GOING FURTHER

CLARKE COUNTY
BOARD OF EDUCATION

ANNUAL FINANCIAL REPORT
FOR THE
FISCAL YEAR ENDED JUNE 30, 2024

CPAs & ADVISORS

CLARKE COUNTY
BOARD OF EDUCATION

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I. FINANCIAL SECTION

MAULDIN & JENKINS
CPAs & ADVISORS

INDEPENDENT AUDITOR'S REPORT

To the Superintendent and Members of
the Clarke County Board of Education
Athens, Georgia

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of the **Clarke County Board of Education** as of and for the fiscal year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Clarke County Board of Education's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Clarke County Board of Education as of June 30, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Clarke County Board of Education and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management 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, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Clarke County Board of Education's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Clarke County Board of Education's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Clarke County Board of Education's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of revenues, expenditures, and changes in fund balances – budget and actual General Fund, the schedule of proportionate share of net pension liability – TRS, the schedule of contributions – TRS, the schedule of proportionate share of net pension liability – ERS, the schedule of contributions – ERS, the schedule of proportionate share of net pension liability – PSERS, the schedule of proportionate share of net OPEB liability – school OPEB fund, and the schedule of contributions – school OPEB fund, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Clarke County Board of Education's basic financial statements. The schedule of expenditures of special purpose local option sales tax proceeds and the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 schedule of expenditures of special purpose local option sales tax proceeds 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.

Other Reporting Required by *Governmental Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 16, 2025 on our consideration of the Clarke County Board of Education'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 Clarke County Board of Education'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 Clarke County Board of Education's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Atlanta, Georgia
January 16, 2025

INTRODUCTION

The Clarke County Board of Education's (School District) financial statements for the fiscal year ended June 30, 2024 includes a series of basic financial statements that report financial information for the School District. The Statement of Net Position and the Statement of Activities provide financial information about all of the School District's activities and present both a short-term and long-term view of the School District's finances on a global basis. The fund financial statements provide information about all of the School District's funds. Information about these funds, such as the School District's general fund, is important in its own right, but will also give insight into the School District's overall soundness as reported in the Statement of Net Position and the Statement of Activities.

FINANCIAL HIGHLIGHTS

Key Financial Highlights for Fiscal Year 2024

Government-Wide Statements:

- Government-wide net position at June 30, 2024 was $189.5 million. Net position reflects the difference between all assets and deferred outflows of resources of the School District (including capital assets, net of depreciation) and all liabilities, both short-term and long-term, and deferred inflows of resources. The net position at June 30, 2024 of $189.5 million represented an increase of $16.1 million when compared to the prior year.
- The School District had $311.2 million in expenses relating to governmental activities; only $145.1 million of these expenses were offset by program specific charges for services, grants and contributions. However, general revenues (primarily property and sales taxes) of $182.2 million were adequate to provide for these program deficits.
- As stated above, general revenues accounted for $182.2 million or about 55.7% of all revenues totaling $327.3 million. Program specific revenues in the form of charges for services, grants, and contributions accounted for the balance of these revenues.

Fund Financial Statements

- Among major funds, the general fund had $285 million in revenues and $281 million in expenditures. The general fund balance of $67.8 million at June 30, 2024 was $2.6 million more than the prior year.
- The capital projects fund had $42.5 million in revenues. $67.7 million was expended and an additional $17.2 million was transferred out of the capital projects fund into the debt service fund to pay general obligation bond principal and interest. The capital projects fund balance of $84.9 million was $40.4 million less than the prior year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts; management's discussion and analysis (this section), the basic financial statements including notes to the financial statements and supplementary information. The basic financial statements include two levels of statements that present different views of the School District. These include the government-wide and fund financial statements.

The government-wide financial statements include the 'Statement of Net Position' and 'Statement of Activities.' These statements provide information about the activities of the School District presenting both short-term and long-term information about the School District's overall financial status.

The fund financial statements focus on individual parts of the School District, reporting the School District's operation in more detail. The 'governmental funds' statements disclose how basic services are financed in the short-term as well as what remains for future spending. In the case of the Clarke County Board of Education, the general fund, capital projects fund, and debt service fund are all considered to be major funds. The School District has no nonmajor funds as defined by GASB Statement No. 34 for the purposes of this report.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements. Additionally, other supplementary information (not required) is also presented that further supplements understanding of the financial statements.

Government-Wide Statements

Since Clarke County School District has no operations that have been classified as "business activities", the government-wide financial statements are basically a consolidation of all of the School District's operating funds into one column called governmental activities. In reviewing the government-wide financial statements, a reader might ask the question, "are we in a better financial position now than last year". The 'Statement of Net Position' and the 'Statement of Activities' provides the basis for answering this question. These financial statements include all of the School District's assets and liabilities and uses the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into accounts all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the School District's net position and any changes in net position. The change in net position is important because it tells the reader that, for the School District as a whole, the financial position of the School District has improved or diminished. The causes of this change may be the results of many factors, including those not under the School District's control, such as the property tax base, change in accounting principles, change in actuarial estimates for pension and other post-employment benefit liabilities, market conditions, facility conditions, required educational programs, student-teacher ratios, and other factors.

When analyzing government-wide financial statements, it is important to remember these statements are prepared using an economic resources measurement focus (accrual accounting) and involve the following steps to format the Statement of Net Position:

- Capitalize current outlays for capital assets
- Depreciate capital assets
- Report long-term debt as a liability
- Report other post-employment benefits as a liability
- Report pension liabilities
- Calculate revenue and expense using the economic resources measurement focus and the accrual basis of accounting
- Allocate net position as follows:
    - *Net Investment in capital assets*
    - *Restricted net positions are* those resources with constraints placed on the use by external sources such as creditors, grantors, contributors or laws and regulations.
    - *Unrestricted net position* is resources that do not meet any of the above restrictions.

Fund Financial Statements

The School District uses many funds or sub-funds to account for a multitude of financial transactions during the fiscal year. The fund financial statements presented in this report provide detail information about the School District's significant or major funds. As discussed previously, the School District has no nonmajor funds as defined by generally accepted accounting principles and all funds are considered Governmental Funds.

Governmental Funds – All of the School District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using the modified accrual method of accounting which measures cash and all other financial assets that can be readily converted to cash. The governmental fund statements provide a detailed short-term view of the School District's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The differences between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds are reconciled in the financial statements.

Summary Comparison of the Government-Wide and Fund Financial Statements

Government-Wide Financial Statements	Fund Financial Statements
School District's overall financial status	School District's financial status by fund
Economic resources measurement	Current financial resources measurement
Full accrual	Modified accrual
Statement of Net Position includes: • Current assets • Noncurrent assets • Deferred outflow of resources • Current liabilities • Long-term liabilities • Deferred inflow of resources • Net position	Balance Sheet includes: • Current assets • Deferred outflow of resources • Current liabilities • Deferred inflow of resources • Fund balances
Net position is broken out into: • Net investment in capital assets • Restricted net position • Unrestricted net position	Fund balances are classified as: • Nonspendable • Restricted • Assigned • Unassigned

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE

Net position, which is the difference between total assets, deferred outflows of resources, total liabilities, and deferred inflows of resources, is one indicator of the financial condition of the School District. When revenues exceed expenses, the result is an increase in net position. When expenses exceed revenues, the result is a decrease in net position. The relationship between revenues and expenses can be thought of as the School District's operating results. The School District's net position, as measured in the Statement of Net Position, can be one way to measure the School District's financial health, or financial position. Over time, increases or decreases in the School District's net position - as measured in the Statement of Activities - are one indicator of whether its financial health is improving or deteriorating. However, the School District's goal and mission is to provide success for each child's education, not to generate profits as private corporations do. For this reason, many other nonfinancial factors should be considered in assessing the overall health of the School District.

In the case of the Clarke County Board of Education, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $189.5 million at June 30, 2024. To better understand the School District's actual financial position and ability to deliver services in future periods, it is necessary to review the various components of the net position category. For example, of the $189.5 million of net position, about $73.3 million was restricted for continuation of state and federal programs, debt service and ongoing capital projects. Accordingly, these funds were not available to meet the School District's ongoing obligations to citizens and creditors.

In addition, the School District had $343.3 million (net of related debt) invested in capital assets (e.g., land, buildings, and equipment). The School District uses these capital assets to provide educational services to students within geographic boundaries served by the School District. Because of the very nature and ongoing use of the assets being reported in this component of net position, it must be recognized that this portion of the net position is *not* available for future spending.

The remaining balance of unrestricted net assets is ($231.2) million. The negative unrestricted net position is due to the adoption of Governmental Accounting Standards Board (GASB) Statement No. 68*, Accounting and Financial Reporting for Pensions*, GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB No. 68*, and GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. The net effect of these GASB statements negatively impact unrestricted net position by ($292.0) million. This is made up of:

	Liabilities	Deferred Inflows of Resources	Deferred Outflows of Resources	Net Effect
Teachers Retirement System	($230) million	($8.3) million	$84.4 million	($153.9) million
Employees' Retirement System	($.9) million	$0.0 million	$0.3 million	($0.6) million
Other Post-Employment Benefits	($119.0) million	($50.7) million	$32.2 million	($137.5) million
Total				($292.0) million

The remaining balance of $60.8 million may be used to meet the School District's ongoing obligations to citizens and creditors.

TABLE 1 – NET POSITION COMPARISON

The table below provides a summary of the School District's net position for this fiscal year as compared to the prior fiscal year.

Table 1
Net Position

	Governmental Activities	
	Fiscal Year 2024	Fiscal Year 2023
Assets		
Current and Other Assets	$ 189,204,430	$ 219,315,513
Capital Assets, Net	396,005,235	340,309,484
Total Assets	585,209,665	559,624,997
Deferred Outflows of Resources	116,935,346	169,746,324
Total Assets and Deferred Outflows of Resources	702,145,011	729,371,321
Liabilities		
Current and Other Liabilities	51,149,446	28,794,312
Pension and OPEB Liabilities	349,980,686	377,884,083
Long-Term Liabilities	51,373,440	82,644,264
Total Liabilities	452,503,572	489,322,659
Deferred Inflows of Resources	60,166,401	66,689,691
Total Liabilities and Deferred Inflows of Resources	512,669,973	556,012,350
Net Position		
Net Investment in Capital Assets	343,301,049	335,176,350
Restricted	77,334,929	59,767,831
Unrestricted (Deficit)	(231,160,940)	(221,585,210)
Total Net Position	$ 189,475,038	$ 173,358,971

Analysis

Total net position increased $16.1 million in fiscal year 2024 from the prior year. This increase is the net effect of many factors.

- Assets and deferred outflows of resources decreased by $27.2 million. Significant factors that led to the increase are:
    - Various capital related transactions resulted in capital assets net of accumulated depreciation increasing by $55.7 million with cash and cash equivalents decreasing by $30.1 million to assist with these transactions.
    - GASB Statement No. 68 and GASB Statement No. 75 reporting requirements, which are rooted in actuarial assumptions and estimates, decreased deferred outflows related to defined benefit pension plans and OPEB by $52.8 million.
- Liabilities and deferred inflows of resources decreased by $43.3 million. Significant factors that led to the increase are:
    - GASB Statement No. 68 and GASB Statement No. 75 reporting requirements decreased the net pension liability and net OPEB liability by $27.9 million.
    - GASB Statement No. 68 and GASB Statement No. 75 reporting requirements decreased the deferred inflows related to defined benefit pension plans and OPEB by $6.6 million.

