014	Restated June 30, 2015 [3]	June 30, 2016 [3]	Restated June 30, 2017	June 30, 2018
	Amounts									
Governmental Activities										
Net investment in capital assets [2]	$ 787,489	$ 662,646	$ 540,566	$ 754,271	$ 4,508,310	$ 4,999,767	$ 7,259,322	$ 4,026,676	$ 3,018,920	$ 3,296,814
Restricted	164,044	6	455,369	1,353,012	366,546	506,984	837,646	967,402	1,412,560	1,051,345
Unrestricted	3,236,937	5,054,602	7,477,710	12,755,328	14,495,439	16,340,318	(11,190,381)	(8,577,968)	(31,753,285)	(30,927,999)
Total	$ 4,188,470	$ 5,717,254	$ 8,473,645	$ 14,862,611	$ 19,370,295	$ 21,847,069	$ (3,093,413)	$ (3,583,890)	$ (27,321,805)	$ (26,579,840)
Total Percentage Change From Prior Year	-19.1%	36.5%	48.2%	75.4%	30.3%	12.8%	-114.2%	15.9%	662.4%	-3%
	Percentage of Total									
Governmental Activities										
Net investment in capital assets [2]	18.80%	11.59%	6.38%	5.08%	23.27%	22.89%	-234.67%	-112.35%	-11.05%	-12.40%
Restricted	3.92%	0.00%	5.37%	9.10%	1.90%	2.32%	-27.08%	-26.99%	-5.17%	-3.96%
Unrestricted	77.28%	88.41%	88.25%	85.82%	74.83%	74.79%	361.75%	239.35%	116.22%	116.36%
Total	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Notes:

[1] Accounting standards require that net position be reported in three components in the financial statements: investment in capital assets; restricted; and unrestricted. Net position is considered restricted only when (1) an external party, such as the Georgia Department of Education or the federal government, places a restriction on how the resources may be used, or (2) enabling legislation is enacted by the Board There are no restrictions currently reported as a result of enabling legislation.

[2] The Board's land and buildings are owned by the City of Calhoun, Georgia, therefore, they are not reported in these amounts.

[3] In this fiscal year 2015 the School District inplemented GASB Statement No. 68 which required a restatement of the 6/30/2014 net position. In this fiscal year 2015 the School District inplemented GASB Statement No. 68 which required a restatement of the 6/30/2014 net position Beginning In fiscal year 2017, the School System now is recording an OPEB liability and other related OPEB deferred inflows and outflows. Fisscal year 2016 was not reststed

Data Source:

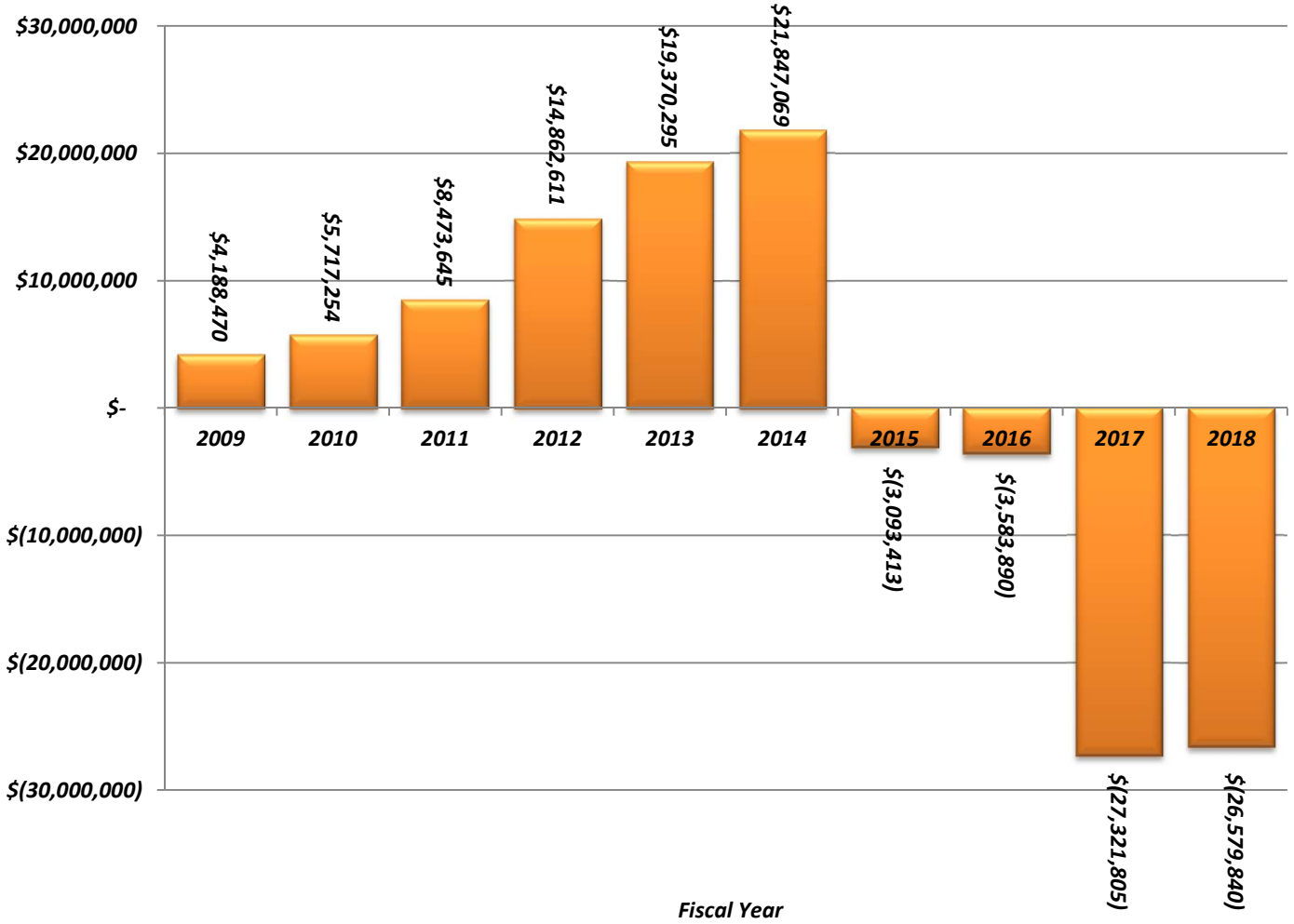
Applicable years' comprehensive annual financial report.

City of Calhoun Board of Education, Georgia

Chart-Total Government-wide Net Position

Last Ten Fiscal Years

(accrual basis of accounting)



City of Calhoun Board of Education, Georgia
Changes in Net Position - Governmental Activities (Unaudited)
Last Ten Fiscal Years
(accrual basis of accounting)

	For the Fiscal Year Ended									
	2009	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**
Expenses:										
Instruction	$ 19,091,906	$ 18,184,827	$ 17,596,864	$ 26,024,529	$ 42,648,475	$ 33,064,384	$ 25,369,164	$ 24,873,858	$ 24,690,632	$ 25,614,807
Support services										
Pupil	1,343,498	1,280,961	1,265,702	1,266,542	1,369,580	1,432,797	1,514,517	1,508,127	1,942,046	1,937,847
Improvement of instructional services	995,816	1,036,198	1,150,953	852,342	1,127,581	1,346,719	1,340,064	1,659,351	2,091,335	2,020,086
Instructional staff training	-	-	-	-	-	-	-	-	-	195,538
Media	524,107	467,280	408,714	421,924	474,711	582,165	344,689	354,108	414,416	433,329
General administration	339,109	390,913	376,186	303,211	349,440	389,657	366,730	453,750	475,952	474,308
Federal grant administration	-	-	-	107,889	109,429	56,307	18,776	27,458	18,713	12,605
School administration	1,618,073	1,307,193	1,398,898	1,397,422	1,376,588	1,551,383	1,733,468	1,589,465	1,712,445	1,799,734
Business administration	491,541	539,991	523,210	610,078	591,695	669,700	784,751	486,182	501,598	570,753
Operations and maintenance	1,917,311	1,814,777	1,854,760	1,947,591	1,987,016	2,761,006	2,973,715	3,095,462	3,081,137	3,170,754
Student transportation	525,304	572,792	597,957	712,198	800,872	770,485	731,900	827,867	845,700	965,673
Central support	438	45,374	47,432	56,598	61,525	76,139	73,904	73,936	170,714	170,496
School nutritution program[4]	2,037,831	1,970,751	1,951,579	3,632,163	2,271,292	2,440,058	2,696,769	2,557,374	2,652,014	2,690,113
Enterprise operations	-	-	-	28,089	32,285	-	-	-	-	90,945
Other supporting services	132,796	218,745	193,086	115,316	92,243	126,522	98,990	79,857	87,371	84,496
Community services	337,464	331,620	420,327	413,348	385,205	378,396	547,772	668,908	770,108	719,943
Facilities acquisition and construction[3]	775,395	202,827	335,193	-	-	-	-	-	-	-
Debt service[1]	3,270,217	2,661,165	2,515,625	2,892,598	2,901,241	2,815,099	2,879,747	2,758,360	2,775,844	3,257,677
Total Expenses	33,400,806	31,025,414	30,636,486	40,781,838	56,579,178	48,460,817	41,474,955	41,014,063	42,230,025	44,209,104
Program Revenues:										
Charges for services:										
Instruction	23,294	17,178	1,582	13,436	40,122	63,198	160,488	209,838	162,390	$ 307,722
Pupil	763,681	636,034	623,720	579,525	693,437	412,598	-	568,818	518,338	543,225
Improvement of instructional services	22	262	36,760	-	4,600	3,303	-	-	-	894
Instructional staff training	-	-	-	-	-	-	-	-	-	372
Media	24,454	44,608	46,753	45,445	56,590	39,912	-	54,248	45,037	30,581
General administration	-	-	-	-	-	4,547	-	-	-	-
Federal grant administration	-	-	-	-	-	1,207	-	-	-	-
School administration	-	82,793	100,304	103,678	41,585	101,075	-	138,473	133,622	29,406
Business administration	-	-	-	26,150	29,476	7,280	40,396	-	-	30,819
Operations and maintenance	8,384	8,022	19,142	14,139	7,743	44,079	-	459	3,160	8,068
Student transportation	-	-	-	5,488	5,044	229	-	-	-	19,569
Enterprise operations	-	-	-	-	-	125	-	-	-	72,810
Other supporting services	-	-	-	11,525	8,054	560,952	-	-	-	-
School nutritution program	651,803	585,794	554,721	552,714	550,470	27,233	620,726	657,268	624,818	628,696
Community services	386,017	395,312	471,852	454,550	395,850	467,337	553,386	709,153	826,550	880,360
Operating grants and contributions[2]	17,097,261	17,767,813	18,551,038	17,881,593	19,864,126	20,138,230	23,009,694	23,440,256	24,151,939	25,235,800
Capital grants and contributions	100,000	-	-	13,434,503	23,999,386	12,832,422	50,000	996,853	2,088,161	1,083,786
Total Program Revenues	19,054,916	19,537,815	20,405,872	33,122,746	45,696,483	34,703,727	24,434,690	26,775,366	28,554,015	28,872,108
Net (Expense) Revenue	(14,345,890)	(11,487,599)	(10,230,614)	(7,659,092)	(10,882,695)	(13,757,090)	(17,040,265)	(14,238,698)	(13,676,010)	(15,336,996)
General Revenues:										
Taxes:										
Property	10,044,093	10,298,725	10,074,116	11,057,204	12,463,445	13,405,143	12,551,463	13,286,438	13,249,885	12,811,783
Sales	3,268,549	2,661,165	2,515,625	2,892,598	2,901,241	2,815,099	2,878,697	2,757,810	2,774,244	3,255,877
Investment earnings	45,870	17,967	25,852	14,520	12,139	13,622	4,945	4,496	7,737	-
Miscellaneous	-	38,526	371,412	83,736	13,554	-	-	-	-	11,301
Total General Revenues	13,358,512	13,016,383	12,987,005	14,048,058	15,390,379	16,233,864	15,435,105	16,048,744	16,031,866	16,078,961
Change in Net Position	$ (987,378)	$ 1,528,784	$ 2,756,391	$ 6,388,966	$ 4,507,684	$ 2,476,774	$ (1,605,160)	$ 1,810,046	$ 2,355,856	$ 741,965

Notes:

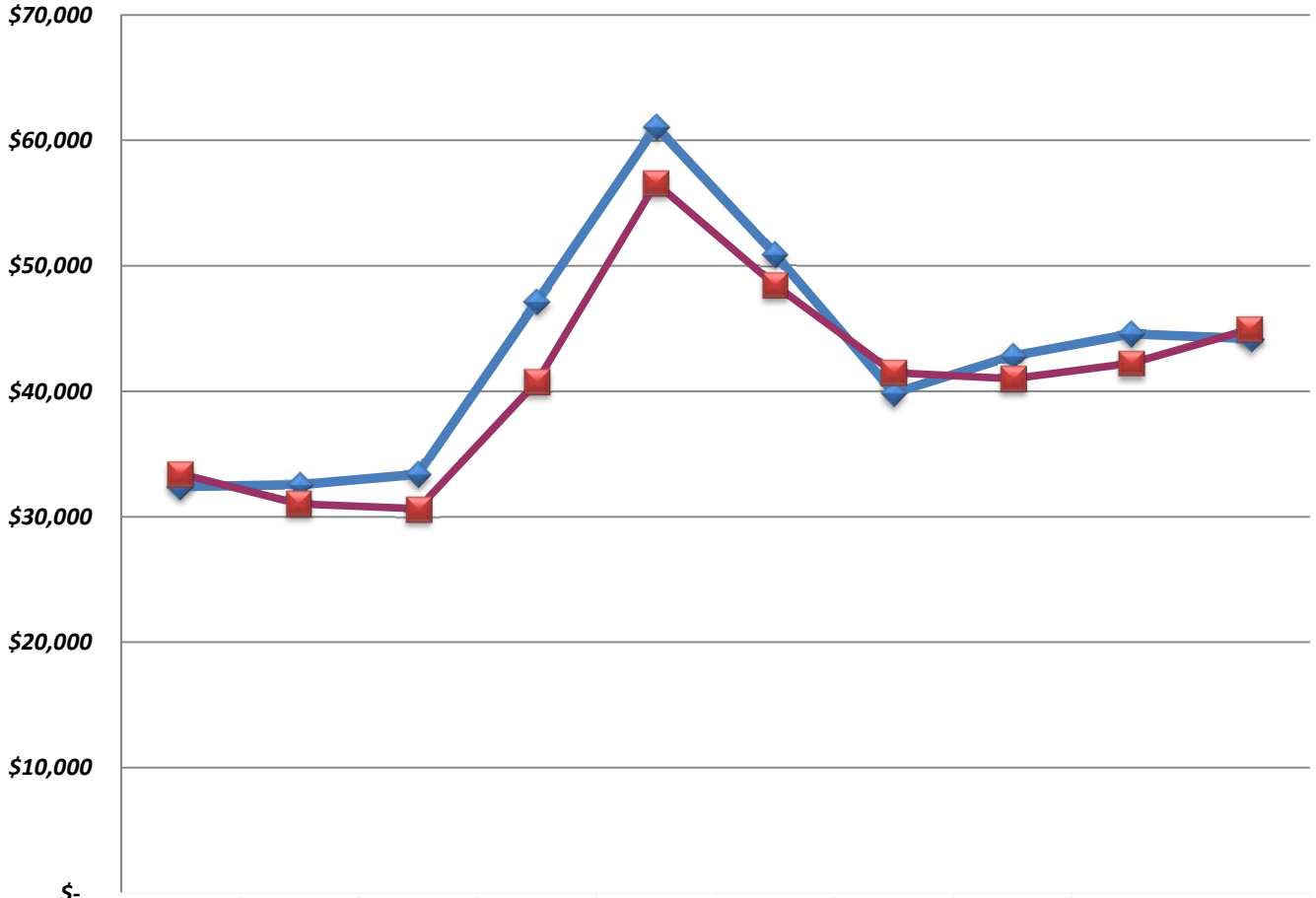
[1] This amount are the sales taxes collected by the school district and forwarded to the City of Calhoun for debt service on school bonds and interest on capital leases.