TABLE 2 – CHANGE IN NET POSITION COMPARISON

The table below shows the changes in net position as compared to the prior fiscal year.

Table 2
Change in Net Position

	Governmental Activities	
	Fiscal Year 2024	Fiscal Year 2023
Revenues		
Program Revenues:		
Charges for Services	$ 2,743,599	$ 2,413,906
Operating Grants and Contributions	142,353,525	132,058,752
Total Program Revenues	145,097,124	134,472,658
General Revenues:		
Property Taxes	129,993,619	110,412,756
Sales Taxes	37,489,163	36,807,982
Investment Earnings	9,283,100	2,519,278
Miscellaneous	5,126,965	3,575,526
Gain/(Loss) on Disposal of Capital Assets	277,849	(2,925)
Total General Revenues and Gain/(Loss)	182,170,696	153,312,617
Total Revenues	327,267,820	287,785,275
Program Expenses:		
Instruction	185,360,296	171,723,481
Support Services		
Pupil Services	18,559,997	16,824,965
Improvement of Instructional Services	18,076,468	17,412,209
Educational Media Services	3,956,602	2,778,535
General Administration	4,759,313	6,767,095
School Administration	14,114,943	12,841,080
Business Administration	2,569,406	2,366,216
Maintenance and Operation of Plant	26,983,765	21,573,934
Student Transportation Services	14,944,778	12,119,116
Central Support Services	6,556,528	4,471,086
Other Support Services	92,775	407,059
Operations of Non-Instructional Services		
Enterprise Operations	233,508	183,816
Community Services	1,554,686	1,663,579
Food Services	11,929,426	10,650,063
Interest on Long-Term Debt	1,459,262	2,469,501
Total Expenses	311,151,753	284,251,735
Increase in Net Position	$ 16,116,067	$ 3,533,540

Analysis

The School District did see another increase in net position. The increase for fiscal year 2024 was $12.6 million more than the increase that occurred in fiscal year 2023. This increase is the net effect of many factors:

- Revenues increased by $39.5 million. Significant factors that led to the increase are:
  - The School District was awarded substantial pandemic related federal assistance during the year. As a result, operating grants and contributions increased by $10.3 million.
  - Property values in Clarke County increased and as a result of keeping the millage rate consistent, revenue from property taxes increased by $19.6 million.
  - Rising interest rates contributed to investment income increasing by $6.8 million.
- Expenses increased by $26.9 million. Significant factors that led to the increase are:
  - GASB Statement No. 68 and GASB Statement No. 75 reporting requirements, which are rooted in actuarial assumptions and estimates, increased expenditures by $17.2 million.
  - The School District provided a $4,000 raise to all employees in FY 2024.

TABLE 3 – COST OF PROVIDING SERVICES

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting these services. Table 3 shows, for governmental activities, the total cost of services and the net cost of services. Net cost of services can be defined as the total cost less fees generated by the activities and intergovernmental revenue provided for specific programs. The net cost reflects the financial burden on the School District's taxpayers by each activity as compared to the prior fiscal year.

Table 3
Governmental Activities

	Total Cost of Services		Net Cost of Services	
	Fiscal Year 2024	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2023
Instruction	$ 185,360,296	$ 171,723,481	$ 90,257,155	$ 85,545,787
Support Services:				
Pupil Services	18,559,997	16,824,965	11,324,982	9,439,138
Improvement of Instructional Services	18,076,468	17,412,209	9,540,778	8,484,388
Educational Media Services	3,956,602	2,778,535	1,715,962	718,198
General Administration	4,759,313	6,767,095	(910,020)	2,117,122
School Administration	14,114,943	12,841,080	9,126,225	8,349,969
Business Administration	2,569,406	2,366,216	2,528,379	2,344,551
Maintenance and Operation of Plant	26,983,765	21,573,934	21,415,478	17,303,389
Student Transportation Services	14,944,778	12,119,116	11,917,244	9,948,195
Central Support Services	6,556,528	4,471,086	6,442,854	4,433,130
Other Support Services	92,775	407,059	46,831	361,390
Operations of Non-Instructional Services:				
Enterprise Operations	233,508	183,816	233,508	(906,668)
Community Services	1,554,686	1,663,579	(542,452)	(629,798)
Food Services	11,929,426	10,650,063	1,498,443	(199,215)
Interest on Long-Term Debt	1,459,262	2,469,501	1,459,262	2,469,501
Total Expenses	$ 311,151,753	$ 284,251,735	$ 166,054,629	$ 149,779,077

Analysis

Expenses for fiscal year 2024 increased about 9.5% from prior year expenses, while the net cost of services increased 10.9%. This is the net result of changes in revenues and program expenses explained above.

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS

Information about the School District's governmental funds is presented in the basic financial statements of this report. Governmental funds are accounted for using the modified accrual basis of accounting. The governmental funds had total revenues of $327.4 million, and total expenditures of $366 million in fiscal year 2024. Total governmental fund balances of $152.7 million at June 30, 2024, decreased $37.9 million from the prior year. This decrease in fund balance was the net effect of many factors included spending of bond proceeds and other capital related items.

General Fund Budget Highlights

The School District's budget is prepared according to Georgia Law. The most significant budgeted fund is the general fund. During the course of fiscal year 2024, the School District amended its general fund budget as needed.

The School District budget is adopted at the aggregate level and maintained at the program, function, object, and site levels to facilitate budgetary control. The budgeting systems are designed to control the total budget, but provide flexibility to meet the ongoing programmatic needs. The budgeting systems are also designed to control total site budgets but provide flexibility for site management as well.

General Fund Revenue

For the general fund, the final actual revenues of $284.9 million were less than the final budgeted of $309.3 million by $24.4 million. This difference (final actual vs. final budget) is the net effect of many factors:

- The School District operated several pandemic related federal grants with grant periods that extend beyond the end of the fiscal year. These grants operate on a reimbursement basis and were not fully expended during the year. Since more funding was available than drawn down in the fiscal year, revenues related to federal funds were $30.8 million less than what was budgeted. These funds will roll over and benefit future years.
- Investment earnings were $0.4 million higher than budgeted due to increasing market rates and cash management.
- State funds were $2.5 million higher than budgeted due to enrollment growth.

General Fund Expenditures

The general fund's final actual expenditures of $281.1 million were less than the final budget amount of $303.9 million by $22.8 million. This difference (final actual vs. final budget) is the net effect of many factors:

- The School District operated several pandemic related federal grants with grant periods that extend beyond the end of the fiscal year. These grants operate on a reimbursement basis and were not fully expended during the year. Since more funding was available than drawn down in the fiscal year, expenditures related to federal funds were $30.8 less than what was budgeted. These unexpended funds will roll over and benefit future years.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2024, the School District had $396 million invested in capital assets, net of accumulated depreciation, all in governmental activities. These assets are made up of a broad range of items including buildings; land; land improvements; and food service, transportation, and maintenance equipment. Table 4 reflects a summary of these balances, net of accumulated depreciation, as compared to the prior fiscal year.

Table 4
Capital Assets
(Net of Depreciation)

	Governmental Activities	
	Fiscal Year 2024	Fiscal Year 2023
Land	$ 5,742,117	$ 5,742,117
Construction In Progress	66,671,424	18,315,049
Building and Improvements	310,114,153	303,981,721
Equipment	6,917,766	5,783,951
Land Improvements	6,559,775	6,486,648
Total	$ 396,005,235	$ 340,309,486

Additional information about the School District's capital assets can be found in the Notes to the Basic Financial Statements.

Long-Term Liabilities

At June 30, 2024, the School District had $67.4 million in total debt outstanding which was consisted of $61.2 million in bond debt, $2.8 million unamortized premiums on bonds sold, $0.2 million in leases and $3.2 million in compensated absences debt. Table 5 summarizes the School District's debt as compared to the prior fiscal year.

Table 5
Changes in Long-Term Liabilities

	Governmental Activities	
	Fiscal Year 2024	Fiscal Year 2023
Bonds Payable	$ 61,250,000	$ 75,000,000
Leases	144,730	486,689
Compensated Absences	3,230,342	2,599,032
Unamortized Bond Premiums	2,833,404	4,558,542
Total	$ 67,458,476	$ 82,644,263

Additional information about the School District's debt can be found in the Notes to the Basic Financial Statements.

FACTORS BEARING ON THE DISTRICT'S FUTURE

Currently known circumstances that are expected to have a significant effect on financial position or results of operations in future years are as follows:

- We still see the impact of COVID-19 on the School District's operations and staffing. There has been a continued shortage of custodians, maintenance workers, bus drivers, paraprofessionals and teachers. The School District has turned to contracted services, signing and retention supplements, and paying significant overtime in order to meet the need in these areas.
- Inflation and supply chain issues have also impacted operations. There has been an increase in cost for custodial supplies and equipment, food, fuel, furniture and construction. The School District also experienced significant delays and challenges when purchasing vehicles.
- As with all school districts and public higher education institutions nationally, one challenge is setting enough funds aside for increasing health costs and other post-retirement benefits. Further complicating the issue is the uncertainty of the federal and state governments' commitment to fully funding education, specifically school districts like Clarke County Board of Education which have a significant number of children who are classified as living in poverty. These complex and competing fiscal demands do not only reflect a financial challenge, but present the need for clarity and a strategic focus to fully meet the needs of all students. To that end, the School District has prioritized staffing in the areas of counseling and social work, preserving low class sizes in grades Kindergarten through 8th grade, maintaining staff levels in Special Education, and paying all staff a competitive wage.

- Despite these challenges the School District is financially stable. The operating millage rate for fiscal year 2024 was 18.8 mills, which produced approximately $6.7 million per mill.
- The School District also benefits from Title I funding through the Community Eligibility Provision that enables all students to eat meals at no cost. Additionally, the School District qualifies for special grants and other opportunities afforded to districts with children in need. The focus is on determining how to properly leverage the resources provided to significantly improve student performance.
- The School District continues to construct new facilities and renovate existing buildings to implement a neighborhood school model, improve instructional spaces and reduce the number of portable classrooms district wide. The School District plans to fund additional capital projects with the one percent local sales tax revenue approved in 2021 and with state capital outlay grants.
- The School District leadership is constantly prioritizing where to invest funds to best align to the School District's strategic plan. The School District has converted to the Fund 150 allotment system, maximizing financial flexibility and ensuring resources are provided to children. The School District has earned and maintained an Aa2 bond rating, which is a higher than normal rating in the state of Georgia. The School District is committed to a conservative budget approach and presents annual budgets to the public that are balanced.

CONTACTING THE SCHOOL DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Mr. Chris Griner, Chief Financial Officer, Clarke County Board of Education, 595 Prince Avenue, Athens, Georgia 30601. You may also email your questions to Mr. Griner at grinerc@clarke.k12.ga.us.

BASIC FINANCIAL STATEMENTS

CLARKE COUNTY BOARD OF EDUCATION

STATEMENT OF NET POSITION
JUNE 30, 2024

	Governmental Activities
ASSETS	
Cash and cash equivalents	$ 123,233,784
Investments	32,294,452
Receivables:	
Taxes, net of allowances	2,606,138
Intergovernmental:	
State	18,405,887
Federal	11,035,780
Other	800,512
Prepaid items	409,368
Inventory	418,509
Capital assets (nondepreciable)	72,413,541
Capital assets (depreciable, net of accumulated depreciation)	323,591,694
Total assets	585,209,665
DEFERRED OUTFLOWS OF RESOURCES	
Pension related items	84,737,525
OPEB related items	32,197,821
Total deferred outflows of resources	116,935,346
LIABILITIES	
Accounts payable	8,608,300
Salaries and benefits payable	17,030,789
Contracts payable	5,281,013
Retainage payable	2,959,121
Unearned revenue	164,354
Accrued interest payable	1,020,833
Financed purchases due within one year	144,730
Bonds payable due within one year	14,325,000
Bonds payable due in more than one year	49,758,404
Compensated absences due within one year	1,615,306
Compensated absences due in more than one year	1,615,036
Net pension liability due in more than one year	230,909,099
Net OPEB liability due in more than one year	119,071,587
Total liabilities	452,503,572
DEFERRED INFLOWS OF RESOURCES	
Lease arrangements	1,234,528
Pension related items	8,315,016
Other postemployment benefits related items	50,616,857
Total deferred inflows of resources	60,166,401
NET POSITION	
Net investment in capital assets	343,301,049
Restricted for:	
Capital projects	73,290,252
Federal programs	4,044,677
Unrestricted	(231,160,940)
Total net position	$ 189,475,038

The accompanying notes are an integral part of these financial statements.

CLARKE COUNTY BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities
Governmental activities:					
Instruction	$ 185,360,296	$ 231,986	$ 94,871,155	$ -	$ (90,257,155)
Support services:					
Pupil services	18,559,997	-	7,235,015	-	(11,324,982)
Improvement of instructional services	18,076,468	-	8,535,690	-	(9,540,778)
Educational media services	3,956,602	-	2,240,640	-	(1,715,962)
General administration	4,759,313	-	5,669,333	-	910,020
School administration	14,114,943	-	4,988,718	-	(9,126,225)
Business administration	2,569,406	-	41,027	-	(2,528,379)
Maintenance and operation of facilities	26,983,765	81,034	5,487,253	-	(21,415,478)
Student transportation services	14,944,778	347,273	2,680,261	-	(11,917,244)
Central support services	6,556,528	-	113,674	-	(6,442,854)
Other support services	92,775	-	45,944	-	(46,831)
Operations of non-instructional services:					
Food services operation	11,929,426	123,954	10,307,029	-	(1,498,443)
Enterprise operations	233,508	-	-	-	(233,508)
Community services operation	1,554,686	1,959,352	137,786	-	542,452
Interest on long-term debt	1,459,262	-	-	-	(1,459,262)
Total governmental activities	$ 311,151,753	$ 2,743,599	$ 142,353,525	$ -	(166,054,629)

General revenues:	
Taxes:	
Property taxes, levied for general purposes	129,993,619
Sales taxes	37,489,163
Gain on sale of capital assets	277,849
Miscellaneous revenues	5,126,965
Unrestricted investment earnings	9,283,100
Total general revenues	182,170,696
Change in net position	16,116,067
Net position, beginning of year	173,358,971
Net position, end of year	$ 189,475,038

The accompanying notes are an integral part of these financial statements.

CLARKE COUNTY BOARD OF EDUCATION

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2024

ASSETS	General	Capital Projects	Debt Service	Total Governmental Funds
Cash and cash equivalents	$ 60,668,849	$ 62,564,935	$ -	$ 123,233,784
Investments	4,935,846	27,358,606	-	32,294,452
Receivables:				
Taxes, net of allowances	2,606,138	-	-	2,606,138
Intergovernmental:				
State	12,281,715	6,124,172	-	18,405,887
Federal	11,035,780	-	-	11,035,780
Other	726,407	74,105	-	800,512
Prepaid items	409,368	-	-	409,368
Inventory	418,509	-	-	418,509
Total assets	$ 93,082,612	$ 96,121,818	$ -	$ 189,204,430
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts payable	$ 5,540,816	$ 3,067,484	$ -	$ 8,608,300
Salaries and benefits payable	17,030,789	-	-	17,030,789
Contracts payable	45,242	5,235,771	-	5,281,013
Retainage payable	-	2,959,121	-	2,959,121
Unearned revenue	164,354	-	-	164,354
Total liabilities	22,781,201	11,262,376	-	34,043,577
DEFERRED INFLOWS OF RESOURCES				
Lease arrangements	1,234,528	-	-	1,234,528
Unavailable revenue - property taxes	1,234,614	-	-	1,234,614
Total deferred inflows of resources	2,469,142	-	-	2,469,142
FUND BALANCES				
Nonspendable:				
Prepaid items	409,368	-	-	409,368
Inventory	418,509	-	-	418,509
Restricted for:				
Capital projects	-	84,859,442	-	84,859,442
Federal programs	4,044,677	-	-	4,044,677
Assigned:				
2025 fiscal year appropriations of fund balance	6,607,211	-	-	6,607,211
School activity accounts	1,413,645	-	-	1,413,645
After school program	607,694	-	-	607,694
Local capital outlay projects	37,937	-	-	37,937
Local programs	1,672,920	-	-	1,672,920
Unassigned:				
General Fund	52,620,308	-	-	52,620,308
Total fund balances	67,832,269	84,859,442	-	152,691,711
Total liabilities, deferred inflows of resources and fund balances	$ 93,082,612	$ 96,121,818	$ -	$ 189,204,430

The accompanying notes are an integral part of these financial statements.

CLARKE COUNTY BOARD OF EDUCATION
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION
JUNE 30, 2024

Total fund balances - governmental funds		$ 152,691,711
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 funds.		
Cost	$ 535,149,857	
Less accumulated depreciation	(139,144,622)	396,005,235
Other long-term assets are not available to pay for current-period expenditures, and, therefore, are unavailable in the funds.		
Property taxes		1,234,614
The net pension liability is not expected to be paid with current financial resources, and, is therefore, not reported in governmental funds.		
Net pension liability	(230,909,099)	
Deferred outflows of resources	84,737,525	
Deferred inflows of resources	(8,315,016)	(154,486,590)
The net other postemployment benefits liability is not expected to be paid with current financial resources, and, is therefore, not reported in governmental funds.		
Net other post-employment benefits liability	(119,071,587)	
Deferred outflows of resources	32,197,821	
Deferred inflows of resources	(50,616,857)	(137,490,623)
Long-term liabilities are not due and payable in the current period, and, therefore, are not reported in the governmental funds.		
Bonds payable	(61,250,000)	
Premium, net of amortization	(2,833,404)	
Financed purchases	(144,730)	
Accrued interest	(1,020,833)	
Compensated absences	(3,230,342)	(68,479,309)
Net position of governmental activities		$ 189,475,038

The accompanying notes are an integral part of these financial statements.

CLARKE COUNTY BOARD OF EDUCATION
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	General	Capital Projects	Debt Service	Total Governmental Funds
REVENUES				
Property taxes	$ 129,971,546	$ -	$ -	$ 129,971,546
Sales taxes	-	37,489,163	-	37,489,163
State funds	93,287,516	-	-	93,287,516
Federal funds	49,519,867	-	-	49,519,867
Investment income	4,230,464	5,052,636	-	9,283,100
Charges for services	2,743,599	-	-	2,743,599
Miscellaneous	5,126,965	-	-	5,126,965
Total revenues	284,879,957	42,541,799	-	327,421,756
EXPENDITURES				
Current:				
Instruction	159,746,240	5,098,231	-	164,844,471
Support services:				
Pupil services	17,207,242	-	-	17,207,242
Improvement of instructional services	17,058,794	-	-	17,058,794
Educational media services	3,779,268	-	-	3,779,268
General administration	4,556,222	15,893	-	4,572,115
School administration	12,964,816	-	-	12,964,816
Business administration	2,301,969	-	-	2,301,969
Maintenance and operation of facilities	30,541,965	734,719	-	31,276,684
Student transportation services	14,434,793	772,134	-	15,206,927
Central support services	4,617,934	1,751,564	-	6,369,498
Other support services	45,761	-	-	45,761
Food services operation	11,650,174	-	-	11,650,174
Enterprise operation	233,508	-	-	233,508
Community services operation	1,554,686	-	-	1,554,686
Capital outlay	109,274	59,313,791	-	59,423,065
Debt service:				
Principal retirement	341,959	-	13,750,000	14,091,959
Interest and fees	7,318	-	3,406,250	3,413,568
Total expenditures	281,151,923	67,686,332	17,156,250	365,994,505
Excess (deficiency) of revenues over expenditures	3,728,034	(25,144,533)	(17,156,250)	(38,572,749)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	1,863,935	17,156,250	19,020,185
Transfers out	(1,863,935)	(17,156,250)	-	(19,020,185)
Proceeds from sale of capital assets	705,800	-	-	705,800
Total other financing sources (uses)	(1,158,135)	(15,292,315)	17,156,250	705,800
Net change in fund balances	2,569,899	(40,436,848)	-	(37,866,949)
FUND BALANCES, beginning of year	65,262,370	125,296,290	-	190,558,660
FUND BALANCES, end of year	$ 67,832,269	$ 84,859,442	$ -	$ 152,691,711

The accompanying notes are an integral part of these financial statements.

CLARKE COUNTY BOARD OF EDUCATION
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Amounts reported for governmental activities in the statement of activities are different because:		
Net change in fund balances - total governmental funds		$ (37,866,949)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The amount by which capital outlay exceeded depreciation in the current period is as follows:		
Capital outlay	$ 67,264,594	
Depreciation expense	(11,140,892)	56,123,702
The net effect of miscellaneous transactions involving capital assets is as follows:		
Net book value of capital assets disposed		(427,951)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.		
Property taxes		22,073
In the governmental funds, current year expenditures related to pensions are comprised solely of amounts contributed to the plan for the current year. However, in the statement of activities, expenses related to pensions include amounts that do not require the use of current financial resources. This amount represents the difference in the required accounting treatment of pensions and related items.		(23,406,897)
In the governmental funds, current year expenditures related to other postemployment benefits are comprised solely of amounts contributed to the plan for the current year. However, in the statement of activities, expenses related to other postemployment benefits include amounts that do not require the use of current financial resources. This amount represents the difference in the required accounting treatment of other postemployment benefits and related items.		6,257,133
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the principal repayment of long-term debt.		
Payment of bonds	13,750,000	
Payment of financed purchases	341,959	14,091,959
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Amortization of bond premium	1,725,139	
Change in compensated absences	(631,309)	
Change in accrued interest	229,167	1,322,997
Change in net position of governmental activities		$ 16,116,067

The accompanying notes are an integral part of these financial statements.