[2] In the State of Georgia, the Quality Basic Education school aid is legally restricted to specific expense functions, therefore it is reported as a program revenue.

[3] These are the amounts of capital outlay, not capitalized. There are reported under "other supporting services" at the government-wide statement of activities.

Data Source:
Applicable years' comprehensive annual financial report.

City of Calhoun Board of Education, Georgia
Chart - Governmental Fund Revenues and Expenses
(In $1,000)
Last Ten Fiscal Years



	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Revenues	$32,413	$32,554	$33,393	$47,171	$61,087	$50,938	$39,870	$42,824	$44,586	$44,209
Expenses	$33,401	$31,025	$30,636	$40,782	$56,579	$48,461	$41,475	$41,014	$42,230	$44,951

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

	For the Fiscal Year Ended									
	2009	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**
Expenses:										
Instruction	57.16%	58.61%	57.44%	63.81%	75.38%	68.23%	61.17%	60.65%	58.47%	57.94%
Support services										
Pupil	4.02%	4.13%	4.13%	3.11%	2.42%	2.96%	3.65%	3.68%	4.60%	4.38%
Improvement of instructional services	2.98%	3.34%	3.76%	2.09%	1.99%	2.78%	3.23%	4.05%	4.95%	4.57%
Instructional staff training	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.44%
Media	1.57%	1.51%	1.33%	1.03%	0.84%	1.20%	0.83%	0.86%	0.98%	0.98%
General administration	1.02%	1.26%	1.23%	0.74%	0.62%	0.80%	0.88%	1.11%	1.13%	1.07%
Federal grant administration	0.00%	0.00%	0.00%	0.26%	0.19%	0.12%	0.05%	0.07%	0.04%	0.03%
School administration	4.84%	4.21%	4.57%	3.43%	2.43%	3.20%	4.18%	3.88%	4.06%	4.07%
Business administration	1.47%	1.74%	1.71%	1.50%	1.05%	1.38%	1.89%	1.19%	1.19%	1.29%
Operations and maintenance	5.74%	5.85%	6.05%	4.78%	3.51%	5.70%	7.17%	7.55%	7.30%	7.17%
Student transportation	1.57%	1.85%	1.95%	1.75%	1.42%	1.59%	1.76%	2.02%	2.00%	2.18%
Central support	0.00%	0.15%	0.15%	0.14%	0.11%	0.16%	0.18%	0.18%	0.40%	0.39%
School nutritution program	6.10%	6.35%	6.37%	8.91%	4.01%	5.04%	6.50%	6.24%	6.28%	6.08%
Enterprise operations	0.00%	0.00%	0.00%	0.07%	0.06%	0.00%	0.00%	0.00%	0.00%	0.21%
Other supporting services	0.40%	0.71%	0.63%	0.28%	0.16%	0.26%	0.24%	0.19%	0.21%	0.19%
Community services	1.01%	1.07%	1.37%	1.01%	0.68%	0.78%	1.32%	1.63%	1.82%	1.63%
Facilities acquisition and construction	2.32%	0.65%	1.09%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Debt service[1]	9.79%	8.58%	8.21%	7.09%	5.13%	5.80%	6.93%	6.73%	6.57%	7.37%
Total Expenses	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Program Revenues:										
Charges for services:										
Instruction	0.09%	0.01%	0.04%	0.09%	0.18%	0.66%	0.78%	0.57%	0.57%	1.07%
Pupil	3.26%	3.06%	1.75%	1.52%	1.19%	0.00%	2.12%	1.82%	1.82%	1.88%
Improvement of instructional services	0.00%	0.18%	0.00%	0.01%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%
Instructional staff training	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Media	0.23%	0.23%	0.14%	0.12%	0.12%	0.00%	0.20%	0.16%	0.16%	0.11%
General administration	0.00%	0.00%	0.00%	0.00%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%
School administration	0.42%	0.49%	0.31%	0.09%	0.29%	0.00%	0.52%	0.47%	0.47%	0.10%
Business administration	0.00%	0.00%	0.00%	0.06%	0.02%	0.17%	0.00%	0.00%	0.00%	0.11%
Operations and maintenance	0.04%	0.09%	0.04%	0.02%	0.13%	0.00%	0.00%	0.01%	0.01%	0.03%
Student transportation	0.00%	0.00%	0.00%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.07%
Enterprise operations	0.00%	0.00%	0.03%	0.02%	1.62%	0.00%	0.00%	0.00%	0.00%	0.25%
Other supporting services	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School nutritution program	3.00%	2.72%	1.67%	1.20%	0.08%	2.54%	2.45%	2.19%	2.19%	2.18%
Community services	2.02%	2.31%	1.37%	0.87%	1.35%	2.26%	2.65%	2.89%	2.89%	3.05%
Operating grants and contributions[2]	90.94%	90.91%	53.99%	43.47%	58.03%	94.17%	87.54%	84.58%	84.58%	87.41%
Capital grants and contributions	0.00%	0.00%	40.56%	52.52%	36.98%	0.19%	3.71%	7.31%	7.31%	3.75%
Total Program Revenues	100.00%	100.00%	99.90%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
General Revenues:										
Taxes:										
Property	75.19%	79.12%	77.57%	78.71%	80.98%	82.58%	81.32%	82.79%	82.65%	79.68%
Sales	24.47%	20.44%	19.37%	20.59%	18.85%	17.34%	18.65%	17.18%	17.30%	20.25%
Investment earnings	0.34%	0.14%	0.20%	0.10%	0.08%	0.08%	0.03%	0.03%	0.05%	0.00%
Miscellaneous	0.00%	0.30%	2.86%	0.60%	0.09%	0.00%	0.00%	0.00%	0.00%	0.07%
Total General Revenues	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Notes:

[1] This amount are the sales taxes collected by the school district and forwarded to the City of Calhoun for debt service on school bonds.

[2] In the State of Georgia, the Quality Basic Education school aid is legally restricted to specific expense functions, therefore it is reported as a program

Data Source:

Applicable years' comprehensive annual financial report

City of Calhoun Board of Education, Georgia

Chart-Changes in Total Net Position - Governmental Activities

Last Ten Fiscal Years

(accrual basis of accounting)

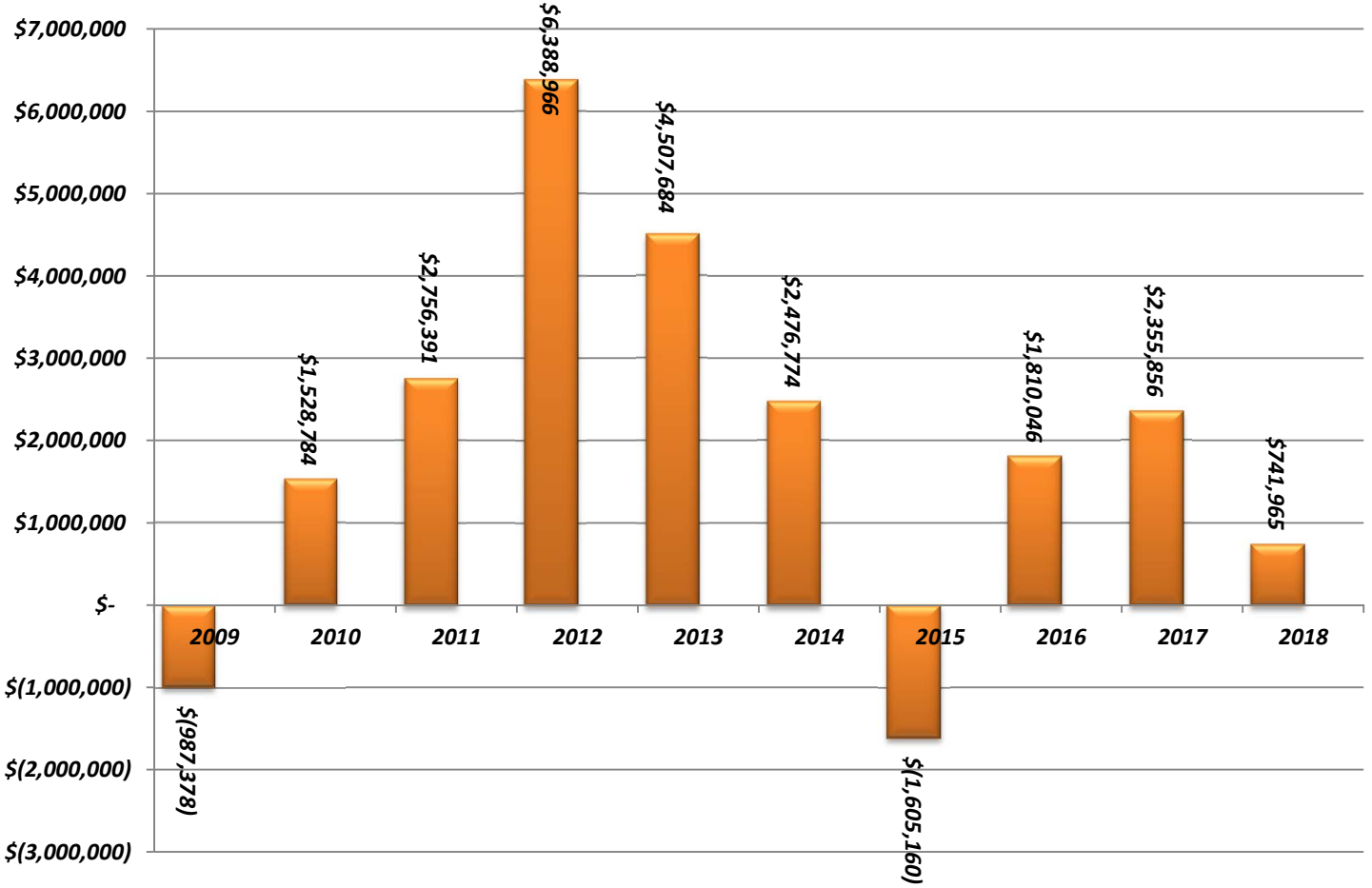


Exhibit III

City of Calhoun Board of Education, Georgia
Fund Balances - Governmental Funds (Unaudited)
Fiscal Years 2009 - 2010
(modified accrual basis of accounting)

	June 30,	
	2009	**2010**
General Fund		
Unreserved[1]	$ 2,998,613	$ 4,202,567
General Fund Percentage Change	-11.6%	40.2%
All Other Governmental Funds		
Reserved	65,679	51,133
Unreserved		
Special Revenue Funds	264,065	898,516
Capital Projects Funds	164,044	6
Subtotal All Other Governmental Funds	493,788	949,655
All Other Governmental Funds Percentage Change	-50.6%	92.3%
Total Governmental Funds		
Reserved	65,679	51,133
Unreserved	3,426,722	5,101,089
Total Governmental Funds	$ 3,492,401	$ 5,152,222
All Governmental Funds Percentage Change	-20.5%	47.5%

Notes:
The Board implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Definitions*, in Fiscal Year 2011 (See Exhibit XIIIA). The Board did not restate the prior five years.

Data Source:
Applicable years' comprehensive annual financial report.

Exhibit IIIA

City of Calhoun Board of Education, Georgia
Fund Balances - Governmental Funds
June 30, 2011 - June 30, 2018
(modified accrual basis of accounting)

	June 30,							
	2011	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**
General Fund								
Nonspendable	$ -	$ -	$ -	$ -	$ -	$ 2,971	$ -	$ -
Committed	84,436	117,814	4,981,021	4,542,031	176,700	225,946	1,079,865	1,315,353
Assigned	2,826,588	3,541,194	658,783	715,410	397,735	782,400	413,232	233,917
Unassigned	3,782,211	4,300,501	4,798,913	7,278,017	10,150,048	14,210,586	17,194,891	19,277,272
Total General Fund	$ 6,693,235	$ 7,959,509	$ 10,438,717	$ 12,535,458	$ 10,724,483	$ 15,221,903	$ 18,687,988	$ 20,826,542
General Fund Percentage Change	59.3%	18.9%	31.1%	20.1%	-14.4%	41.9%	22.8%	10.3%
All Other Governmental Funds								
Nonspendable - Special Revenue Funds	$ 54,077	$ 47,764	$ 37,094	$ 55,084	$ 41,205	$ 72,580	$ 67,543	$ 84,286
Restricted - Special Revenue Funds	401,292	604,885	363,085	506,984	548,326	751,307	1,015,486	1,051,345
Restricted - Capital Projects Funds	-	700,363	3,461	-	289,320	216,095	397,074	-
Committed - Special Revenues Funds	900,168	910,100	948,991	908,530	877,019	1,069,712	1,297,212	-
Assigned - Special Revenue Funds	-	-	-	-	-	-	-	1,353,386
Assigned - Capital Projects Funds	(5,062)	-	-	-	-	-	-	-
Subtotal All Other Governmental Funds	$ 1,350,475	$ 2,263,112	$ 1,352,631	$ 1,470,598	$ 1,755,870	$ 2,109,694	$ 2,777,315	$ 2,489,017
All Other Governmental Funds Percentage Change	0.0%	67.6%	-40.2%	8.7%	19.4%	20.2%	31.6%	-11.6%
Total Governmental Funds								
Nonspendable	$ 54,077	$ 47,764	$ 37,094	$ 55,084	$ 41,205	$ 75,551	$ 67,543	$ 84,286
Restricted	401,292	1,305,248	366,546	506,984	837,646	967,402	1,412,560	1,051,345
Committed	984,604	1,027,914	5,930,012	5,450,561	1,053,719	1,295,658	2,377,077	1,315,353
Assigned	2,826,588	3,541,194	658,783	715,410	397,735	782,400	413,232	1,587,303
Unassigned	3,777,149	4,300,501	4,798,913	7,278,017	10,150,048	14,210,586	17,194,891	19,277,272
Total Governmental Funds	$ 8,043,710	$ 10,222,621	$ 11,791,348	$ 14,006,056	$ 12,480,353	$ 17,331,597	$ 21,465,303	$ 23,315,559
All Governmental Funds Percentage Change	56.1%	27.1%	15.3%	18.8%	-10.9%	38.9%	23.9%	7.9%

Notes:

The Board implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Definitions*, in Fiscal Year 2011. The Board did not restate the prior two years.