NOTE 1 – DESCRIPTION OF SCHOOL DISTRICT AND REPORTING ENTITY

Reporting Entity

The Clarke County Board of Education (the "School District") 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 School District is organized as a separate legal entity and has the power to levy taxes and issue bonds. Its budget is not subject to approval by any other entity. Accordingly, the School District is a primary government and consists of all the organizations that compose its legal entity.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The School District's basic financial statements are collectively comprised of the government-wide financial statements, fund financial statements and notes to the basic financial statements of the Clarke County Board of Education.

***Government-Wide Statements*:**
The statement of net position and the statement of activities display information about the financial activities of the overall School District. Eliminations have been made to minimize the double counting of internal activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the School District's governmental activities.

- Direct expenses are those that are specifically associated with a program or function, and, therefore, are clearly identifiable to a particular function. Indirect expenses (expenses of the School District related to the administration and support of the School District's programs, such as office and maintenance personnel and accounting) are not allocated to programs.

- Program revenues include: (a) charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

In the statement of net position, equity is reported as net position and consists of net investment in capital assets, amounts restricted by outside parties for specific purposes and unrestricted amounts.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

***Fund Financial Statements*:**
The fund financial statements provide information about the School District's funds. Eliminations have been made to minimize the double counting of internal activities. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column.

The School District reports the following major governmental funds:

- *General Fund* is the School District's primary operating fund. It accounts for all financial resources of the School District, except those resources required to be accounted for in another fund.

- *District-Wide Capital Projects Fund* accounts for financial resources including Special Purpose Local Option Sales Tax (SPLOST) and bond proceeds that are restricted, committed or assigned for capital outlay expenditures, including the acquisition or construction of capital facilities and other capital assets.

- *Debt Service Fund* accounts for accumulated resources legally restricted for the payment of general long-term debt principal, interest and paying agent's fees.

Basis of Accounting/Measurement Focus

The basis of accounting determines when transactions are reported on the financial statements. The District-wide governmental activities financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the School District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, sales taxes, grants and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from sales taxes is recognized in the fiscal year in which the underlying transaction (sale) takes place. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

The School District uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the School District considers most revenues to be available if they are collected within 60 days of the end of the current fiscal period.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property taxes, sales taxes, intergovernmental revenue, and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments and compensated absences, which are recognized as expenditures to the extent they have matured. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term liabilities and financed purchases are reported as other financing sources.

Revenue from grants and donations are 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 District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis.

The State of Georgia reimburses the School District 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 12 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 District over the same 12-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 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 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 Government Accounting Standards Board (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 District recognizes the same QBE as a receivable and revenue, consistent with symmetrical recognition.

The School District funds certain programs by a combination of specific cost-reimbursement grants, categorical grants, and general revenues. Thus, when program costs are incurred, there are both restricted and unrestricted net position available to finance the program. It is the School District's policy to first apply grant resources to such programs, followed by cost-reimbursement grants, then general revenues.

Cash and Cash Equivalents

COMPOSITION OF DEPOSITS

Cash and cash equivalents consist of cash on hand, demand deposits, investments in the State of Georgia local government investment pool (Georgia Fund 1) and short-term investments with original maturities of three months or less from the date of acquisition in authorized financial institutions. Georgia Laws OCGA 45-8-14 authorizes the School District to deposit its funds in one or more solvent banks or insured federal savings and loan associations.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments

COMPOSITION OF INVESTMENTS

Investments made by the School District in nonparticipating interest-earning contracts (such as certificates of deposit) and repurchase agreements are reported at cost. Participating interest-earning contracts and money market investments with a maturity at purchase of one year or less are reported at amortized cost. Both participating interest-earning contracts and money market investments with a maturity at purchase greater than one year are reported at fair value. The Official Code of Georgia Annotated Section 36-83-4 authorizes the School District to invest its funds. In selecting among options for investment or among institutional bids for deposits, the highest rate of return shall be the objective, given equivalent conditions of safety and liquidity. Funds may be invested in the following:

(1) Obligations issued by the State of Georgia or by other states,
(2) Obligations issued by the United States Government,
(3) Obligations fully insured or guaranteed by the United States Government or a United States Government agency,
(4) Obligations of any corporation of the United States Government,
(5) Prime banker's acceptances,
(6) The Local Government Investment Pool administered by the State Treasurer of the State of Georgia,
(7) Repurchase agreements, and
(8) Obligations of other political subdivisions of the State of Georgia.

Receivables

Receivables consist of amounts due from property and sales taxes, grant reimbursements due on federal, state or other grants for expenditures made but not reimbursed and other receivables disclosed from information available. Receivables are recorded when either the asset or revenue recognition criteria has been met. Receivables recorded on the basic financial statements are reported net of an allowance for uncollectible receivables when necessary.

Due to other funds and due from other funds consist of activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property Taxes

The Clarke County Tax Commissioner levied the property tax for the 2023 tax digest year (calendar year) on July 18, 2023 (levy date). Taxes were due on October 20, 2023 (lien date). Taxes collected within the current fiscal year or within 60 days after year end on the 2023 tax digest are reported as revenue in the governmental funds for fiscal year 2024. The Clarke County Tax Commissioner bills and collects the property taxes for the School District, withholds 2.5% of taxes collected as a fee for tax collection and remits the balance of taxes collected to the School District. Property tax revenues, at the fund reporting level, during the fiscal year ended June 30, 2024, for maintenance and operations amounted to $129,971,546. Allowances for uncollectible property taxes at June 30, 2024 for the School District's General Fund are $107,847.

The Georgia Constitution, Article VIII, Section VI, Paragraph I requires the Board of Education of each school system to annually certify to its fiscal authority or authorities a school tax not greater than 20 mills per dollar for the support and maintenance of education. The Clarke County Board of Education is in compliance with this law. Tax millage rates levied for the 2023 tax year (calendar year) for the Clarke County Board of Education were as follows (a mill equals $1 per thousand dollars of assessed value):

School Maintenance and Operations	18.80 mills

Sales Taxes

Special Purpose Local Option Sales Tax, at the fund reporting level, during the year amounted to $37,489,163 and is to be used for capital outlay for educational purposes or debt service. This sales tax was authorized by local referendum and the sales tax must be reauthorized at least every five years.

Inventories

CONSUMABLE SUPPLIES

On the basic financial statements, consumable supplies are reported at cost (first-in, first-out). The School District uses the consumption method to account for the consumable supplies inventory whereby an asset is recorded when supplies are purchased and expenses/expenditures are recorded at the time the supplies are consumed.

FOOD INVENTORIES

On the basic financial statements, inventories of donated food commodities used in the preparation of meals are reported at their federally assigned value and purchased foods inventories are reported at cost (first-in, first-out). The School District uses the consumption method to account for inventories whereby donated food commodities are recorded as an asset and as revenue when received and expenses/expenditures are recorded as the inventory items are used. Purchased foods are recorded as an asset when purchased and expenses/expenditures are recorded as the inventory items are used.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Prepaid Items

Payments made to vendors for services that will benefit periods subsequent to June 30, 2024, are recorded as prepaid items.

Capital Assets

Capital assets purchased, including capital outlay costs, are recorded as expenditures in the fund financial statements at the time of purchase (including ancillary charges). On the District-wide financial statements, all purchased capital assets are valued at cost where historical records are available and at estimated historical cost based on appraisals or deflated current replacement cost where no historical records exist. Donated capital assets are recorded at estimated acquisition value. Disposals are deleted at depreciated recorded cost. The cost of normal maintenance and repairs that do not add to the value of assets or materially extend the useful lives of the assets is not capitalized. Depreciation is computed using the straight-line method. The School District does not capitalize book collections or works of art. Depreciation is used to allocate the actual or estimated historical cost of all capital assets over estimated useful lives.

Capitalization thresholds and estimated useful lives of capital assets reported in the District-wide statements are as follows:

	Capitalization Policy	Estimated Useful Life
Land	All	N/A
Land Improvements	$ 5,000	15-99 years
Buildings and Improvements	$ 5,000	Up to 99 years
Equipment	$ 5,000	3-10 years
Intangible Assets	$ 100,000	Individually determined

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. The School District reports five (5) types of deferred outflows of resources related to the reporting of the net pension liability and net OPEB liability. The School District reports: (1) a deferred outflow of resources for the School District's actual contributions to the pension and OPEB plan during the fiscal year ended June 30, 2024 which are subsequent to the measurement date of the net pension liability and net OPEB liability and will be recognized in fiscal year 2025; (2) a deferred outflow of resources for experience gains or losses related to the pension plan and OPEB plan; (3) a deferred outflow of resources for the changes in actuarial assumptions on the pension plan and OPEB plan; (4) a deferred outflow of resources for the difference between projected and actual investment earnings on the pension and OPEB assets; and (5) a deferred outflow of resources for the changes in proportional differences in contributions for the pension plan and OPEB Plan which will be amortized over the remaining service period.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The School District has two types of deferred inflows under a modified accrual basis of accounting that qualify for reporting in this category. Accordingly, these items, unavailable revenues, are reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes and these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available. The School District reports a deferred inflow of resource for a lease of land owned by the District that was paid to the District up front and will be recognized over the life of the lease. The School District also has three items that qualify for reporting in this category which occurs only in the governmental activities. The School District reports: (1) a deferred inflow of resources for experience gains or losses related to the pension and OPEB Plan, (2) a deferred inflow of resources for assumption changes related to the OPEB plan, (3) a deferred inflow of resources for the difference between the School District's actual contributions towards the pension and OPEB plans and the School District's proportionate share of contributions, which will be amortized over the remaining service period.

Compensated Absences

Members of the Teachers Retirement System of Georgia (TRS) may apply unused sick leave toward early retirement. The liability for early retirement will be borne by TRS rather than by the individual School Districts. Otherwise sick leave does not vest with the employee, and no liability is reported in the School District's financial statements.

Compensated absences payable consists of vacation leave employees earned based on services already rendered.

Vacation leave of 15 days is awarded on a fiscal year basis to all full-time personnel employed on a 12-month basis. No other employees are eligible to earn vacation leave. Vacation leave not utilized during the fiscal year may be carried over to the next fiscal year, providing such vacation leave does not exceed 60 days. Upon terminating employment, the School District pays all unused and unforfeited vacation benefits to employees. Accordingly, vacation benefits are accrued as a liability in the government-wide financial statements. A liability for these amounts is reported in the governmental fund financial statements only if they have matured, for example, as a result of employee resignations and retirements by fiscal year end.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

General Obligation Bonds

The School District issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. In addition, general obligation bonds have been issued to refund existing general obligation bonds. Bond issuance costs are recognized in the financial statements during the fiscal year bonds are issued. General obligation bonds are direct obligations and pledge the full faith and credit of the government.

In the fund financial statements, the face amount of debt issued and any related premium, is reported as other financing sources. Issuance costs, whether or not withheld from actual proceeds, are reported as debt service expenditures.

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed when incurred.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows and inflows of resources, and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

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 TRS's fiduciary net position have been determined on the same basis as they are reported by TRS. 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.

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 Public School Employees Retirement System (PSERS) and additions to/deductions from PSERS's fiduciary net position have been determined on the same basis as they are reported by PSERS. 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.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Pensions (Continued)

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position of the Employees Retirement System of Georgia (ERS) and additions to/deductions from ERS's fiduciary net position have been determined on the same basis as they are reported by ERS. 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.