Data Source:

Applicable years' comprehensive annual financial report.

City of Calhoun Board of Education, Georgia
Chart-Total Fund Balances - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

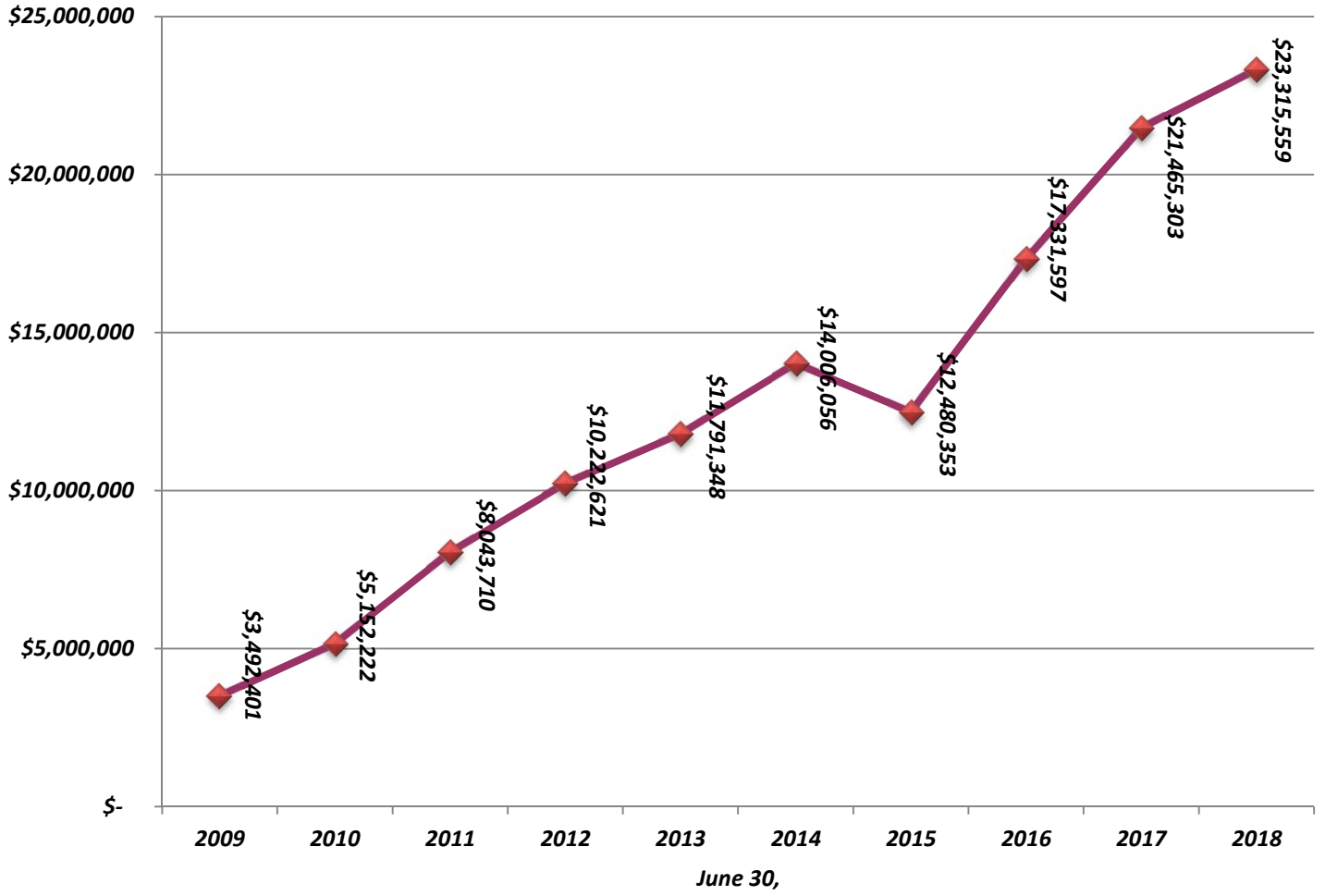


Exhibit IV

City of Calhoun Board of Education, Georgia
General Governmental Revenues by Source (Unaudited) [1]
Last Ten Fiscal Years
(modified accrual basis of accounting)

	For the Fiscal Year Ended									
	2009	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**
Revenue Source	**Amounts**									
Local revenue	$ 15,521,822	$ 14,902,115	$ 14,902,527	$ 24,562,433	$ 34,159,036	$ 25,876,601	$ 17,898,827	$ 19,455,613	$ 20,320,263	$ 19,658,563
State	13,841,262	12,568,221	14,131,914	18,982,789	22,490,673	20,606,151	18,075,705	19,190,716	20,111,428	21,434,756
Federal	3,050,344	5,083,862	4,358,436	3,625,582	4,437,153	4,454,839	3,906,074	4,151,986	4,098,530	3,851,878
Total Revenues	$ 32,413,428	$ 32,554,198	$ 33,392,877	$ 47,170,804	$ 61,086,862	$ 50,937,591	$ 39,880,606	$ 42,798,315	$ 44,530,221	$ 44,945,197
% change from prior year	-4.9%	0.4%	2.6%	41.3%	29.5%	-16.6%	-21.7%	7.3%	4.0%	0.9%
	Percentage of Total									
Local revenue	47.9%	45.8%	44.6%	52.1%	55.9%	50.8%	44.9%	45.5%	45.6%	43.7%
State	42.7%	38.6%	42.3%	40.2%	36.8%	40.5%	45.3%	44.8%	45.2%	47.7%
Federal	9.4%	15.6%	13.1%	7.7%	7.3%	8.7%	9.8%	9.7%	9.2%	8.6%
Total Revenues	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100%	100%	100%	100%

Notes:
[1] Includes all governmental fund types.

Data Source:
Applicable years' comprehensive annual financial report.

City of Calhoun Board of Education, Georgia
Chart - Total General Governmental Revenues
Last Ten Fiscal Years
(accrual basis of accounting)

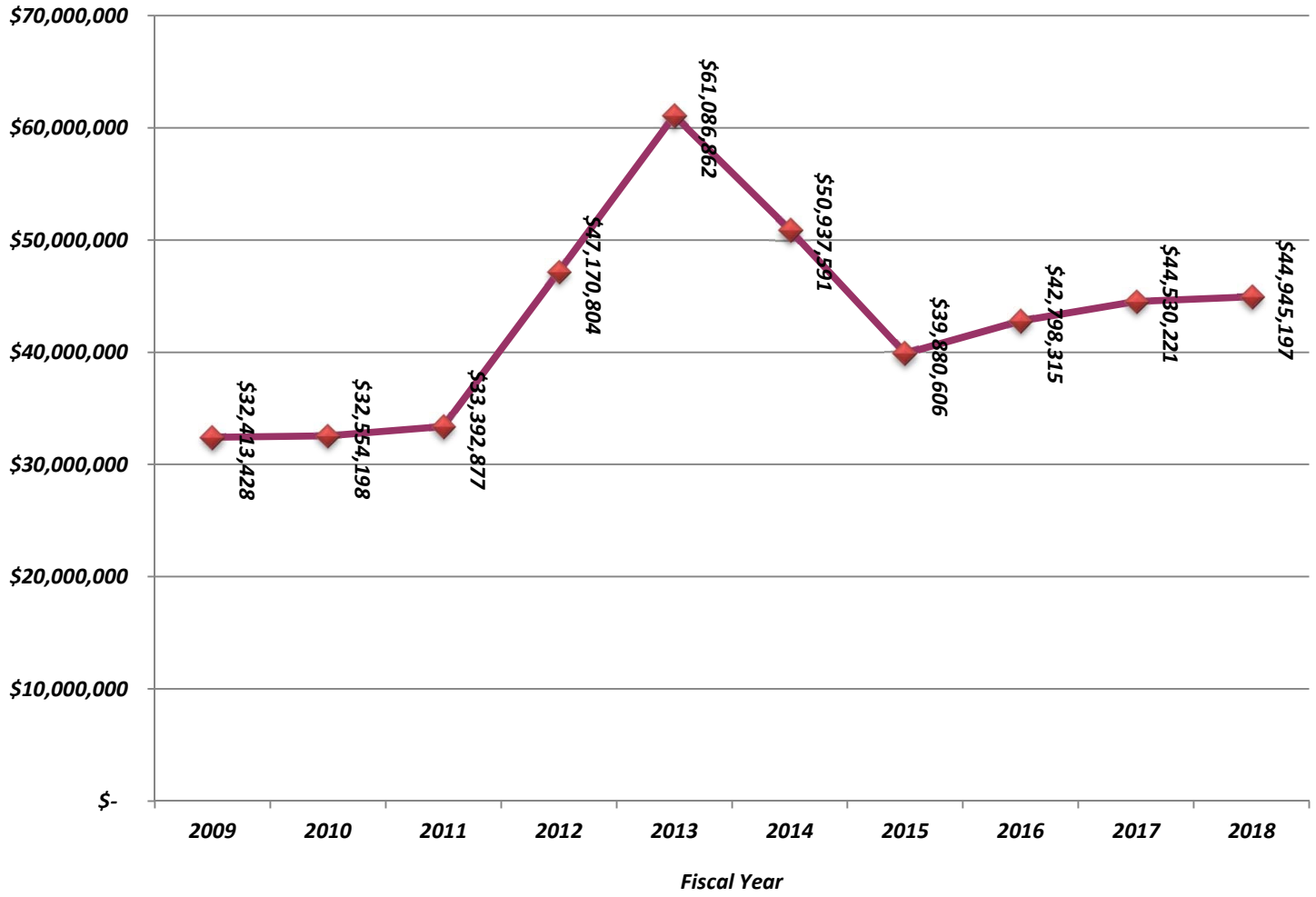


Exhibit V

City of Calhoun Board of Education, Georgia
General Governmental Expenditures by Function (Unaudited) [1]
Last Ten Fiscal Years
(modified accrual basis of accounting)

	For the Year Ended June 30,									
Function	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**
Current:										
Instruction	$ 19,088,783	$ 18,198,848	$ 17,584,846	$ 18,913,570	$ 20,638,402	$ 21,070,297	$ 21,330,469	$ 21,433,300	$ 21,754,757	$ 22,587,288
Support services										
Pupil	1,343,498	1,280,961	1,265,702	1,261,762	1,369,695	1,431,097	1,543,527	1,510,843	1,900,534	1,911,262
Improvement of instructional ser.	1,007,389	1,018,007	1,172,904	837,341	1,109,099	1,239,423	1,432,552	1,538,491	1,965,343	1,926,461
Instructional staff training	-	-	-	-	-	-	-	-	-	195,538
Media	531,072	467,280	408,714	421,924	474,711	582,165	348,063	359,173	400,519	429,035
Federal grant administration	-	-	-	107,889	109,428	56,307	19,262	20,998	16,245	12,605
General administration	338,397	390,413	373,932	302,778	346,805	389,753	370,563	460,121	463,962	465,375
School administration	1,624,535	1,314,951	1,395,767	1,383,677	1,376,411	1,545,353	1,750,073	1,591,371	1,639,950	1,768,482
Business administration	490,695	537,730	522,787	618,206	590,154	667,838	788,495	483,333	477,761	558,954
Operations and maintenance	1,918,314	1,813,768	1,854,638	1,947,627	1,981,370	2,381,861	2,579,660	2,674,293	2,660,814	2,737,201
Student transportation	492,916	469,754	504,270	836,249	708,179	787,966	649,111	867,577	930,200	1,047,733
Central support	438	40,708	44,036	55,879	59,656	72,820	75,280	80,943	163,113	166,187
School nutrition program	1,906,178	1,954,300	1,916,773	2,131,418	2,244,335	2,272,172	2,593,288	2,435,963	2,497,286	2,615,535
Other supporting services	132,796	218,745	193,086	115,316	92,243	126,522	101,397	80,564	81,501	82,627
Community services	334,215	324,920	413,116	407,203	382,832	378,742	521,668	595,536	669,576	706,806
Enterprise	-	-	-	28,089	32,285	-	28,657	105,711	87,182	90,945
Intergovernmental[2]	3,268,549	2,661,165	2,515,625	2,892,598	2,901,241	2,815,099	2,879,747	2,758,360	2,775,844	3,257,677
Total Current	32,477,775	30,691,550	30,166,196	32,261,526	34,416,846	35,817,415	37,011,812	36,996,577	38,484,587	40,559,712
% Change From Prior Year	-0.6%	-5.5%	-1.7%	6.9%	6.7%	4.1%	3.3%	0.0%	4.0%	5.4%
Capital Outlay	775,395	202,827	335,193	12,730,367	25,101,288	12,905,468	4,394,497	950,494	1,911,928	2,535,230
% Change From Prior Year	21.2%	-73.8%	65.3%	3697.9%	97.2%	-48.6%	-65.9%	-78.4%	101.2%	32.6%
Debt Service										
Principal	44,760	-	-	-	-	-	-	-	-	-
Interest and fees	1,668	-	-	-	-	-	-	-	-	-
Total Debt Service	46,428	-	-	-	-	-	-	-	-	-
% Change From Prior Year	0.0%	-100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total Expenditures	$ 33,299,598	$ 30,894,377	$ 30,501,389	$ 44,991,893	$ 59,518,134	$ 48,722,883	$ 41,406,309	$ 37,947,071	$ 40,396,515	$ 43,094,939
% Change From Prior Year	-0.1%	-7.2%	-1.3%	47.5%	32.3%	-18.1%	-15.0%	-8.4%	6.5%	6.7%
Debt Service as a % of Noncapital Expenditures	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Notes:

[1] Includes all governmental fund types.

[2] Includes a payment to the primary government, the City of Calhoun, GA for debt service on school bonds.

Data Source:

Applicable years' comprehensive annual financial report.