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 the School OPEB Fund's fiduciary net position have been determined on the same basis as they are reported by the 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.

Fund Equity/Net Position

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 assets, liabilities and deferred inflows of resources under the current financial resources measurement focus of accounting. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the School District 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 District 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 Board of Education through the adoption of a resolution. Only the Board of Education may modify or rescind the commitment, also through a resolution.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Equity/Net Position (Continued)

- ***Assigned*** – Fund balances are reported as assigned when amounts are constrained by the School District's intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the Board of Education has authorized the Superintendent or his or her 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 School District 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 School District's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the School District's policy to use fund balance in the following order:

- Committed
- Assigned
- Unassigned

It is the goal of the School District to achieve and maintain a committed, assigned and unassigned fund balance in the General Fund at fiscal year end of not less than 5% of budgeted expenditures and not to exceed 15% of the total budget of the subsequent fiscal year, in compliance with Official Code of Georgia annotated 20-2-167(a)5. If unassigned fund balance at fiscal year-end falls below the goal, the School District shall develop a restoration plan to achieve and maintain the minimum fund balance.

Net Position – Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources in reporting which utilizes the economic resources measurement focus. Net investment in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used (i.e., the amount that the School District has spent) for the acquisition, construction or improvement of those assets. Net position is reported as restricted using the same definition as used for restricted fund balance as described in the section above. All other net position is reported as unrestricted.

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

NOTE 3 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

The budget is a complete financial plan for the School District's fiscal year and is based upon careful estimates of expenditures together with probable funding sources. The budget is legally adopted each year for the general, debt service, and capital projects funds. There is no statutory prohibition regarding over expenditure of the budget at any level. The budget for all governmental funds, except the various school activity (principal) accounts, is prepared and adopted by fund and function. The legal level of budgetary control was established by the Board at the aggregate fund level. The budget for the General Fund was prepared in accordance with accounting principles generall accepted in the United States of America. The capital projects fund adopts project-length budgets.

The budgetary process begins with the School District's administration presenting an initial budget for the Board's review. The administration makes revisions as necessary based on the Board's guidelines, and a tentative budget is approved. After approval of this tentative budget by the Board, such budget is advertised at least once in a newspaper of general circulation in the locality, as well as the School District's website. At the next regularly scheduled meeting of the Board after advertisement, the Board receives comments on the tentative budget, makes revisions as necessary and adopts a final budget. The approved budget is then submitted, in accordance with provisions of O.C.G.A. Section 20-2-167(c), to the Georgia Department of Education. The Board may increase or decrease the budget at any time during the year. All unexpected budget authority lapses at fiscal year end.

For the year ended June 30, 2024, expenditures exceeded the budget in the General Fund departments as follows:

General Fund:		
Support services:		
Maintenance and operation of plant	$	3,477,948
Student transportation services		1,143,941
Community services operation		169,408
Debt service:		
Principal		341,959
Interest		7,318

The excess of expenditures over budget that are noted above were primarily funded by savings in other functional expenditures.

NOTE 4 – DEPOSITS AND INVESTMENTS

CATEGORIZATION OF INVESTMENTS

The investment in the local government investment pool, "Georgia Fund 1," created by OCGA 36-83-8, is a stable asset value investment pool, which follows Standard and Poor's criteria for AAAf rated money market funds and is regulated by the Georgia Office of the State Treasurer. The pool is not registered with the SEC as an investment company. The pool's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal ($1 per share value). The asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participants' shares sold and redeemed based on $1 per share. The pool also adjusts the value of its investments to fair market value as of year end and the School District's investment in the Georgia Fund 1 is reported at fair value. The School District considers amounts held in Georgia Fund 1 as cash equivalents for financial statement presentation.

State statutes authorize the District to invest in U.S. Government obligations; U.S. Government agency (or other corporation of the U.S. Government) obligations; obligations fully insured or guaranteed by the U.S. Government or a U.S. Government agency; obligations of the State of Georgia or other states; obligations of other counties, municipal corporations and political subdivisions of the State of Georgia; negotiable certificates of deposit issued by any bank or trust company organized under the laws of any state of the United States of America; prime bankers' acceptances; repurchase agreements; and pooled investment programs sponsored by the State of Georgia for the investment of local government funds.

The U.S. Government securities trade exclusively in short-term cash equivalents and U.S. Government securities and are rated AAA-mf by Moody's criteria.

Investment	Maturity	Fair Value
Georgia Fund 1	WAM - 33 days	$ 30,296,664
U.S. Treasury	WAM - 0.07 days	32,294,452

INTEREST RATE RISK

The School District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

FAIR VALUE MEASUREMENTS

The School District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

The Georgia Fund 1 is an investment pool which does not meet the criteria of GASB Statement No. 79 and is thus valued at fair value in accordance with GASB Statement No. 31. As a result, the School District does not disclose its investment in the Georgia Fund 1 within the fair value hierarchy.

NOTE 4 – DEPOSITS AND INVESTMENTS (CONTINUED)

The U.S. Treasury Securities are classified in Level 1 of the hierarchy. They are valued using prices quoted in active markets for the exact same money market mutual funds.

CUSTODIAL CREDIT RISK

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Board will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal or state government instruments) amounts that exceed standard depository insurance limits are required to be collateralized either: (1) individually by the financial institutions through pledged obligations of the U.S. Government, obligations backed by the full faith and credit of the U.S. Government, obligations of the State of Georgia or other states, or obligations of counties, municipalities, or public authorities of the State of Georgia, or (2) participation in the State of Georgia Secure Deposit Program. As of June 30, 2024, the Board's cash accounts were insured and/or collateralized as defined by GASB Standards.

NOTE 5 – NON-MONETARY TRANSACTIONS

The School District receives food commodities from the United States Department of Agriculture (USDA) for school breakfast and lunch programs. For the year ended June 30, 2024, the commodities usage is recorded at their federally assigned value of $505,804.

NOTE 6 – RECEIVABLES

Receivables at June 30, 2024, for the School District's individual funds, including the applicable allowances for uncollectible accounts are as follows:

	General	District-Wide Capital Projects	Total
Receivables:			
Taxes	$ 2,713,985	$ -	$ 2,713,985
Intergovernmental	23,317,495	6,124,172	29,441,667
Other	726,407	74,105	800,512
Gross receivables	26,757,887	6,198,277	32,956,164
Less allowance for uncollectibles	(107,847)	-	(107,847)
Net total receivables	$ 26,650,040	$ 6,198,277	$ 32,848,317

NOTE 7 – CAPITAL ASSETS

The following is a summary of changes in the capital assets during the fiscal year:

	Balances July 1, 2023	Increases	Decreases	Transfers	Balances June 30, 2024
Governmental activities:					
Capital assets, not being depreciated:					
Land	$ 5,742,117	$ -	$ -	$ -	$ 5,742,117
Construction in progress	18,315,048	58,419,948	-	(10,063,572)	66,671,424
Total	24,057,165	58,419,948	-	(10,063,572)	72,413,541
Capital assets, being depreciated:					
Building and improvements	415,516,905	5,503,917	(885,823)	10,063,572	430,198,571
Machinery and Equipment	21,513,785	2,766,367	(653,116)	-	23,627,036
Land improvements	8,336,347	574,362	-	-	8,910,709
Total	445,367,037	8,844,646	(1,538,939)	10,063,572	462,736,316
Less accumulated depreciation for:					
Building and improvements	(111,535,184)	(9,014,070)	464,836	-	(120,084,418)
Machinery and Equipment	(15,729,835)	(1,625,587)	646,152	-	(16,709,270)
Land improvements	(1,849,699)	(501,235)	-	-	(2,350,934)
Total	(129,114,718)	(11,140,892)	1,110,988	-	(139,144,622)
Total capital assets, being depreciated, net	316,252,319	(2,296,246)	(427,951)	10,063,572	323,591,694
Governmental activities capital assets, net	$ 340,309,484	$ 56,123,702	$ (427,951)	$ -	$ 396,005,235

Depreciation expense was charged to functions as follows:

Instruction	$ 8,801,936
Support Services:	
Pupil Services	376,858
Improvement of Instructional Services	25,319
General Administration	305,315
Maintenance and Operation of Plant	297,010
Student Transportation Service	1,095,017
Central Support Services	137,544
Operation of Non-Instructional Services:	
School Nutrition Program	101,893
	$ 11,140,892

NOTE 8 – INTERFUND ASSETS, LIABILITIES AND TRANSFERS

INTERFUND TRANSFERS

Interfund transfers for the year ended June 30, 2024, consisted of the following:

Transfer From	Transfers To	Amount
Capital Projects	Debt Service	$ 17,156,250
General Fund	Capital Projects	1,863,935
		$ 19,020,185

Transfers are used to move SPLOST proceeds from the Capital Projects Fund to the Debt Service Fund to fund debt service as allowed in the referendum. Transfers are used to move general revenues from the General Fund to the Capital Projects Fund to fund capital project costs in excess of SPLOST proceeds.

NOTE 9 – RISK MANAGEMENT

INSURANCE

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors or omissions; job-related illnesses or injuries to employees; and natural disasters.

Georgia School Boards Association Risk Management Fund

The School District participates in the Georgia School Boards Association Risk and Insurance Management System (the "Fund"), a public entity risk pool organized on July 1, 1994, to develop and administer a plan to reduce risk of loss on account of general liability, motor vehicle liability, errors and omissions liability, cyber risk and property damage, including safety engineering and other loss prevention and control techniques, and to administer the Fund including the processing and defense of claims brought against members of the Fund. The School District pays an annual contribution to the Fund for coverage. Reinsurance is provided to the Fund through agreements by the Fund with insurance companies according to their specialty for property (including coverage for flood and earthquake), machinery breakdown, general liability, errors and omissions, crime, cyber risk and automobile risks. Reinsurance limits and retentions vary by line of coverage.

WORKERS' COMPENSATION

Georgia School Boards Association Workers' Compensation Fund

The School District participates in the Georgia School Boards Association Workers' Compensation Fund (the "Fund"), a public entity risk pool organized on July 1, 1992, to develop, implement, and administer a program to reduce the risk of loss from employee accidents. The School District pays an annual contribution to the Fund for coverage. The Fund provides statutory limits of coverage for Workers' Compensation coverage and a $2,000,000 limit per occurrence for Employers' Liability coverage. Excess insurance coverage is provided through an agreement between the Fund and the Safety National Casualty Corporation to limit the Fund's exposure to large losses.

NOTE 9 – RISK MANAGEMENT (CONTINUED)

UNEMPLOYMENT COMPENSATION

The School District is self-insured with regard to unemployment compensation claims. The School District accounts for claims within the General Fund with expenses/expenditures and liability being reported when it is probable that a loss has occurred, and the amount of that loss can be reasonably estimated.