City of Calhoun Board of Education, Georgia
Chart-Total General Governmental Expenditures
Last Ten Fiscal Years
(accrual basis of accounting)

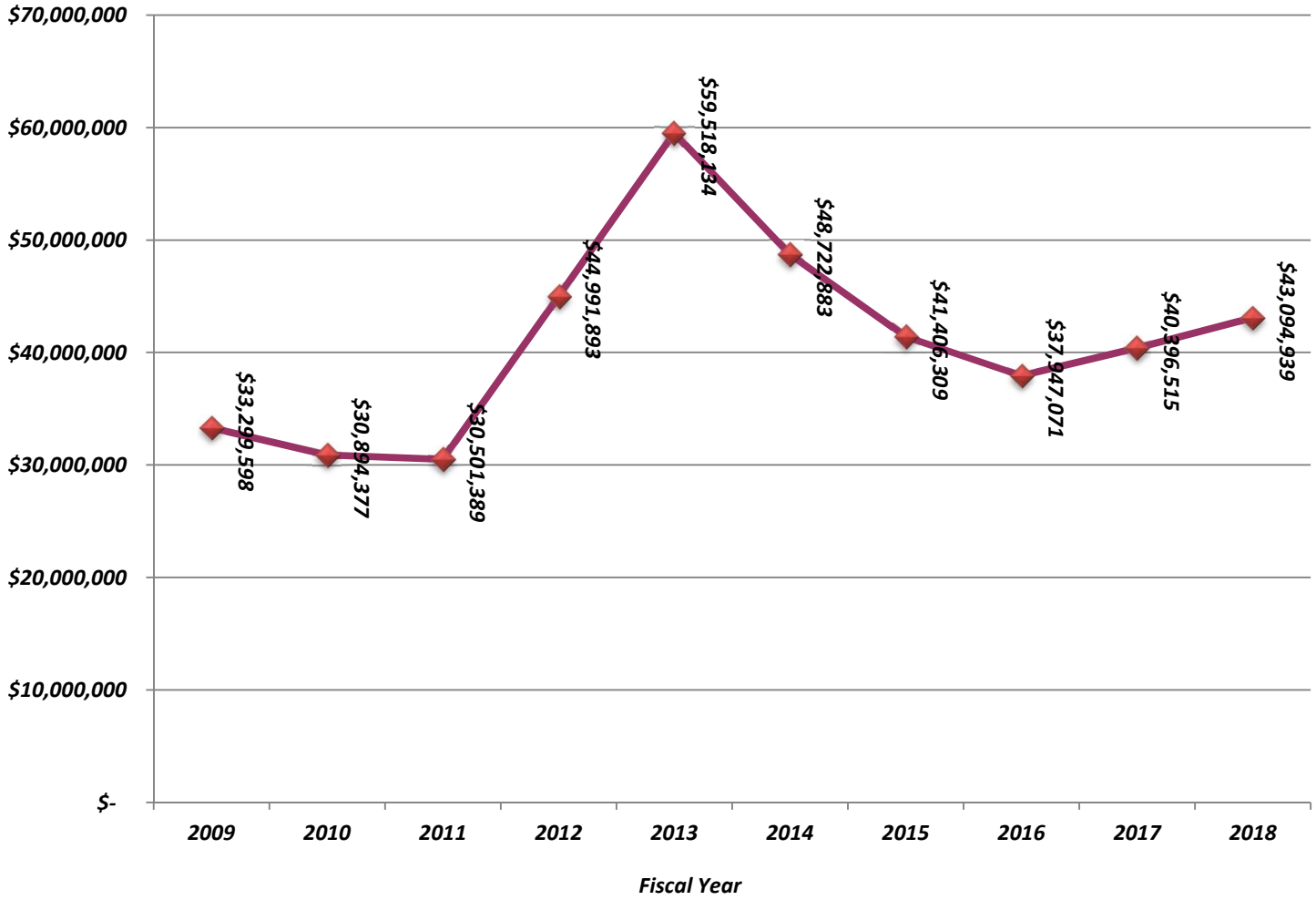


Exhibit VI

City of Calhoun Board of Education, Georgia
General Governmental Current Expenditures by Function (Unaudited) [1]
Last Ten Fiscal Years
(modified accrual basis of accounting)

	For the Fiscal Year Ended June 30,									
	2009	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**
Function	**Amounts**									
Current:										
Instruction	$ 18,198,848	$ 17,584,846	$ 18,913,570	$ 20,638,402	$ 21,070,297	$ 21,330,469	$ 21,433,300	$ 21,754,757	$ 22,587,288	$ 22,587,288
Support services:										
Pupil	1,280,961	1,265,702	1,261,762	1,369,695	1,431,097	1,543,527	1,510,843	1,900,534	1,911,262	1,911,262
Improvement of instructional ser.	1,018,007	1,172,904	837,341	1,109,099	1,239,423	1,432,552	1,538,491	1,965,343	1,926,461	1,926,461
Instructional staff training	-	-	-	-	-	-	-	-	-	195,538
Media	467,280	408,714	421,924	474,711	582,165	348,063	359,173	400,519	429,035	429,035
General administration	-	-	107,889	109,428	56,307	19,262	20,998	16,245	12,605	12,605
Federal grant administration	-	-	-	346,805	389,753	370,563	460,121	463,962	465,375	465,375
School administration	1,314,951	1,395,767	1,383,677	1,376,411	1,545,353	1,750,073	1,591,371	1,639,950	1,768,482	1,768,482
Business administration	537,730	522,787	618,206	590,154	667,838	788,495	483,333	477,761	558,954	558,954
Operations and maintenance	1,813,768	1,854,638	1,947,627	1,981,370	2,381,861	2,579,660	2,674,293	2,660,814	2,737,201	2,737,201
Student transportation	469,754	504,270	836,249	708,179	787,966	649,111	867,577	930,200	1,047,733	1,047,733
Central support	40,708	44,036	55,879	59,656	72,820	75,280	80,943	163,113	166,187	166,187
School nutrition program	1,954,300	1,916,773	2,131,418	2,244,335	2,272,172	2,593,288	2,435,963	2,497,286	2,615,535	2,615,535
Other supporting services	218,745	193,086	115,316	92,243	126,522	101,397	80,564	81,501	82,627	82,627
Community services	324,920	413,116	407,203	382,832	378,742	521,668	595,536	669,576	706,806	706,806
Enterprise	-	-	28,089	32,285	-	28,657	105,711	87,182	90,945	90,945
Intergovernmental [2]	2,661,165	2,515,625	2,892,598	2,901,241	2,815,099	2,879,747	2,758,360	2,775,844	3,257,677	3,257,677
Total Current	$ 30,301,137	$ 29,792,264	$ 31,958,748	$ 34,416,846	$ 35,817,415	$ 37,011,812	$ 36,996,577	$ 38,484,587	$ 40,364,174	$ 40,559,712
	Percentages									
Current:										
Instruction	60.1%	59.0%	59.2%	60.0%	58.8%	57.6%	57.9%	56.5%	56.0%	55.7%
Support services										
Pupil	4.2%	4.2%	3.9%	4.0%	4.0%	4.2%	4.1%	4.9%	4.7%	4.7%
Improvement of instructional ser	3.4%	3.9%	2.6%	3.2%	3.5%	3.9%	4.2%	5.1%	4.8%	4.7%
Instructional staff training	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.5%
Media	1.5%	1.4%	1.3%	1.4%	1.6%	0.9%	1.0%	1.0%	1.1%	1.1%
General administration	0.0%	0.0%	0.3%	0.3%	0.2%	0.1%	0.1%	0.0%	0.0%	0.0%
Federal grant administration	0.0%	0.0%	0.0%	0.0%	1.1%	1.0%	1.2%	1.2%	1.2%	1.1%
School administration	4.3%	4.7%	4.3%	4.0%	4.3%	4.7%	4.3%	4.3%	4.4%	4.4%
Business administration	1.8%	1.8%	1.9%	1.7%	1.9%	2.1%	1.3%	1.2%	1.4%	1.4%
Operations and maintenance	6.0%	6.2%	6.1%	5.8%	6.7%	7.0%	7.2%	6.9%	6.8%	6.7%
Student transportation	1.6%	1.7%	2.6%	2.1%	2.2%	1.8%	2.3%	2.4%	2.6%	2.6%
Central support	0.1%	0.1%	0.2%	0.2%	0.2%	0.2%	0.2%	0.4%	0.4%	0.4%
Food service operations	6.4%	6.4%	6.7%	6.5%	6.3%	7.0%	6.6%	6.5%	6.5%	6.4%
Other supporting services	0.7%	0.6%	0.4%	0.3%	0.4%	0.3%	0.2%	0.2%	0.2%	0.2%
Community services	1.2%	1.5%	1.4%	1.2%	1.1%	1.4%	1.6%	1.7%	1.8%	1.7%
Enterprise	0.0%	0.0%	0.1%	0.1%	0.0%	0.1%	0.3%	0.2%	0.2%	0.2%
Intergovernmental [2]	8.8%	8.4%	9.1%	8.4%	7.9%	7.8%	7.5%	7.2%	8.1%	8.0%
Total Current	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Notes:
[1] Includes all governmental fund types.

[2] Includes a payment to the primary government, the City of Calhoun, GA for debt service on school bonds.

Data Source:
Applicable years' comprehensive annual financial report

Exhibit VII

City of Calhoun Board of Education, Georgia
Summary of Changes in Fund Balances - Governmental Funds (Unaudited)
Last Ten Fiscal Years
(modified accrual basis of accounting)

	For the Fiscal Year Ended June 30,									
	2009	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**
Total Revenues	$ 32,413,428	$ 32,554,198	$ 33,392,877	$ 47,170,804	$ 61,086,862	$ 50,937,591	$ 39,880,606	$ 42,798,315	$ 44,530,221	$ 44,945,197
Total Expenditures	33,299,598	30,894,377	30,501,389	44,991,893	59,518,134	48,722,883	41,406,309	37,947,071	40,396,515	43,094,939
Excess (Deficiency) of Revenues Over (Under) Expenditures	(886,170)	1,659,821	2,891,488	2,178,911	1,568,728	2,214,708	(1,525,703)	4,851,244	4,133,706	1,850,258
Other Financing Sources (Uses)										
Transfers in	63,094	161,537	428,150	19,859	50,085	495,494	537,408	4,967,923	49,311	930,411
Transfers out	(63,094)	(161,537)	(428,150)	(19,859)	(50,085)	(495,494)	(537,408)	(4,967,923)	(49,311)	(930,411)
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	-	-
Net Change in Fund Balances	$ (886,170)	$ 1,659,821	$ 2,891,488	$ 2,178,911	$ 1,568,728	$ 2,214,708	$ (1,525,703)	$ 4,851,244	$ 4,133,706	$ 1,850,258

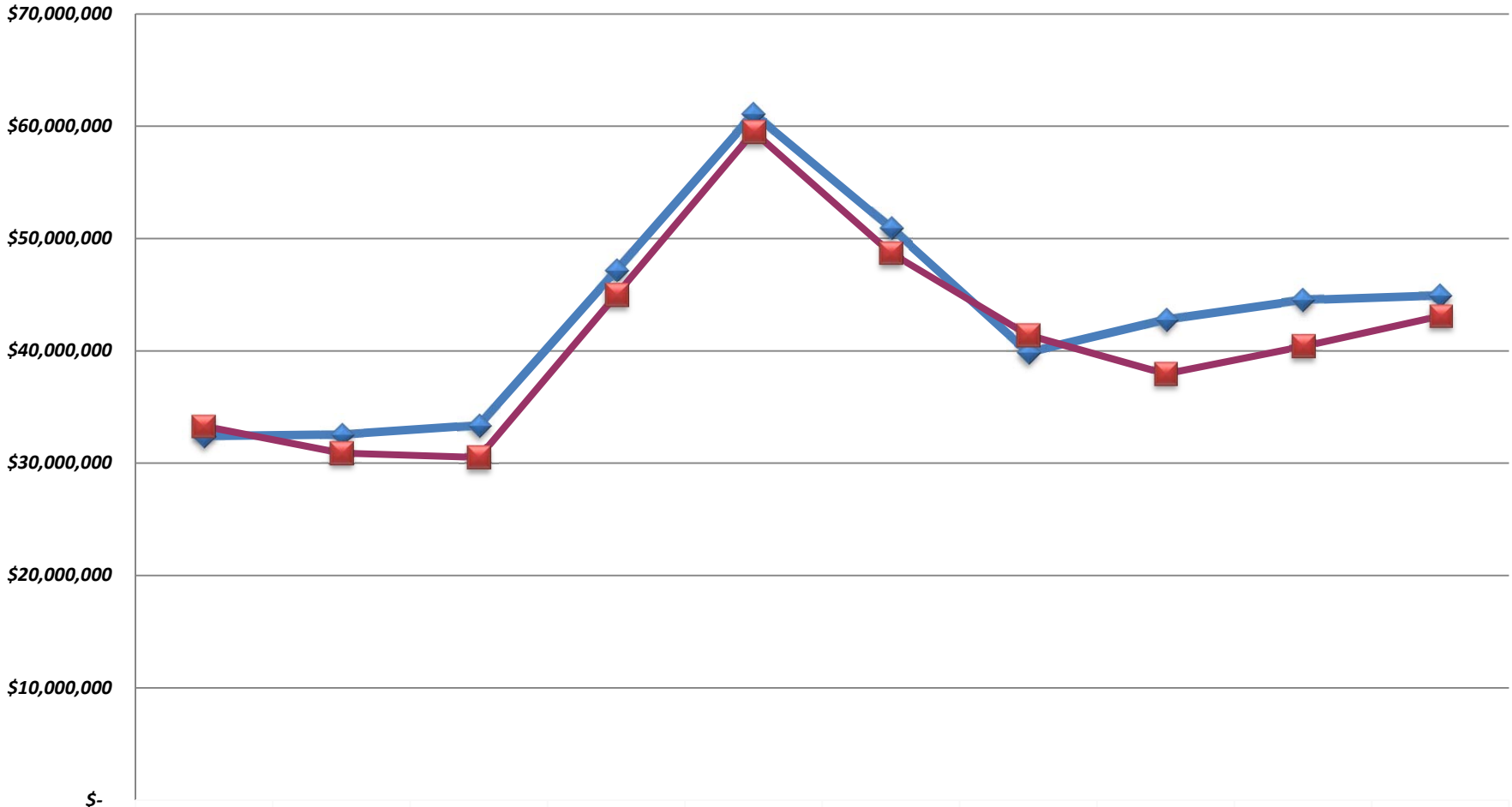
Data Source:
Applicable years' comprehensive annual financial report.