Changes in the unemployment compensation claims liability during the last two fiscal years are as follows:

	Beginning of Year Liability	Claims and Changes in Estimates	Claims Paid	End of Year Liability
2023	$ -	$ 5,590	$ (5,590)	$ -
2024	-	1,947	(1,947)	-

The School District has purchased surety bonds to provide additional insurance coverage as follows:

Superintendent	$ 250,000

NOTE 10 – LONG-TERM DEBT

The changes in long-term obligations during the fiscal year ended June 30, 2024, were as follows:

	Beginning Balance*	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
General obligation bonds	$ 75,000,000	$ -	$ (13,750,000)	$ 61,250,000	$ 14,325,000
Unamortized bond premium	4,558,543	-	(1,725,139)	2,833,404	-
Total bonds payable	79,558,543	-	(15,475,139)	64,083,404	14,325,000
Financed purchases	486,689	-	(341,959)	144,730	144,730
Net pension liability	269,130,706	49,275,495	(87,497,102)	230,909,099	-
Net OPEB liability	108,753,377	19,869,288	(9,551,078)	119,071,587	-
Compensated absences	2,599,033	1,845,365	(1,214,056)	3,230,342	1,615,306
Governmental activity Long-term liabilities	$ 460,528,348	$ 70,990,148	$ (114,079,334)	$ 417,439,162	$ 16,085,036

* Leases were reclassified to financed purchases

The net pension liability and net OPEB liability typically have been paid from the General Fund.

NOTE 10 – LONG-TERM DEBT (CONTINUED)

GENERAL OBLIGATION BONDS

The School District's bonded debt consists of general obligation bonds that are generally callable with interest payable semiannually. Bond proceeds primarily pay for acquiring or constructing capital facilities. The School District repays general obligation bonds from voter-approved sales taxes. General obligation bonds are direct obligations and pledge the full faith and credit of the School District.

The School District had no unused line of credit or outstanding notes from direct borrowings and direct placements related to governmental activities as of June 30, 2024. In the event the entity is unable to make the principal and interest payments using proceeds from the Education Special Purpose Local Option Sales Tax (ESPLOST), the debt will be satisfied from a direct annual ad valorem tax levied upon all taxable property within the School District. Additional security is provided by the State of Georgia Intercept Program which allows for state appropriations entitled to the School District to be transferred to the Debt Service Account Custodian for the payment of debt.

General obligation bonds currently outstanding are as follows:

Description	Interest Rates	Issue Date	Maturity Date	Amount Issued	Amount Outstanding
General Government - Series 2022	5.00%	5/16/2022	9/1/2027	$75,000,000	$ 61,250,000

At June 30, 2024, payments due by fiscal year, which includes principal and interest, for these items are as follows:

Fiscal Year Ending June 30	General Obligation Bonds	
	Principal	Interest
2025	$ 14,325,000	$ 2,704,375
2026	14,900,000	1,973,750
2027	15,625,000	1,210,625
2028	16,400,000	410,000
	$ 61,250,000	$ 6,298,750

NOTE 10 – LONG-TERM DEBT (CONTINUED)

FINANCED PURCHASES

The School District has entered into two energy efficiency financed purchase agreements dated March 5, 2014 and June 15, 2016. The agreements authorized the borrowing of $2,878,056 for the purchase of energy efficiency equipment, machinery, supplies, building modifications and other energy saving items. Payments of the financed purchase shall be made from the School District's General Fund.

Purpose	Interest Rates	Issue Date	Maturity Date	Amount Issued	Amount Outstanding
Purchase of Energy Efficiency Equipment	2.26%	3/5/2014	11/5/2024	$ 2,200,785	$ 103,488
Purchase of Energy Efficiency Equipment	2.10%	6/15/2016	11/5/2024	677,271	41,242
					$ 144,730

At June 30, 2024, payments due by fiscal year, which includes principal and interest, for these items are as follows:

Fiscal Year Ending June 30	Principal	Interest
2025	$ 144,730	$ 802

NOTE 11 – ON-BEHALF PAYMENTS

The School District has recognized revenues and costs in the amount of $453,858 for retirement contributions paid on the School District's behalf by the following State agencies.

Georgia Department of Education
Paid to the Teachers Retirement System
for Teachers Retirement (TRS)
in the amount of $58,413

State Treasurer of the State of Georgia
Paid to the Public School Employees Retirement System
for Public School Employees Retirement (PSERS) Employer's Cost
in the amount of $395,445

NOTE 12 – CONTINGENCIES

The School District is a defendant in various legal proceedings pertaining to matters incidental to the performance of routine School District operations. The ultimate disposition of these proceedings is not presently determinable, but is not believed to be material to the basic financial statements.

Amounts received or receivable principally from the federal government are subject to audit and review by grantor agencies. This could result in requests for reimbursement to the grantor agency for any costs which are disallowed under grant terms. The School District believes that such disallowances, if any, will be immaterial to its overall financial position.

NOTE 13 – SIGNIFICANT COMMITMENTS

The School District has entered into various construction contracts. At year end, the uncompleted and unpaid portion of these contracts totaled $28,768,535.

NOTE 14 – RETIREMENT PLANS

The School District participates in various retirement plans administered by the State of Georgia, as further explained below.

GENERAL INFORMATION ABOUT THE TEACHERS RETIREMENT SYSTEM OF GEORGIA (TRS)

***Plan description*:** All teachers of the School District as defined in §47-3-60 of the *Official Code of Georgia Annotated* (O.C.G.A.) and certain other support personnel as defined by §47-3-63 are provided a pension through the Teachers Retirement System of Georgia (TRS). TRS, a cost-sharing, multiple-employer defined benefit pension plan, is administered by the TRS Board of Trustees (TRS Board). Title 47 of the O.C.G.A. 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.

***Benefits provided*:** 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 ten 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 14 – RETIREMENT PLANS (CONTINUED)

GENERAL INFORMATION ABOUT THE TEACHERS RETIREMENT SYSTEM OF GEORGIA (TRS) (CONTINUED)

***Contributions*:** 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 2024. The School District's contractually required contribution rate for the year ended June 30, 2024 was 19.98% of annual School District payroll, excluding payroll attributable to those personnel funded on behalf of the School District by the State. School District contributions to TRS were $24,693,774 for the year ended June 30, 2024.

GENERAL INFORMATION ABOUT THE EMPLOYEES' RETIREMENT SYSTEM OF GEORGIA (ERS)

***Plan description*:** The Employees' Retirement System of Georgia (ERS) is a cost-sharing multiple-employer defined benefit pension plan established by the Georgia General Assembly during the 1949 Legislative Session for the purpose of providing retirement allowances for employees of the State of Georgia and its political subdivisions. ERS is directed by a Board of Trustees. Title 47 of the O.C.G.A. assigns the authority to establish and amend the benefit provisions to the State Legislature. ERS issues a publicly available financial report that can be obtained at www.ers.ga.gov/financials.

***Benefits provided*:** The ERS Plan supports three benefit tiers: Old Plan, New Plan, and Georgia State Employees' Pension and Savings Plan (GSEPS). Employees under the old plan started membership prior to July 1, 1982 and are subject to plan provisions in effect prior to July 1, 1982. Members hired on or after July 1, 1982 but prior to January 1, 2009 are new plan members subject to modified plan provisions. Effective January 1, 2009, new state employees and rehired state employees who did not retain membership rights under the old or new plans are members of GSEPS. ERS members hied prior to January 1, 2009 also have the option to irrevocably change their membership to GSEPS.

Under the old plan, the new plan, and GSEPS, a member may retire and receive normal retirement benefits after completion of 10 years of creditable service and attainment of age 60 or 30 years of creditable service regardless of age. Additionally, there are some provisions allowing for early retirement after 25 years of creditable service for members under age 60.

Retirement benefits paid to members are based upon the monthly average of the member's highest 24 consecutive calendar months, multiplied by the number of years of creditable service, multiplied by the applicable benefit factor. Annually, postretirement cost-of-living adjustments may also be made to members' benefits, provided the members were hired prior to July 1, 2009. The normal retirement pension is payable monthly for life; however, options are available for distribution of the member's monthly pension, at reduced rates, to a designated beneficiary upon the member's death. Death and disability benefits are also available through ERS.

NOTE 14 – RETIREMENT PLANS (CONTINUED)

GENERAL INFORMATION ABOUT THE EMPLOYEES' RETIREMENT SYSTEM OF GEORGIA (ERS) (CONTINUED)

***Contributions*:** Member contributions under the old plan are 4.00% of annual compensation, up to $4,200, plus 6.00% of annual compensation in excess of $4,200. Under the old plan, the state pays member contributions in excess of 1.25% of annual compensation. Under the old plan, these state contributions are included in the members' accounts for refund purposes and are used in the computation of the members' earnable compensation for the purpose of computing retirement benefits. Member contributions under the new plan and GSEPS are 1.25% of annual compensation. The School District's total required contribution rate for the year ended June 30, 2024 was 24.40% of annual covered payroll for old plan members, 29.15% of annual covered payroll for new plan members and 25.51% for GSEPS members. 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. Employer contributions to the pension plan were $132,176 for the current fiscal year.

GENERAL INFORMATION ABOUT THE PUBLIC SCHOOL EMPLOYEES RETIREMENT SYSTEM (PSERS)

***Plan description*:** PSERS is a cost-sharing, multiple-employer defined benefit pension plan established by the Georgia General Assembly in 1969 for the purpose of providing retirement allowances for public school employees who are not eligible for membership in the Teachers Retirement System of Georgia. The ERS Board of Trustees, plus two additional trustees, administers PSERS. Title 47 of the O.C.G.A. assigns the authority to establish and amend the benefit provisions to the State Legislature. PSERS issues a publicly available financial report that can be obtained at www.ers.ga.gov/financials.

***Benefits provided*:** A member may retire and elect to receive normal monthly retirement benefits after completion of ten years of creditable service and attainment of age 65. A member may choose to receive reduced benefits after age 60 and upon completion of ten years of service.

Upon retirement, the member will receive a monthly benefit of $15.75, multiplied by the number of years of creditable service. Death and disability benefits are also available through PSERS. Additionally, PSERS may make periodic cost-of-living adjustments to the monthly benefits. Upon termination of employment, member contributions with accumulated interest are refundable upon request by the member. However, if an otherwise vested member terminates and withdraws his/her member contribution, the member forfeits all rights to retirement benefits.

***Contributions*:** The general assembly makes an annual appropriation to cover the employer contribution to PSERS on behalf of local school employees (bus drivers, cafeteria workers, and maintenance staff). The annual employer contribution required by statute is actuarially determined and paid directly to PSERS by the State Treasurer in accordance with O.C.G.A. §47-4-29(a) and 60(b). 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.

NOTE 14 – RETIREMENT PLANS (CONTINUED)

GENERAL INFORMATION ABOUT THE PUBLIC SCHOOL EMPLOYEES RETIREMENT SYSTEM (PSERS) (CONTINUED)

Individuals who became members prior to July 1, 2012 contribute $4 per month for nine months each fiscal year. Individuals who became members on or after July 1, 2012 contribute $10 per month for nine months each fiscal year. The State of Georgia, although not the employer of PSERS members, is required by statute to make employer contributions actuarially determined and approved and certified by the PSERS Board of Trustees.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension (TRS and ERS)

At June 30, 2024, the School District reported a liability of $230,909,099 for its proportionate share of the net pension liability for TRS ($230,009,906) and ERS ($899,193).

The TRS net pension liability reflected a reduction for support provided to the School District by the State of Georgia for certain public school support personnel. The amount recognized by the School District 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	$	230,009,906
State of Georgia's proportionate share of the net pension liability associated with the District		495,713
Total	$	230,505,619

The net pension liability for TRS and ERS was measured as of June 30, 2023. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of June 30, 2022. An expected total pension liability as of June 30, 2023 was determined using standard rollforward techniques. The School District's proportion of the net pension liability was based on contributions to TRS and ERS during the fiscal year ended June 30, 2023.

At June 30, 2023, the School District's TRS proportion was 0.779053%, which was a decrease of 0.047267% from its proportion measured as of June 30, 2022. At June 30, 2023, the School District's ERS proportion was 0.015073%, which was an increase of 0.002965% from its proportion measured as of June 30, 2022.

NOTE 14 – RETIREMENT PLANS (CONTINUED)

PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS (TRS AND ERS) (CONTINUED)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension (TRS and ERS) (Continued)

For the year ended June 30, 2024, the School District recognized pension expense of $47,903,015 and expense of $71,721 for support provided by the State of Georgia for certain support personnel for TRS. For the year ended June 30, 2024, the School District recognized pension expense of $316,863 for ERS. At June 30, 2024, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	TRS		ERS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 11,679,594	$ 951,013	$ 13,659	$ 2,107
Net difference between projected and actual earnings on pension plan investments	16,177,215	-	36,630	-
Changes in proportion and differences between District contributions and proportionate share of contributions	8,222,031	7,361,896	84,766	-
Actuarial assumption changes	23,663,080	-	34,600	-
District contributions subsequent to the measurement date	24,693,774	-	132,176	-
Total	$ 84,435,694	$ 8,312,909	$ 301,831	$ 2,107

School District contributions subsequent to the measurement date of $24,693,774 for TRS and $132,176 for ERS are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ending June 30, 2025. 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 ending June 30:	TRS	ERS
2025	$ 16,788,858	$ 109,822
2026	10,639,664	1,277
2027	30,710,083	73,199
2028	(6,709,594)	(16,750)
Total	$ 51,429,011	$ 167,548

NOTE 14 – RETIREMENT PLANS (CONTINUED)

PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS (TRS AND ERS) (CONTINUED)

***Actuarial assumptions TRS*:** The total pension liability as of June 30, 2023 was determined by an actuarial valuation as of June 30, 2022 using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary increases	3.00 – 8.75%, average, including inflation
Investment rate of return	6.90%, net of pension plan investment expense, including inflation
Postretirement benefit increases	1.50% semi-annually

Postretirement mortality rates for service retirements and beneficiaries were based on the Pub-2010 Teachers Headcount Weighted Below Median Healthy Retiree Mortality Table (ages set forward one year and adjusted 106%) with the MP-2019 Projection Scale applied generationally. The rates of improvement were reduced by 20% for all years prior to the ultimate rate. Postretirement mortality rates for disability retirements were based on the Pub-2010 Teachers Mortality Table for Disabled Retirees (ages set forward one year and adjusted 106%) with the MP-2019 Projection Scale applied generationally. The rates of improvement were reduced by 20% for all years prior to the ultimate rate. The Pub-2010 Teachers Headcount Weighted Below Median Employee Mortality Table with ages set forward one year and adjusted 106% was used for death prior to retirement. Future improvement in mortality rates was assumed using the MP-2019 Projection Scale generationally. These rates of improvement were reduced by 20% for all years prior to the ultimate rate.

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2013 – June 30, 2018, with the exception of the long-term assumed rate of return on assets (discount rate) which was changed from 7.50% to 7.25% effective with the June 30, 2018 valuation, and then from 7.25% to 6.90% effective with the June 30, 2021 valuation. In addition, the assumed annual rate of inflation was changed from 2.75% to 2.50% effective with the June 30, 2018 valuation, and the payroll growth assumption was changed from 3.00% to 2.50% effective with the June 30, 2021 valuation.

NOTE 14 – RETIREMENT PLANS (CONTINUED)

PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS (CONTINUED)

***Actuarial assumptions ERS*:** The total pension liability as of June 30, 2023 was determined by an actuarial valuation as of June 30, 2022 using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary increases	3.00 – 6.75%, average, including inflation
Investment rate of return	7.10%, net of pension plan investment expense, including inflation
Postretirement benefit increases	1.05% semiannually

Mortality rates are as follows:

- The Pub-2010 General Employee Table, with no adjustments, projected generationally with the MP-2019 scale is used for both males and females while in active service.
- The Pub-2010 Family of Tables projected generationally with the MO-2019 Scale and with further adjustments are used for postretirement mortality assumptions as follows:

Participant Type	Membership Table	Set Forward (+) / Setback (-)	Adjustment to Rates
Service Retirees	General Healthy Annuitant	Male: +1; Female: +1	Male: 105%; Female: 108%
Disability Retirees	General Disabled	Male: +3; Female: 0	Male: 103%; Female: 106%
Beneficiaries	General Contingent Survivors	Male: +2; Female: +2	Male: 106%; Female: 105%

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2014 – June 30, 2019.

NOTE 14 – RETIREMENT PLANS (CONTINUED)

PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS (CONTINUED)

The long-term expected rate of return on the TRS and ERS 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 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	Long-term expected real rate of return*
Fixed income	30.00%	0.90%
Domestic large equities	46.30	9.40
Domestic small equities	1.20	13.40
International developed market equities	12.30	9.40
International emerging market equities	5.20	11.40
Alternatives	5.00	10.50
Total	100.00%	

* Rates shown are net of the 2.50% assumed rate of inflation

***Discount rate*:** The discount rate used to measure the total TRS pension liability was 6.90%. The discount rate used to measure the total ERS pension liability was 7.00%. 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 TRS and ERS 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.

NOTE 14 – RETIREMENT PLANS (CONTINUED)

PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS (CONTINUED)

***Sensitivity of the School District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate*:** The following presents the School District's proportionate share of the net pension liability calculated using the discount rate of 6.90% and 7.00%, as well as what the School 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 (5.90% and 6.00%) or 1-percentage-point higher (7.90% and 8.00%) than the current rate:

Teacher Retirement System:	**1% Decrease (5.90%)**	**Current discount rate (6.90%)**	**1% Increase (7.90%)**
District's proportionate share of the net pension liability	$ 363,672,419	$ 230,009,906	$ 120,856,471

Employee Retirement System:	**1% Decrease (6.00%)**	**Current discount rate (7.00%)**	**1% Increase (8.00%)**
District's proportionate share of the net pension liability	$ 1,233,881	$ 899,193	$ 617,543

***Pension Plan Fiduciary Net Position*:** Detailed information about the TRS pension plan's fiduciary net position is available in the separately issued TRS financial report which is publicly available at www.trsga.com/publications. Detailed information about the ERS pension plan's fiduciary net position is available in the separately issued ERS financial report which is publicly available at www.ers.ga.gov/publications.

Pension Liabilities and Pension Expense (PSERS)

At June 30, 2024, the School District did not have a liability for a proportionate share of the net pension liability because of the related State of Georgia support. The amount of the state's proportionate share of the net pension liability associated with the School District is as follows:

State of Georgia's proportionate share of the net pension liability associated with the School District	$ 2,288,779

The net pension liability was measured as of June 30, 2023. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of June 30, 2022. An expected total pension liability as of June 30, 2023 was determined using standard rollforward techniques. The state's proportion of the net pension liability associated with the School District was based on actuarially determined contributions paid by the state during the fiscal year ended June 30, 2023.

NOTE 14 – RETIREMENT PLANS (CONTINUED)

Pension Liabilities and Pension Expense (PSERS) (CONTINUED)

For the year ended June 30, 2024, the School District recognized pension expense of $413,091 and revenue of $413,091 for support provided by the State of Georgia.

***Actuarial assumptions*:** The total pension liability was determined by an actuarial valuation as of June 30, 2022, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary increase	N/A
Investment rate of return	7.00%, net of pension plan investment expense, including inflation
Postretirement benefit increase	1.50% semiannually

Mortality rates are as follows:

- The Pub-2010 General Employee Table, with no adjustments, projected generationally with the MP-2019 scale is used for both males and females while in active service.
- The Pub-2010 Family of Tables projected generationally with the MP-2019 Scale and with further adjustments are used for postretirement mortality assumptions as follows:

Participant Type	Membership Table	Set Forward (+)/ Setback (-)	Adjustment to Rates
Service Retirees	General Healthy Below-Median Annuitant	Male: +2; Female: +2	Male: 101%; Female: 103%
Disability Retirees	General Disabled	Male: -3; Female: 0	Male: 103%; Female: 106%
Beneficiaries	General Below-Median Contingent Survivors	Male: +2; Female: +2	Male: 104%; Female: 99%

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2014 through June 30, 2019, with the exception of the assumed investment rate of return.

NOTE 14 – RETIREMENT PLANS (CONTINUED)

Pension Liabilities and Pension Expense (PSERS) (CONTINUED)

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 returns, net of pension plan investment expense and 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	Long-term expected real rate of return*
Fixed income	30.00%	0.20%
Domestic large stocks	46.30	9.40
Domestic small stocks	1.20	13.40
International developed market stocks	12.30	9.40
International emerging market stocks	5.20	11.40
Alternatives	5.00	10.50
Total	100.00%	

* Net of inflation

***Discount rate*:** The discount rate used to measure the total pension liability was 7.00%. 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 nonemployer 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.

NOTE 15 – POSTEMPLOYMENT BENEFITS

GEORGIA SCHOOL PERSONNEL EMPLOYEES POSTEMPLOYMENT HEALTH BENEFIT FUND

***Plan description*:** The School District participates in the State of Georgia School Employees Postemployment Benefit Fund (School OPEB Fund), which is an Other Postemployment Benefit (OPEB) plan administered by the State of Georgia Department of Community Health (DCH). Certified teachers and non-certified 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 of the State of Georgia and administered by a Board of Community Health (DCH 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 DCH Board. The School OPEB Fund is included in the State of Georgia Annual Comprehensive Financial Report which is publicly available and can be obtained at https://sao.georgia.gov/statewide-reporting/acfr.

***Benefits*:** 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 of Community Health, 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 required and made to the School OPEB Fund from the School District were $4,466,054 for the year ended June 30, 2024. Active employees are not required to contribute to the School OPEB Fund.

NOTE 15 – POSTEMPLOYMENT BENEFITS (CONTINUED)

OPEB LIABILITIES, OPEB EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB

At June 30, 2024, the School District reported a liability of $119,071,587 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2023. The total OPEB liability used to calculate the net OPEB liability was based on an actuarial valuation as of June 30, 2022. An expected total OPEB liability as of June 30, 2024 was determined using standard rollforward techniques. The School District's proportion of the net OPEB liability was actuarially determined based on employer contributions to the School OPEB Fund during the fiscal year ended June 30, 2023. At June 30, 2023, the School District's proportion was 1.087073%, which was a decrease of 0.011093% from its proportion measured as of June 30, 2022.