Exhibit VIIA

City of Calhoun Board of Education, Georgia

Chart - Governmental Fund Revenues and Expenditures

Last Ten Fiscal Years



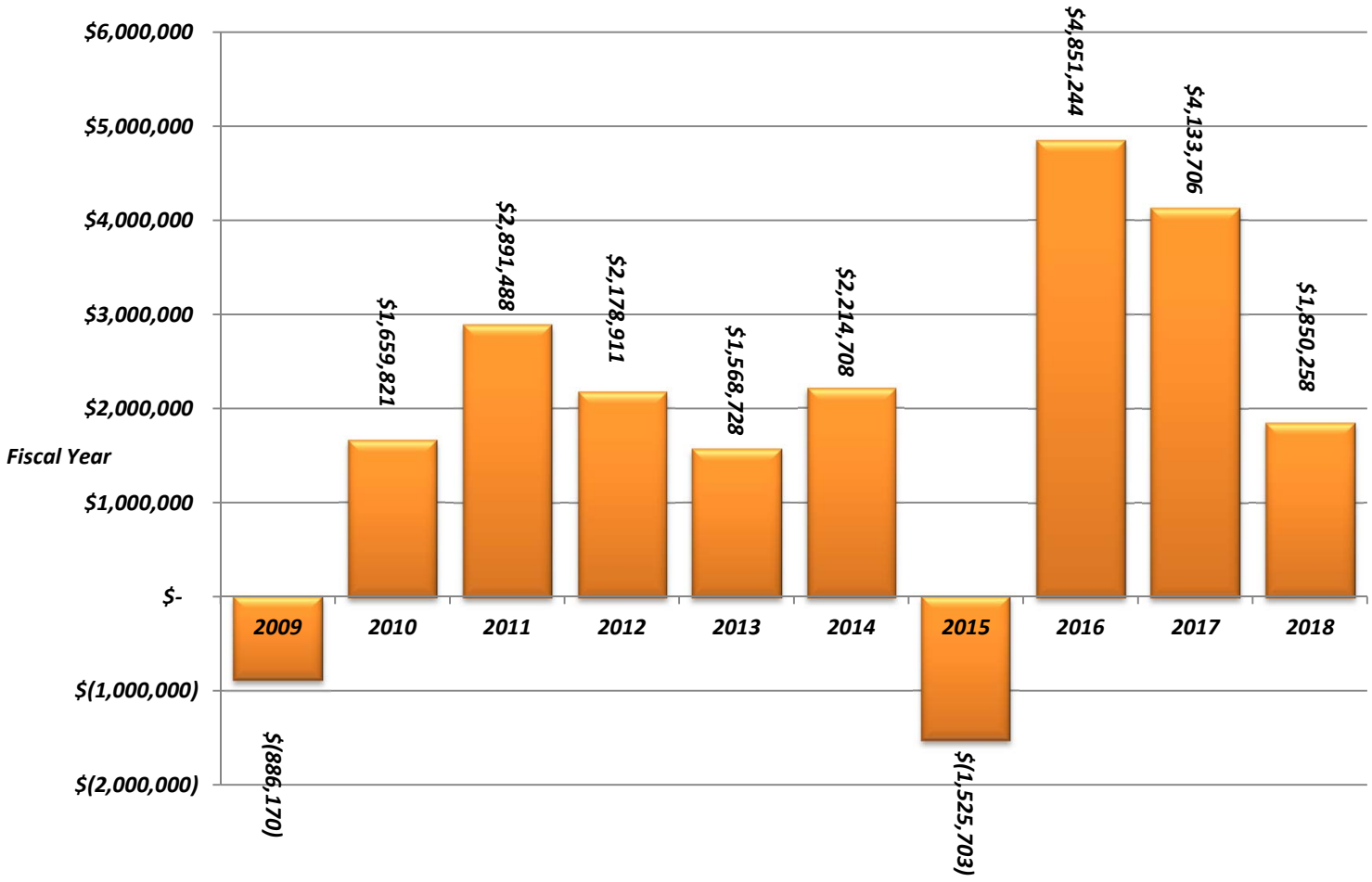
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Revenues	$32,413,428	$32,554,198	$33,392,877	$47,170,804	$61,086,862	$50,937,591	$39,880,606	$42,798,315	$44,530,221	$44,945,197
Expenditure	$33,299,598	$30,894,377	$30,501,389	$44,991,893	$59,518,134	$48,722,883	$41,406,309	$37,947,071	$40,396,515	$43,094,939

City of Calhoun Board of Education, Georgia

Chart-Total Changes in Fund Balances - Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)



City of Calhoun Board of Education, Georgia

Taxable Assessed Value [1] and Estimated Actual Value of Property - By Type (Unaudited)

Last Ten Fiscal Years

Fiscal Year Ended June 30,[3]	Residential Property	Commercial Property	Industrial Property	Agricultural Property	Conservation Use Property - Heavy Equipment	Utility Property	Motor Vehicles and Mobile Homes	Less: Tax Exempt Property [2]	Total Taxable Assessed Value[1]	Total Direct Tax Rate [5]	Estimated Actual Value	Annual Percentage Change
	Amounts											
2009	181,711,525	283,887,880	336,873,110	2,800,366	759,435	4,220,012	29,822,460	57,866,628	782,208,160	14.080	1,955,520,400	13.0%
2010	212,661,056	302,043,691	295,461,603	3,417,332	1,446,541	4,006,938	31,739,856	57,235,622	793,541,395	13.865	1,983,853,488	1.4%
2011	206,864,772	329,964,480	234,597,536	4,544,767	1,443,645	4,007,168	28,300,546	56,373,206	753,349,708	13.865	1,883,374,270	-5.1%
2012	173,589,485	324,327,025	204,160,467	3,377,648	1,338,534	4,468,028	27,676,924	56,198,851	682,739,260	16.012	1,706,848,150	-9.4%
2013	174,704,000	338,876,000	205,646,000	2,550,000	1,180,000	4,824,000	29,436,000	63,328,842	693,887,158	17.762	1,734,717,895	1.6%
2014	175,735,408	234,930,357	323,005,009	2,690,344	1,180,046	4,963,309	30,958,617	66,018,502	707,444,588	17.813	1,768,611,470	2.0%
2015	177,305,823	245,523,870	333,787,766	2,355,052	1,161,853	6,104,642	25,861,752	60,071,808	732,028,950	17.985	1,830,072,375	3.5%
2016	186,450,855	277,700,998	359,487,697	2,351,006	1,169,840	6,177,294	19,660,902	170,496,341	682,502,251	17.985	1,706,255,628	-6.8%
2017	193,911,434	264,396,863	414,703,746	1,770,836	1,618,890	5,553,244	15,489,072	208,254,581	689,189,504	17.985	1,722,973,760	1.0%
2018	199,164,433	266,356,321	401,319,809	1,762,196	2,002,910	6,019,947	12,225,550	226,994,572	661,856,594	17.985	1,654,641,485	-4.0%
*	$ 186,127,866	$ 292,156,788	$ 286,627,399	$ 3,010,814	$ 1,209,987	$ 4,846,424	$ 27,932,132	$ 73,448,725	$ 728,462,684		$ 1,821,156,709	
**	9.6%	-6.2%	19.1%	-37.1%	163.7%	42.7%	-59.0%	292.3%	-15.4%		9.6%	
	Percentage of Total											
2009	21.6%	33.8%	40.1%	0.3%	0.1%	0.5%	3.5%	7.4%	92.6%			
2010	25.0%	35.5%	34.7%	0.4%	0.2%	0.5%	3.7%	7.2%	92.8%			
2011	25.5%	40.8%	29.0%	0.6%	0.2%	0.5%	3.5%	7.5%	92.5%			
2012	23.5%	43.9%	27.6%	0.5%	0.2%	0.6%	3.7%	8.2%	91.8%			
2013	23.1%	44.8%	27.2%	0.3%	0.2%	0.6%	3.9%	9.1%	90.9%			
2014	22.7%	30.4%	41.8%	0.3%	0.2%	0.6%	4.0%	9.3%	90.7%			
2015	22.4%	31.0%	42.1%	0.3%	0.1%	0.8%	3.3%	8.2%	91.8%			
2016	21.9%	32.6%	42.1%	0.3%	0.1%	0.7%	2.3%	25.0%	75.0%			
2017	21.6%	29.5%	46.2%	0.2%	0.2%	0.6%	1.7%	30.2%	69.8%			
2018	22.4%	30.0%	45.2%	0.2%	0.2%	0.7%	1.4%	34.3%	65.7%			

*** Dollar average for ten years.**

**** Percentage change in dollars over ten years.**

Notes:

[1] All property is assessed at 40% of fair market value.

[2] Tax exempt property includes homestead or freeport exemptions, resulting in subtantial flucations from year to year.

[3] The tax year is one year prior to the fiscal year.

[4] In fiscal year 2008, Gordon County completed a reevaluation of selected property, resulting in substantial increases in the values.

[5] Tax rates expressed in rate per $1,000

Data Source:

Georgia Department of Revenue, Tax Digest Consolidation Summary,
http://dor.georgia.gov/county-ad-valorem-tax-digest-consolidated-summaries

City of Calhoun Board of Education, Georgia

Chart-Taxable Assessed Value - Before Tax Exempt Property Deduction

Last Ten Fiscal Years

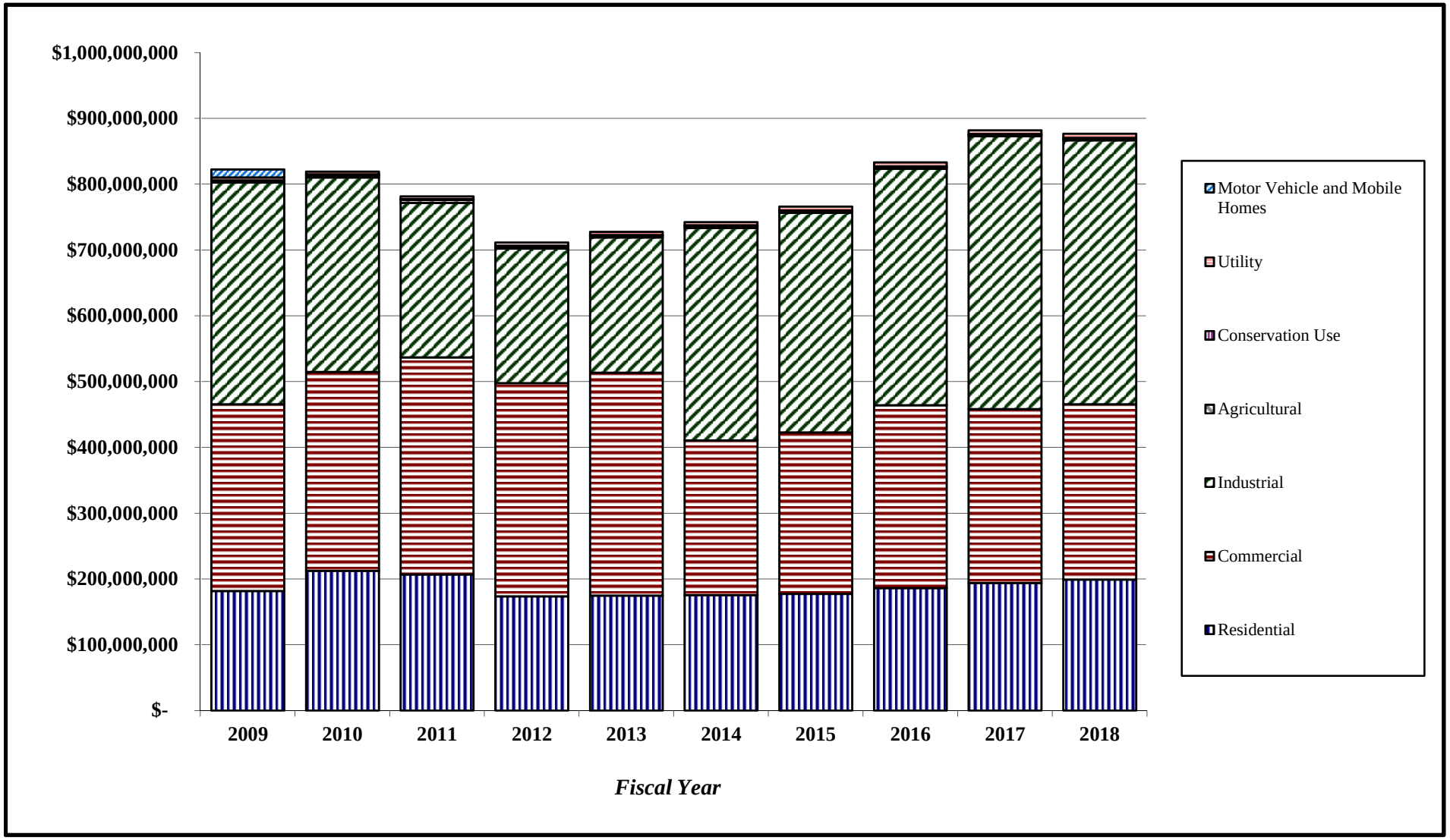


Exhibit IX

City of Calhoun Board of Education, Georgia

Direct and Overlapping Property Tax Rates [1]

Last Ten Fiscal Years

	Overlapping Rates [2, 3]			Direct Rates	
Fiscal Year Ended June 30,	**City of Calhoun**	**State of Georgia[4]**	**Gordon County**	**City of Calhoun Schools Operating[5]**	**Total Rate**
2009	1.615	0.250	9.528	14.080	25.473
2010	1.591	0.250	8.815	13.865	24.521
2011	1.591	0.250	8.910	13.865	24.616
2012	1.591	0.250	9.800	16.012	27.653
2013	1.980	0.200	9.800	17.762	29.742
2014	1.980	0.150	9.800	17.813	29.743
2015	1.980	0.100	9.747	17.985	29.812
2016	1.980	0.050	9.930	17.985	29.945
2017	1.980	-	9.853	17.985	29.818
2018	1.980	-	9.829	17.985	29.794
% Change From 2009-2018	22.6%	-100.0%	3.2%	27.7%	17.0%

Notes:

[1] Tax rates expressed in rate per $1,000 of annual taxable values

[2] Overlapping rates are those of governments that overlap the City's geographic boundaries.

[3] Although Gordon County School District is overlapping, City property owners do not pay Gordon County school tax, therefore, this government's tax rates are not presented.

[4] The State of Georgia levies 1/10th of one mill on each county's taxable property to help finance their certification of each Georgia County's tax digests.

[5] The City of Calhoun levies the property taxes for the Calhoun City Schools, a discretely presented component unit of the City.

Data Source:

[1] Georgia Department of Revenue, Property Tax Division,

City of Calhoun Board of Education, Georgia

Chart-Direct and Overlapping Property Tax Rates

Last Ten Fiscal Years

(rate per $1,000 of assessed taxable value)

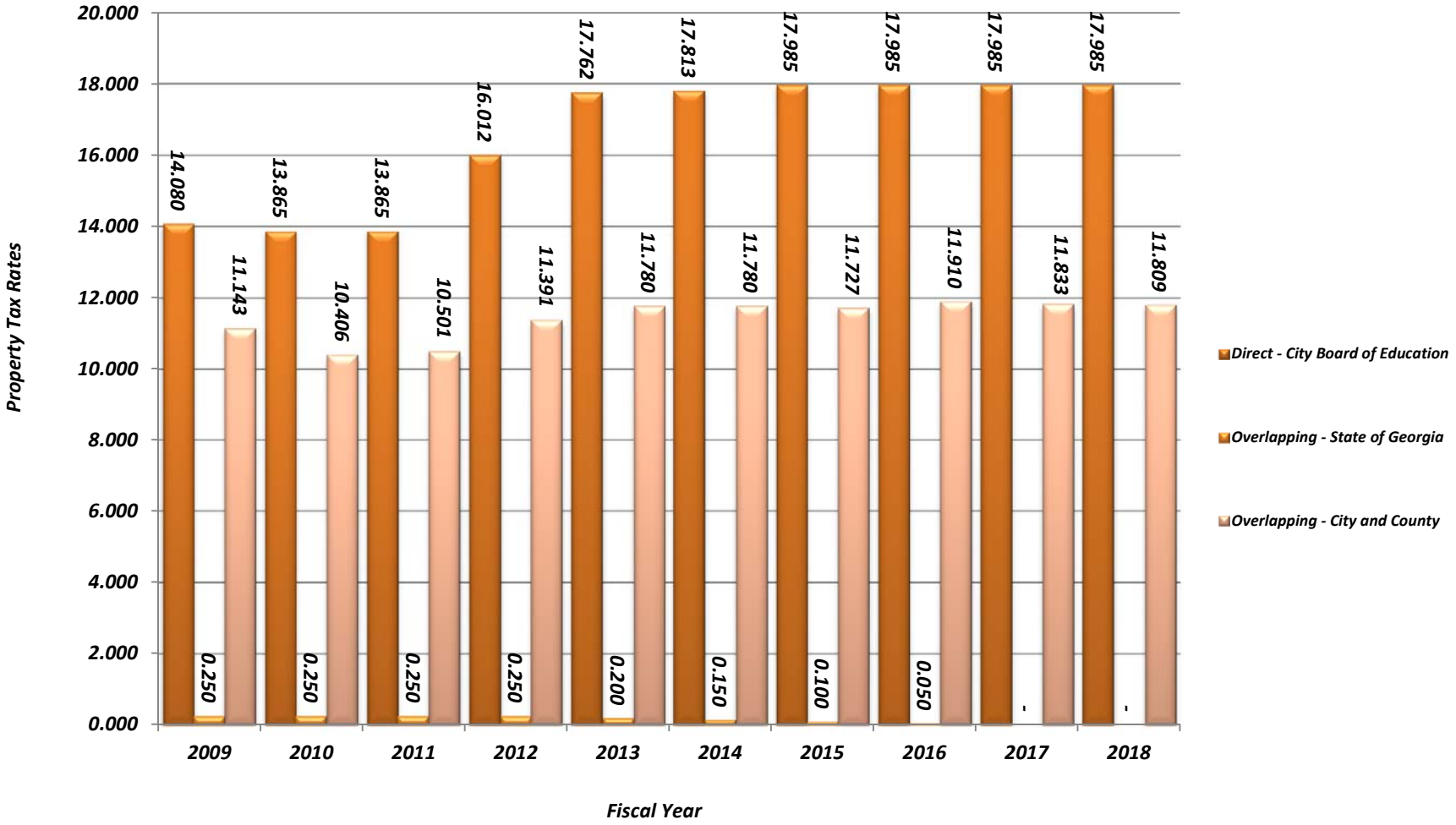


Exhibit X

City of Calhoun Board of Education, Georgia

Property Tax Levies and Collections [1]

Last Ten Fiscal Years

(amounts expressed in thousand dollars)

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date		Total Uncollected Taxes	
		Amount	Percentage of Levy		Amount	Percentage of Levy	Amount	Percentage Of Levy
2009	$ 11,670	$ 10,430	89.37%	$ 1,170	$ 11,600	99.40%	70	0.60%
2010	11,911	10,939	91.84%	896	11,835	99.36%	76	0.64%
2011	11,377	10,631	93.44%	677	11,308	99.39%	69	0.61%
2012	12,012	11,341	94.41%	594	11,935	99.36%	77	0.64%
2013	13,623	13,057	95.85%	512	13,569	99.60%	54	0.40%
2014	14,217	13,798	97.05%	353	14,151	99.54%	66	0.46%
2015	13,485	12,861	95.37%	312	13,173	97.69%	312	2.31%
2016	13,219	12,744	96.41%	295	13,039	98.64%	180	1.36%
2017	13.391	13,009	97.15%	207	13,216	97.15%	175	2.86%
2018	12,920	12,486	96.64%	-	12,486	96.64%	434	3.36%

Notes:

[1] Includes property taxes levied for both the Board and the City of Calhoun. The Board is a component unit of the City and the City levies the property taxes for the Board. Information for the Board excluding the City's tax information is not available.

[2] The amounts reported in the total uncollected taxes column are the uncollected taxes for each specific years' tax levy.

Data Source:

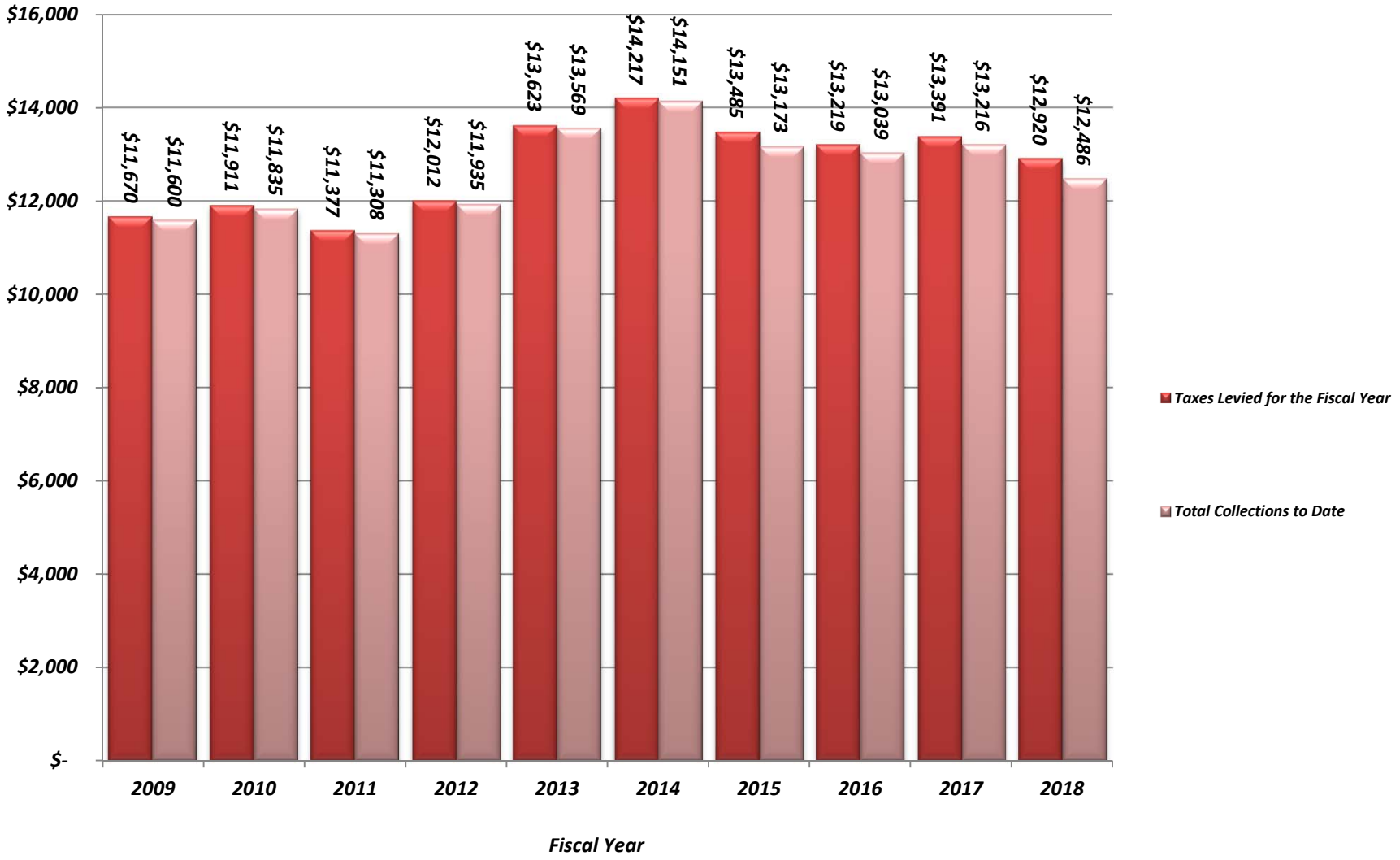
City of Calhoun, Georgia tax collection records.

City of Calhoun Board of Education, Georgia

Chart-Property Tax Levies and Collections

Last Ten Fiscal Years

(amounts expressed in thousand dollars)



City of Calhoun Board of Education, Georgia

Principal Property Taxpayers (Unaudited)

Fiscal Years Ended June 30, 2018 and 2009

(amounts expressed in thousands)

2018				2009			
Principal Taxpayer	**Taxable Assessed Value [1]**	**Rank**	**Percentage of Total Taxable Assessed Value**	**Principal Taxpayer**	**Taxable Assessed Value [1]**	**Rank**	**Percentage of Total Taxable Assessed Value**
Mohawk Industries	$ 138,397	1	15.80%	Mohawk (Aladdin)	$ 80,590	1	9.99%
Shaw Industries Group, Inc.	37,560	2	4.29%	Shaw Industries	36,086	2	4.47%
Mannington Mills Inc.	19,909	3	2.27%	FAUS	34,847	3	4.32%
Engineered Floors LLC	19,707	4	2.25%	Kobelco Construction	32,887	4	4.08%
FieldTurf USA, Inc.	14,163	5	1.62%	Mannington Carpets	16,870	5	2.09%
LG Hausys America, Inc.	12,473	6	1.42%	Calhoun Outlets	6,908	6	0.86%
Apache Mills, Inc.	12,441	7	1.42%	Don Owens Holdings LLLP	6,802	7	0.84%
Nourison Industries, Inc.	11,565	8	1.32%	KMK Holdings LLC	6,771	8	0.84%
Stanton Carpet Corp.	9,374	9	1.07%	Kerry Inc.	5,677	9	0.70%
Kerry Inc.	7,532	10	0.86%	Stanton Carpet	5,363	10	0.66%
Total Principal Taxpayers	283,121		32.33%	**Total Principal Taxpayers**	232,801		28.86%
All Other Taxpayers	592,602		67.67%	**All Other Taxpayers**	573,962		71.14%
Total	$ 875,723		100.00%	**Total**	$ 806,763		100.00%

Data Source:

City of Calhoun tax records.

Exhibit XII

City of Calhoun Board of Education, Georgia

Overlapping Sales and Use Tax Rates [1]

Last Ten Fiscal Years

Fiscal Year Ended June 30,	Overlapping Gordon County LOST [2]	Gordon County SPLOST [3]	Schools [4] EDSPLOST	State of Georgia	Total
2009	1.00%	1.00%	1.00%	4.00%	7.00%
2010	1.00%	1.00%	1.00%	4.00%	7.00%
2011	1.00%	1.00%	1.00%	4.00%	7.00%
2012	1.00%	1.00%	1.00%	4.00%	7.00%
2013	1.00%	1.00%	1.00%	4.00%	7.00%
2014	1.00%	1.00%	1.00%	4.00%	7.00%
2015	1.00%	1.00%	1.00%	4.00%	7.00%
2016	1.00%	1.00%	1.00%	4.00%	7.00%
2017	1.00%	1.00%	1.00%	4.00%	7.00%
2018	1.00%	1.00%	1.00%	4.00%	7.00%

Notes:

[2] The local option sales tax was approved by referendum and is effective indefinitely. Both the City and the County is required to reduce their property tax millage rate in the current year by the amount of these taxes collected in the prior year.

[3] The previous special purpose local option sales tax was approved effective April 1, 2001 and expired March 31, 2006. The current special purpose local option sales tax was approved effective April 1, 2006 and expired March 31, 2012.

[4] Effective January 1, 1998 the Gordon County Board of Education and the Calhoun City Board of Education began levying a 1% education special purpose local option sales tax, that is allocated between the City and County Schools. The tax was approved effective July 1, 2007 and expired June 30, 2012. In November 2010, the voters of Gordon County and the City of Calhoun approved the extension of the existing SPLOST effective July 1, 2012 expiring June 30, 2017. Effective July 1, 2017 the tax was extended through June 30, 2022.

Data Source :

[1] Georgia Departmentof Revenue, Sales and Use Tax Division.

Exhibit XIII

City of Calhoun Board of Education, Georgia
Taxable Sales by Category (Unaudited)
Calendar Years 2007 - 2016 [3]

	2007		2008		2009		2010		2011		2012		2013		2014		2015		2016	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Category:																				
NAICS codes																				
General merchandise					$ 165,009,085	20.23%	$ 159,810,958	19.21%	$150,726,327	17.96%	$ 162,152,035	18.39%	$ 166,046,005	19.92%	$ 164,123,993	19.44%	$ 166,940,088	20.57%	$ 153,738,305	20.57%
Food/bars					74,397,977	9.12%	134,101,103	16.13%	120,551,365	14.36%	124,424,295	14.11%	131,449,880	15.77%	124,802,770	14.79%	104,266,683	12.84%	78,504,350	12.84%
Manufacturing					114,968,896	14.09%	109,287,805	13.14%	106,969,981	12.75%	105,678,640	11.98%	114,121,750	13.69%	121,534,729	14.40%	130,678,975	16.10%	139,742,331	16.10%
Utilities					85,951,003	10.54%	98,120,054	11.80%	158,443,411	18.88%	161,778,163	18.35%	160,151,527	19.20%	156,900,803	18.59%	142,796,890	17.59%	131,741,106	17.59%
Other retail					61,769,180	7.57%	82,437,277	9.91%	107,167,095	12.77%	108,687,062	12.33%	47,649,200	5.72%	14,857,045	1.76%	14,061,430	1.73%	14,959,618	1.73%
Wholesale					89,024,099	10.91%	70,070,380	8.43%	53,701,051	6.40%	56,216,313	6.37%	72,160,597	8.66%	83,547,970	9.90%	71,887,245	8.85%	59,688,911	8.85%
Automotive					106,428,249	13.05%	61,702,722	7.42%	30,915,366	3.68%	41,003,958	4.65%	20,647,441	2.47%	36,071,458	4.27%	32,008,549	3.94%	30,314,400	3.94%
Home furnishings					46,749,549	5.73%	55,350,997	6.66%	51,320,508	6.12%	51,969,154	5.89%	58,830,740	7.06%	65,772,985	7.79%	65,232,580	8.04%	77,012,044	8.04%
Miscellaneous services					51,269,676	6.28%	38,867,124	4.67%	31,769,995	3.79%	35,136,136	3.98%	37,314,307	4.48%	44,238,743	5.24%	50,077,274	6.17%	51,199,510	6.17%
Other services					10,967,548	1.34%	13,940,083	1.68%	19,996,879	2.38%	27,587,821	3.13%	17,133,357	2.05%	22,242,610	2.64%	20,845,999	2.57%	38,755,144	2.57%
Accommodations					8,134,834	1.00%	6,637,362	0.80%	6,168,429	0.73%	6,287,902	0.71%	6,814,726	0.82%	7,040,519	0.83%	9,303,836	1.15%	10,175,142	1.15%
Construction					1,157,038	0.14%	1,228,360	0.15%	1,523,562	0.18%	905,255	0.11%	1,359,056	0.16%	2,912,118	0.35%	3,629,179	0.45%	3,175,798	0.45%
SIC codes																				
Food	$ 266,367,180	28.87%	$ 248,033,221	26.46%																
General	133,137,354	14.43%	128,337,853	13.69%																
Automotive	127,872,364	13.86%	181,476,183	19.36%																
Utilities	101,143,479	10.96%	104,754,382	11.18%																
Home	71,209,452	7.72%	56,555,421	6.03%																
Lumber	61,643,192	6.68%	36,407,673	3.88%																
Miscellaneous	48,488,363	5.25%	49,024,559	5.24%																
Apparel	41,698,856	4.52%	44,186,632	4.71%																
Manufacturing	34,536,234	3.74%	37,229,008	3.97%																
Miscellaneous	36,628,897	3.97%	51,318,460	5.48%																
Total	$ 922,725,371	100.00%	$ 937,323,392	100.00%	$ 815,827,134	100.00%	$ 831,554,225	100.00%	$ 839,253,969	100.00%	$ 881,826,734	100.00%	$ 833,678,586	100.00%	$ 844,045,743	100.00%	$ 811,728,728	100.00% #	$ 789,006,659	100.00%
Dollar increase from previous year	$ (11,033,307)		$ 14,598,021		$ (121,496,258)		$ 15,727,091		$ 7,699,744		$ 42,572,765		$ (48,148,148)		$ 10,367,157		$ (32,317,015)		$ (22,722,069)	
Percent increase from previous year	-1.18%		1.58%		-12.96%		1.93%		0.93%		5.12%		-5.74%		1.18%		-3.88%		-2.69%	

Notes:

[1] Sales data only available for Gordon County.

[2] Beginning in 2009, the Georgia Department of Revenue changed the reporting of their sales classifications.

[3] 2017 data not readily available.

Data Source:
Georgia Department of Revenue

Exhibit XIV

City of Calhoun Board of Education, Georgia

Ratios of Total Debt Outstanding by Type (Unaudited)

Last Ten Fiscal Years

June 30,	Governmental Activities [2] Capital Leases	Percentage of Personal Income [3]	Estimated [3] Population	Per Capita
2009	$ -	0.00000%	14,807	$ -
2010	-	0.00000%	14,955	-
2011	-	0.00000%	15,650	-
2012	-	0.00000%	15,773	-
2013	-	0.00000%	15,812	-
2014	-	0.00000%	15,899	-
2015	-	0.00000%	16,052	-
2016	-	0.00000%	16,309	-
2017	-	0.00000%	16.360	-
2018	-	0.00000%	16,414	-

Data Sources:

[2] Applicable years' comprehensive annual financial report.

[3] Exhibit XVI

City of Calhoun Board of Education, Georgia

Overlapping Governmental Activities Debt [4] ***(Unaudited)***

June 30, 2017

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable [1]	Estimated Share of Overlapping Debt
Overlapping Debt [2, 3]			
Gordon County - Debt repaid with property taxes	8,179,997	100.0%	$ 8,179,997
City of Calhoun - general obligation bonds [3]	33,000,000	100.0%	33,000,000
Total Overlapping Debt			$ 41,179,997

Notes:

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

[2] Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the Board.

[3] The City issued these general obligation bonds for the construction of school buildings, which are owned by the City.

[4] The Board of Education has no outstanding debt.

Data Sources:

[3] Each specific government

City of Calhoun Board of Education, Georgia

Demographic and Economic Statistics (Unaudited) [1]

Last Ten Years

Year	Population [2]	*(thousands of dollars)* Personal Income [2A]	Per Capita Personal Income [2] Gordon County	United States	% of U.S.	Median Age [3]	Unemployment Rate [7] City [2]	State of Georgia [4]	United States [5]
2009	14,807	$ 1,419,678	$ 25,978	$ 28,812	90%	34.4	13.5%	10.1%	9.5%
2010	14,955	1,415,787	26,393	28,374	93%	34.4	12.6%	9.6%	9.3%
2011	15,650	1,503,261	27,185	28,538	95%	37.5	12.4%	10.2%	9.6%
2012	15,773	1,598,019	31,050	28,692	108%	36.8	11.8%	9.6%	8.5%
2013	15,812	1,554,171	29,529	28,829	102%	35.3	10.2%	8.8%	7.9%
2014	15,899	1,618,698	25,028	28,155	89%	36.9	8.5%	7.4%	6.1%
2015	16,052	1,619,727	29,050	35,610	82%	36.9	6.1%	6.1%	5.3%
2016	16,309	1,594,390	31,463	36,268	87%	37.7	5.6%	5.1%	4.9%
2017	16,360	1,779,975	32,234	44,163	73%	37.8	5.2%	4.8%	4.4%
2018	16,414	1,834,267	32,234	45,390	71%	38.0	4.1%	4.1%	4.0%

Notes:

[1] Generally, the information in this table relates to the City of Calhoun, GA or Gordon County, GA, as specific information for the Board is not available.

[7] The significant increase in the 2009 unemployment relates to the nationwide recession.

Data Sources:

[2] City of Calhoun, Georgia comprehensive annual financial reports

[2A] Gordon County, Georgia comprehensive annual financial reports

[3] U.S. Census Bureau - http://usgovinfo.about.com/gi/dynamic/offsite.htm?site=http://factfinder.census.gov/ - 2001-2010 estimated by management

[4] U.S. Department of Labor, Bureau of Labor Statistics, http://data.bls.gov/cgi-bin/surveymost

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

City of Calhoun Board of Education, Georgia

Principal Employers (Unaudited)

For the Fiscal Years Ended June 30, 2018 and 2009

		2018		
Employer	**Type of Business**	**Number of Employees**	**Rank**	**Percentage of Major County Employers**
Mohawk Industries, Inc.	Flooring	3,200	1	11.38%
Gordon Hospital	Flooring	1,172	2	4.17%
Shaw Industries	Hospital	955	3	3.40%
Gordon County Schools	Government	820	4	2.92%
Apache Mills	Flooring	700	5	2.49%
Mannington Carpets	Flooring	651	6	2.32%
Engineer Flooring	Flooring	608	7	2.16%
Calhoun City Schools	Government	450	8	1.60%
Gordon County Government	Government	415	9	1.48%
Calhoun City Government	Government	299	10	1.06%
Total Principal Employers		9,270		32.97%
Other Employers		18,847		67.03%
Total Employers [1]		28,117		100.00%

		2009		
Employer	**Type of Business**	**Number of Employees**	**Rank**	**Percentage of Major County Employers**
Mohawk Industries, Inc.	Flooring	2,352	1	8.97%
Shaw Industries	Flooring	1,356	2	5.17%
Gordon County Schools	Government	965	3	3.68%
Gordon Hospital	Hospital	605	4	2.31%
Mannington Carpets	Flooring	590	5	2.25%
Calhoun City Schools	Government	408	6	1.56%
Apache Mills	Flooring	387	7	1.48%
Gordon County Government	Government	386	8	1.47%
Beaulieu Group	Flooring	374	9	1.43%
City of Calhoun Government	Government	355	10	1.35%
Total Principal Employers		7,778		29.66%
Other Employers		18,450		70.34%
Total Employers		26,228		100.00%

Data Source:

Estimated by Gordon County Chamber of Commerce.

City of Calhoun Board of Education, Georgia

Full Time Equivalent (FTE) Positions - by Function

Last Ten Fiscal Years [1]

Positions	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Calhoun Primary School[2]										
Classroom Teachers	57	53	52	52	54	54	59	56	54	49
Support Personnel	61	44	43	42	42	45	39	42	39	40
Administrators	3	2	2	2	2	2	2	2	2	2
Calhoun Elementary School										
Classroom Teachers	47	44	44	43	45	48	50	48	50	55
Support Personnel[1]	24	26	27	25	27	27	27	28	27	28
Administrators	3	2	2	2	2	3	2	2	2	2
Calhoun Middle School										
Classroom Teachers	48	43	44	44	45	45	48	47	48	49
Support Personnel[1]	31	22	23	23	23	22	21	22	19	20
Administrators	2	2	2	2	2	2	2	2	2	2
Calhoun High School										
Classroom Teachers	63	59	54	56	56	59	60	60	60	60
Support Personnel[1]	44	35	32	27	28	27	26	27	29	27
Administrators	5	5	5	5	5	5	3	3	4	4
Pre-K Program										
Classroom Teachers	8	10	10	10	10	10	10	8	9	11
Support Personnel[1]	12	15	14	13	14	14	14	11	11	11
Administrators	-	-	-	-	-	-	-	-	0.5	0.5
Central Office										
Support Personnel	16	16	15	16	16	11	14	13	11	10
Administrators	6	5	5	5	5	4	6	7	11	11
Maintenance	3	3	3	2	2	2	2	3	2	2
Transportation	17	15	14	16	18	16	16	18	19	19
Community Education	2	1	1	1	1	2	3	3	4	4
Total	452	402	392	386	397	398	404	402	403.5	406.5
Percentage Change From Prior Year	0.0%	-11.1%	-2.5%	-1.5%	2.8%	0.3%	1.5%	-0.5%	0.4%	0.7%

Notes:

[1] School nutrition personnel included as support personnel at their respective schools.

[2] School Nutrition personnel at Primary/Elementary Complex listed with Primary Support Personnel fiscal year 2005 forward.

Data Source:

CPI Data Collection System (report Georgia Department of Education - CP0026)

Exhibit XIX

City of Calhoun Board of Education, Georgia
Teachers' Salaries
Last Ten Fiscal Years

Fiscal Year	*Minimum Salary* [1]	*Minimum State Salary* [2]	*Minimum Salary as a % of Minimum State Salary*	*Maximum Salary* [1]	*Average Salary* [1]	*Statewide Average Salary* [3]
2009	$ 35,724	$ 31,586	113.1%	$ 76,890	$ 52,775	$ 49,836.0
2010	34,596	31,586	109.5%	74,549	53,723	53,155
2011	33,844	31,586	107.1%	72,929	52,142	52,871
2012	34,973	31,586	110.7%	75,360	54,400	53,072
2013	34,973	31,586	110.7%	75,360	55,934	53,031
2014	34,973	31,586	110.7%	75,360	56,826	52,973
2015	33,887	31,586	107.3%	76,980	56,821	53,424
2016	34,805	31,586	110.2%	76,980	58,057	54,215
2017	33,887	31,586	107.3%	76,980	57,354	56,815
2018	34,563	32,217	107.3%	78,519	58,351	56,342

Notes:

[4] Information not completed is not available.

Data Sources:

[1] District records

[2] Georgia Department of Education, iiol

[3] State of Georgia, 2009-2010 Report Card

Exhibit XX

City of Calhoun Board of Education, Georgia
School Building Information [1, 2]
Last Ten Fiscal Years

School	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
School: Calhoun Primary										
Square feet	93,456	93,456	93,456	93,456	93,456	93,456	111,451	111,451	111,451	111,451
Enrollment[3]	804	856	928	933	940	919	1,149	1,084	1,052	1,002
School: Calhoun Elementary										
Square feet	93,456	93,456	93,456	93,456	93,456	93,456	111,451	111,451	111,451	111,451
Enrollment[3]	792	773	776	766	839	903	936	969	971	958
School: Calhoun Middle										
Square feet	85,645	85,645	85,645	85,645	85,645	94,628	125,915	125,915	125,915	125,915
Enrollment[3]	712	726	772	794	788	841	853	956	969	977
School: Calhoun High										
Square feet	171,248	171,248	171,248	94,628	94,628	246,020	259,140	259,140	259,140	259,140
Enrollment[3]	904	878	869	863	909	997	1,059	1,084	1,089	1,105

Notes:

[1] School capacity data not available.

[3] Georgia Department of Education, Enrollment, 1st annual count, October of each fiscal year.

Data Sources:

[2] District records

Exhibit XXI

City of Calhoun Board of Education, Georgia
Operating Statistics
Last Ten Fiscal Years

Fiscal Year	Operating Expenditures [2]	Fall Student Enrollment	Cost Per Pupil	% Change	Teaching Staff	Pupil/ Teacher Ratio	Enrollment Eligibility % of Free and Reduced Meals [1]
2009	$ 25,487,759	3,361	$ 7,583	-3.07%	221	15.21	52.59%
2010	24,017,387	3,423	7,016	-7.48%	210	16.30	59.08%
2011	23,602,090	3,531	6,684	-4.73%	210	16.81	57.78%
2012	25,133,976	3,574	7,032	5.21%	210	17.02	65.25%
2013	26,822,436	3,560	7,534	7.14%	213	16.71	61.21%
2014	28,392,859	3,764	7,543	0.12%	213	17.67	61.21%
2015	28,949,006	3,903	7,417	-1.67%	227	17.19	58.94%
2016	29,586,166	4,093	7,228	-2.54%	219	18.69	60.14%
2017	31,030,366	4,081	7,604	5.19%	221	18.47	56.89%
2018	30,533,648	4,043	7,552	-0.68%	224	18.05	55.22%

Data Sources:

[1] Georgia Department of Education,
http://app.doe.k12.ga.us/ows-bin/owa/fte_pack_frl001_public.entry_for

[2] Georgia Department of Education,
https://app3.doe.k12.ga.us/ows-bin/owa/fin_pack_revenue.entry_form

City of Calhoun Board of Education, Georgia

Enrollment by Grade Level (Unaudited)

Last Ten Fiscal Years [1]

Grade Level	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
PK	149	190	189	218	216	202	203	164	160	184
KK	294	306	343	312	301	307	294	290	277	257
Grade 1	267	288	305	324	321	313	328	313	298	266
Grade 2	243	262	278	297	318	299	324	317	317	295
Grade 3	252	240	263	266	295	306	306	331	315	305
Grade 4	272	268	241	256	282	294	318	320	336	320
Grade 5	268	265	271	244	262	303	312	318	320	333
Grade 6	251	254	262	271	258	279	306	329	314	334
Grade 7	230	247	258	264	271	274	282	320	334	312
Grade 8	231	225	252	259	259	288	265	307	321	331
Grade 9	273	241	221	265	269	302	293	280	308	329
Grade 10	246	234	222	195	251	264	287	288	268	276
Grade 11	200	220	221	185	201	244	253	280	266	254
Grade 12	185	183	205	218	187	187	226	236	247	246
Total	3,361	3,423	3,531	3,574	3,691	3,862	3,997	4,093	4,081	4,042
Annual % Change	1.9%	1.8%	3.2%	1.2%	3.3%	4.6%	3.5%	2.4%	-0.3%	-1.0%

Notes:

[1] Georgia Department of Education, 1st annual count, October of each fiscal year

Data Source:

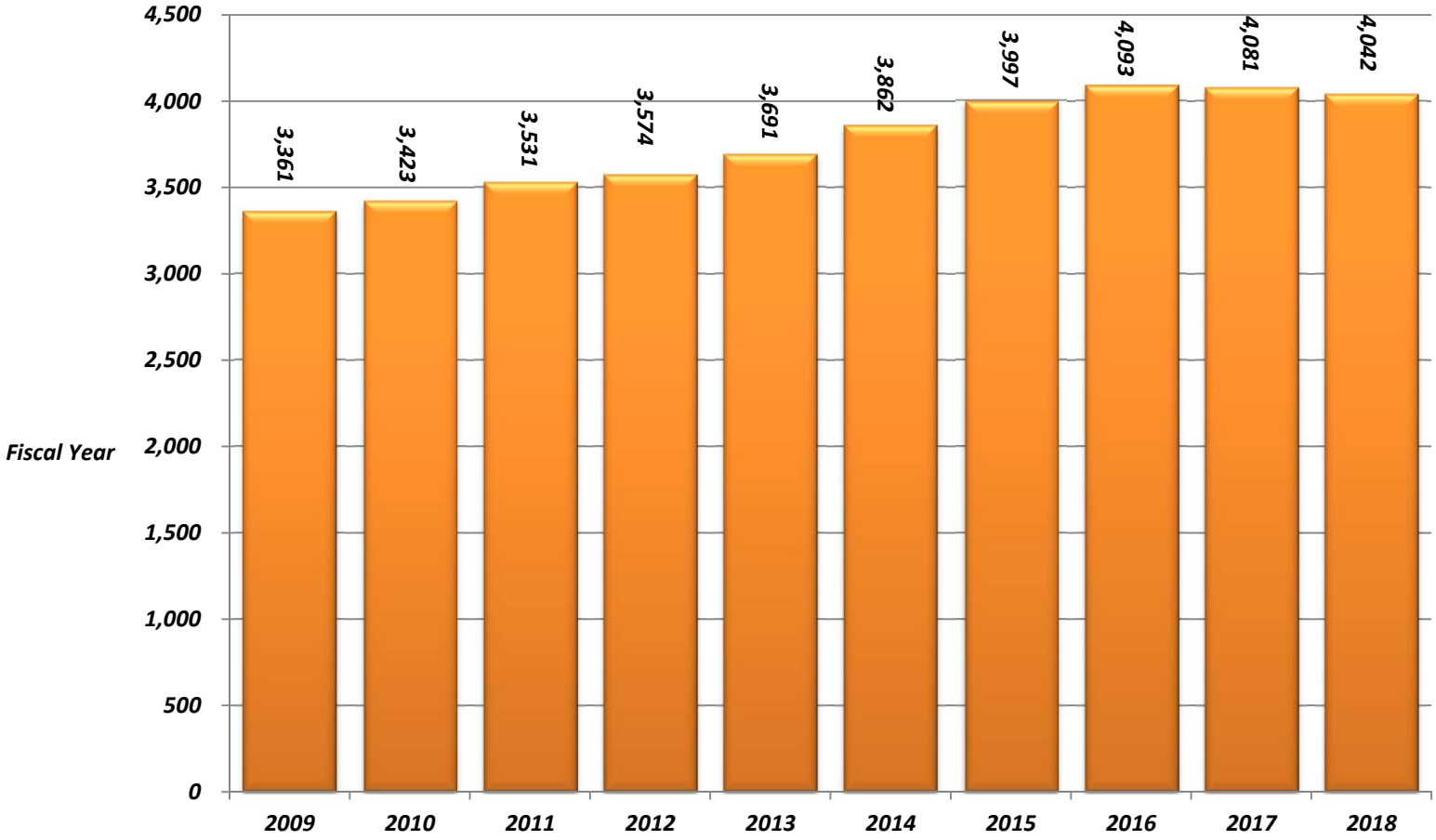
https://app3.doe.k12.ga.us/ows-bin/owa/fte_pack_enrollgrade.entry_form

City of Calhoun Board of Education, Georgia

Chart-Enrollment by Grade Level

Last Ten Fiscal Years

(modified accrual basis of accounting)



Compliance Section

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Superintendent and the Members of the
City of Calhoun Board of Education
Calhoun, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Calhoun Board of Education, Georgia, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the City of Calhoun Board of Education, Georgia's basic financial statements, and have issued our report thereon dated December 27, 2018.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Calhoun Board of Education, Georgia's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Calhoun Board of Education, Georgia's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Calhoun Board of Education, Georgia's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Calhoun Board of Education, Georgia's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

A. M. Dobbs & Company

Calhoun, Georgia
December 27, 2018

R.M. DOBBS & COMPANY

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

To the Superintendent and Members of the
City of Calhoun Board of Education
Calhoun, Georgia

Report on Compliance for Each Major Federal Program

We have audited the City of Calhoun Board of Education, Georgia's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City of Calhoun Board of Education, Georgia's major federal programs for the year ended June 30, 2018. The City of Calhoun Board of Education, Georgia's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City of Calhoun Board of Education, Georgia's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Calhoun Board of Education, Georgia's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City of Calhoun Board of Education, Georgia's compliance.

Opinion on Each Major Federal Program

In our opinion, the City of Calhoun Board of Education, Georgia complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2018.

Report on Internal Control over Compliance

Management of the City of Calhoun Board of Education, Georgia is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City of Calhoun Board of Education, Georgia's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Calhoun Board of Education, Georgia's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

A. M. Dobbs & Company

Calhoun, Georgia
December 27, 2018

City of Calhoun Board of Education, Georgia
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2018

Federal Grantor/Pass-through Grantor **Program or Cluster Title**	CFDA Number	Pass-through Entity Identifying Number	Total Federal Expenditures
U.S. Department of Agriculture			
Child Nutrition Cluster			
Pass-Through From Georgia Department of Education			
Food and Nutrition Program Food Services			
School Breakfast Program	10.553	18185GA324N1099	$ 512,445
National School Lunch Program	10.555	18185GA324N1100	1,435,600
Total Child Nutrition Cluster			1,948,045
Total U.S. Department of Agriculture			1,948,045
U.S. Department of Education			
Special Education Cluster			
Pass-Through From Georgia Department of Education			
Individuals with Disabilities Education Act Part B			
Flow Through	84.027	H027A160073	111,090
Flow Through	84.027	H027A170073	516,739
			627,829
Preschool	84.173	H173A160081	6
Preschool	84.173	H173A170081	23,208
			23,214
Total Special Education Cluster			651,043
Other Programs			
Pass-Through From Georgia Department of Education			
Elementary and Secondary Education Act			
Title 1-A			
Improving the Academic Achievement of the Disadvantaged	84.010	S010A160010	111,694
Improving the Academic Achievement of the Disadvantaged	84.010	S010A170010	750,196
			861,890
Title II	84.367	S367A160001	10,425
Title II	84.367	S367A170001	79,192
			89,617
Title III-A			
Limited English Proficient and Immigran	84.365	S365A160010	9,370
Limited English Proficient and Immigran	84.365	S365A170010	46,583
			55,953
Title VI - Part B			
Rural & Low-Income Schools	84.358	S358B160010	13,732
Rural & Low-Income Schools	84.358	S358B170010	67,248
			80,980
Education for Homeless Children and Youth	84.196	S196A160011	2,667
Education for Homeless Children and Youth	84.196	S196A170011	43,758
			46,425
CTE-Perkins IV Grants-Program Improvemen	84.048	V048A170010	39,533
Student Support and Academic Enrichment Program	84.424A	S424A170011	21,685
Total U. S. Department of Education			1,847,126
Total Federal Financial Assistance			$ 3,795,171

See accompanying notes to schedule of expenditures of federal awards

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the City of Calhoun Board of Education, Georgia under programs of the federal government for the year ended June 30, 2018. The information in this Schedule is presented in accordance with Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City of Calhoun, Georgia, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the City of Calhoun, Georgia.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

The Federally assigned value of donated commodities for the Food Donation Program in the amount of $82,544 is included in the national lunch program.

NOTE C - INDIRECT COST RATE

The City of Calhoun Board of Education, Georgia, has elected not to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE D - AWARDS PASSED-THROUGH TO SUBRECIPIENTS

There were no awards passed-through to subrecipients.

NOTE E - RECONCILIATION

Reconciliation of the Schedule of Expenditures of Federal Awards to total federal revenues:

Total expenditures of federal awards (SEFA)	$ 3,795,171
Erate not included on SEFA	56,707
Total Federal Revenues	$ 3,851,878

City of Calhoun Board of Education, Georgia
Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2018

None Reported

City of Calhoun Board of Education, Georgia
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2018

SUMMARY OF AUDITOR'S RESULTS

1. The auditor's report expresses an unmodified opinion on whether the financial statements of the City of Calhoun Board of Education were prepared in accordance with GAAP.

2. No significant deficiencies were disclosed during the audit of the financial statements.

3. No instances of noncompliance material to the financial statements of the City of Calhoun Board of Education which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.

4. No significant deficiencies in internal control over major federal award programs were disclosed during the audit.

5. The auditor's report on compliance for the major federal award program for the City of Calhoun Board of Education expresses an unmodified opinion on all major federal programs.

6. There are no audit findings that are required to be reported in accordance with 2CFR section 200.516(a).

7. The program tested as a major program is: Elementary and Secondary Education Act Title I-A (CFDA 84.010).

8. The threshold used for distinguishing between Type A and B programs was $750,000.

9. The City of Calhoun Board of Education was determined to be a low-risk auditee.

FINDINGS – FINANCIAL STATEMENT AUDIT

None

FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

None

CALHOUN CITY BOARD OF EDUCATION
SCHEDULE OF APPROVED LOCAL OPTION SALES TAX PROJECTS
FOR THE YEAR ENDED JUNE 30, 2018

PROJECTS	ORIGINAL ESTIMATED COST (1)	CURRENT ESTIMATED COST (2)	AMOUNT EXPENDED IN CURRENT YEAR (3) (4)	AMOUNT EXPENDED IN PRIOR YEARS (3) (4)	TOTAL COMPLETION COST	EXCESS PROCEEDS NOT EXPENDED	ESTIMATED COMPLETION DATE
November 2010 Referendum (a) acquisition, construction, furnishing and equipping of a new high-middle school complex; (b) acquisition of real property for future schools, facilities, admin offices, support services, or any other purpose of the Calhoun City School System; c) equipping, renovation, construction, improvements and additions to existing academic and athletic facilities; d) acquisition of new and refurbish existing school buses; e) equipping, renovation and improvement of the existing auditorium to adapt for use by all schools in the System; f) acquisition and installation of computers and new technology throughout the Calhoun School System; g) retirement of prevously incurred GO debt; h) repaying, in part, principal and interest on GO debt of the City of Calhoun anticipated to be issued for capital outlay projects of the City of Calhoun	$ 50,108,666	$ 56,400,378	$ 107,241	$ 56,293,137	$ 56,400,378	$ -	Completed
Stem/Cola Building	1,856,705	1,799,205	862,935	936,270	1,799,205	-	Completed
Performing Art Center Renovation	2,078,406	2,090,379	1,118,434	971,945	2,090,379	-	Completed
Total	$ 54,043,777	$ 60,289,962	$ 2,088,610	$ 58,201,352	$ 60,289,962	$ -	Completed
November 2015 Referendum - (a) The retirement of previously incurred general obligation debt	$ 10,850,614	$10,850,614	$ -	$ -	$ -	$ -	3/1/2022
(b) Renovations and improvements to and equipment for the auditorium, acquisition and installation of security cameras at the Pre-K site, relocation of the Central Office to allow expansion of current Pre-K facilities, relocation of Online Learning Academy, acquisition and installation of computers and new technology, acquisition of new school buses and/or the refurbishing of existing school buses, acquisition and installation of a new HVAC system at the primary/elementary school complex, acquisition and equipping of science, technology, engineering, and math programs at the middle school and high school for the College and Career Academy Program, acquisition, construction, and equipping of renovations, modifications, and classroom additions, acquisition of real property for future schools, facilities, administrative offices, support services, or any other purpose, and renovations, construction, improvements and additions to and equipment for existing academic and athletic facilities and the infrastructure supporting these facilities including security systems, energy management systems, heating and air conditioning systems, and lighting on campuses	11,402,386	11,200,724	-	-	-	-	6/30/2022
Land for New Central Office	-	201,662	201,662	-	201,662	-	Completed
Total	$ 22,253,000	$ 22,253,000	$ 201,662	$ -	$ 201,662	$ -	

(1) The School District's original project cost estimate as specified in the resolution calling for the imposition of the Local Option Sales Tax, with sales tax proceeds estimated at $22,253,000 to retire bonds issued for the project. All project costs estimated are included and will be paid from bond proceeds, federal, state and local funds.

(2) The School District's current estimate of total cost for the projects, including all costs from project inception to completion.

(3) The voters of Gordon County approved the imposition of a 1% sales tax to fund the above projects and retire associated debt.

(4) Actual project cost incurred in current and prior years.

City of Calhoun Board of Education, Georgia
Notes to Schedule of Approved
Local Option Sales Tax Projects
For the Year Ended June 30, 2018

The accompanying schedule includes information required by state statute. This information is presented on the modified accrual basis of accounting, consistent with generally accepted principles for governmental fund financial statements.