For the year ended June 30, 2024, the School District recognized OPEB expense of ($1,791,079). At June 30, 2024, 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
Net difference between projected and actual earnings on OPEB plan investments	$ 71,437	$ -
Differences between expected and actual experience	3,470,740	34,198,759
Changes in proportion and differences between District contributions and proportionate share of contributions	2,556,623	1,547,863
Changes in plan assumptions	21,632,967	14,870,235
District contributions subsequent to the measurement date	4,466,054	-
Total	$ 32,197,821	$ 50,616,857

School District contributions subsequent to the measurement date of $4,466,054 are reported as deferred outflows of resources and will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2025. 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 Ending June 30:	
2025	$ (7,401,494)
2026	(5,313,867)
2027	(7,576,550)
2028	(3,388,410)
2029	637,766
2030	157,465
Total	$ (22,885,090)

NOTE 15 – POSTEMPLOYMENT BENEFITS (CONTINUED)

OPEB LIABILITIES, OPEB EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB (CONTINUED)

***Actuarial assumptions*:** The total OPEB liability as of June 30, 2023 was determined by an actuarial valuation as of June 30, 2022 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, 2023:

Inflation	2.50%
Salary increases	3.00-6.75%, including inflation
Long-term expected rate of return	7.00%, compounded annually, net of investment expense, and including inflation
Municipal bond index rate	3.65%
Healthcare cost trend rate:	
Pre-Medicare eligible	7.00%
Medicare eligible	7.00%
Ultimate trend rate	
Pre-Medicare eligible	4.00%
Medicare eligible	4.00%
Year of ultimate trend rate	
Pre-Medicare eligible	2032
Medicare eligible	2023

Mortality rates were based as follows:

- For TRS members: The Pub-2010 Teachers Headcount Weighted Below Median Healthy Retiree Mortality Table projected generationally with MP-2019 Projection Scale (set forward one year and adjusted 106%) is used for death prior to retirement and for service retirements and beneficiaries. The Pub-2010 Teachers Mortality Table for Disabled Retirees projected generationally with MP-2019 Projection Scale (set forward one year and adjusted 106%) is used for disability retirements. For both, rates of improvement were reduced by 20% for all years prior to the ultimate rate.

- For PSERS members: Preretirement mortality rates were based on the Pub-2010 General Employee Mortality Table, with no adjustment, with the MP-2019 Projection Scale applied generationally. Postretirement mortality rates for service retirements were based on the Pub-2010 General Healthy Annuitant Mortality Table (ages set forward one year and adjusted 105% for males and 108% for females) with the MP-2019 Projection Scale applied generationally. Postretirement mortality rates for disability retirements were based on the Pub-2010 General Disabled Mortality Table (ages set back three years for males and adjusted 103% for males and 106% for females) with the MP-2019 Projection Scale applied generationally. Postretirement mortality rates for beneficiaries were based on the Pub-2010 General Contingent Survivor Mortality Table (ages set forward two years and adjust 106% for males and 158% for females) with the MP-2019 Projection Scale applied generationally.

NOTE 15 – POSTEMPLOYMENT BENEFITS (CONTINUED)

OPEB LIABILITIES, OPEB EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB (CONTINUED)

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the pension systems, which covered the period ended July 1, 2013 through June 30, 2018, with the exception of the assumed annual rate of inflation which was changed from 2.75% to 2.50%, effective with the June 30, 2018 valuation.

The remaining actuarial assumptions (e.g., initial per capita costs, healthcare cost trends, rate of plan participation, rates of plan election, etc.) used in the June 30, 2022 valuation were based on a review of recent plan experience done concurrently with the June 30, 2022 valuation.

Projection of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the Board 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.

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	Target Allocation	Long-Term Expected Real Rate of Return*
Fixed income	30.00%	4.00
Equities	70.00%	11.90
Total	100.00%	

*Net of Inflation

***Discount rate*:** The discount rate was 3.68%, an increase from the prior year's rate of 3.57%. In order to measure the total OPEB liability for the School OPEB Fund, a single equivalent interest rate of 3.68% 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 (3.65% per the Municipal Bond Index Rate). 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 2118.

NOTE 15 – POSTEMPLOYMENT BENEFITS (CONTINUED)

OPEB LIABILITIES, OPEB EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB (CONTINUED)

***Sensitivity of the School District's Proportionate Share of theNet 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 3.68%, as well as what the School 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 (2.68%) or 1-percentage-point higher (4.68%) than the current rate:

	1% Decrease (2.68%)	Current discount rate (3.68%)	1% Increase (4.68%)
District's proportionate share of the net OPEB liability	$ 134,973,138	$ 119,071,587	$ 105,679,121

***Sensitivity of the School District's Proportionate Share of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate*:** 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 trend rates:

	1% Decrease	Current Healthcare cost trend rate	1% Increase
District's proportionate share of the net OPEB liability	$ 102,564,386	$ 119,071,587	$ 139,421,409

NOTE 16 – TAX ABATEMENTS

The School District property tax revenues were reduced by $870,066 under agreements entered into by Athens-Clarke County Economic Development Authority for the purpose of attracting or retaining businesses within their jurisdictions.

NOTE 17 – LEASE ARRANGEMENTS

The School District entered into an agreement with American Tower Company in June 2024 for the right to use the District's land for a cell phone tower. American Tower Company paid the District a lump sum payment of $1,234,528 for the use of the District's land for a period of ninety-nine (99) years. This is reported as a deferred inflow of resources and the District will recognize the revenue annually over the remaining period of the lease.

II. REQUIRED SUPPLEMENTARY INFORMATION

CLARKE COUNTY BOARD OF EDUCATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
GENERAL FUND

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	$ 129,354,293	$ 129,354,293	$ 129,971,546	$ 617,253
State funds	86,114,019	90,846,629	93,287,516	2,440,887
Federal funds	57,598,620	80,299,406	49,519,867	(30,779,539)
Charges for services	84,450	84,450	2,743,599	2,659,149
Investment income	150,000	3,800,000	4,230,464	430,464
Miscellaneous	3,077,296	4,867,625	5,126,965	259,340
Total revenues	276,378,678	309,252,403	284,879,957	(24,372,446)
EXPENDITURES				
Current:				
Instruction	164,439,907	169,942,754	159,746,240	10,196,514
Support services:				
Pupil services	17,035,783	20,484,701	17,207,242	3,277,459
Improvement of instructional services	18,228,491	23,812,395	17,058,794	6,753,601
Educational media services	3,949,973	4,556,023	3,779,268	776,755
General administration	3,638,468	6,649,296	4,556,222	2,093,074
School administration	12,862,958	13,488,901	12,964,816	524,085
Business administration	2,279,928	2,333,464	2,301,969	31,495
Maintenance and operation of plant	24,113,862	27,064,017	30,541,965	(3,477,948)
Student transportation services	12,733,745	13,290,852	14,434,793	(1,143,941)
Central support services	4,819,594	6,828,267	4,617,934	2,210,333
Other support services	148,508	58,054	45,761	12,293
Food services operation	12,460,421	13,115,770	11,650,174	1,465,596
Enterprise operation	233,508	233,508	233,508	-
Community services operation	1,256,693	1,385,278	1,554,686	(169,408)
Capital outlay	17	653,487	109,274	544,213
Debt service:				
Principal	-	-	341,959	(341,959)
Interest	-	-	7,318	(7,318)
Total expenditures	278,201,856	303,896,767	281,151,923	22,744,844
Excess (deficiency) of revenues over expenditures	(1,823,178)	5,355,636	3,728,034	(1,627,602)
OTHER FINANCING SOURCES (USES)				
Transfers out	(1,665,578)	(6,058,840)	(1,863,935)	4,194,905
Proceeds from sale of capital assets	-	-	705,800	705,800
Total other financing uses	(1,665,578)	(6,058,840)	(1,158,135)	4,900,705
Net change in fund balances	(3,488,756)	(703,204)	2,569,899	3,273,103
FUND BALANCES, beginning of year	65,262,370	65,262,370	65,262,370	-
FUND BALANCES, end of year	$ 61,773,614	$ 64,559,166	$ 67,832,269	$ 3,273,103

CLARKE COUNTY BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
TEACHERS RETIREMENT SYSTEM OF GEORGIA
FOR THE FISCAL YEAR ENDED JUNE 30

	2024	2023	2022	2021	2020
School District's proportion of the net pension liability	0.779053%	0.826320%	0.764655%	0.746051%	0.724175%
School District's proportionate share of the net pension liability	$ 230,009,906	$ 268,322,077	$ 67,628,635	$ 180,722,753	$ 155,717,207
State of Georgia's proportionate share of the net pension liability associated with the School District	495,713	665,350	173,968	475,758	452,417
Total	$ 230,505,619	$ 268,987,427	$ 67,802,603	$ 181,198,511	$ 156,169,624
School District's covered payroll	$ 113,616,401	$ 111,907,072	$ 99,567,723	$ 96,263,666	$ 88,381,335
School District's proportionate share of the net pension liability as a percentage of its covered payroll	202.44%	239.77%	67.92%	187.74%	176.19%
Plan fiduciary net position as a percentage of the total pension liability	76.29%	72.85%	92.03%	77.01%	78.56%

	2019	2018	2017	2016	2015
School District's proportion of the net pension liability	0.730239%	0.723899%	0.708165%	0.709882%	0.714449%
School District's proportionate share of the net pension liability	$ 135,548,000	$ 134,538,859	$ 146,102,336	$ 108,072,485	$ 90,261,208
State of Georgia's proportionate share of the net pension liability associated with the School District	358,064	1,169,202	2,939,521	2,225,598	1,859,172
Total	$ 135,906,064	$ 135,708,061	$ 149,041,857	$ 110,298,083	$ 92,120,380
School District's covered payroll	$ 86,998,929	$ 83,116,636	$ 77,556,139	$ 74,883,498	$ 61,738,810
School District's proportionate share of the net pension liability as a percentage of its covered payroll	155.80%	161.87%	188.38%	144.32%	146.20%
Plan fiduciary net position as a percentage of the total pension liability	80.27%	79.33%	76.06%	81.44%	84.03

CLARKE COUNTY BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
TEACHERS RETIREMENT SYSTEM OF GEORGIA
FOR THE FISCAL YEAR ENDED JUNE 30

	2024	2023	2022	2021	2020
Contractually required contributions	$ 24,693,774	$ 22,700,557	$ 22,168,791	$ 18,977,608	$ 20,350,139
Contributions in relation to the contractually required contributions	24,693,774	22,700,557	22,168,791	18,977,608	20,350,139
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
School District's covered payroll	$ 123,592,462	$ 113,616,401	$ 111,907,072	$ 99,567,723	$ 96,263,666
Contributions as a percentage of covered payroll	19.98%	19.98%	19.81%	19.06%	21.14%

	2019	2018	2017	2016	2015
Contractually required contributions	$ 18,471,699	$ 14,624,520	$ 11,860,744	$ 11,067,261	$ 9,847,180
Contributions in relation to the contractually required contributions	18,471,699	14,624,520	11,860,744	11,067,261	9,847,180
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
School District's covered payroll	$ 88,381,335	$ 86,998,929	$ 83,116,636	$ 77,556,139	$ 74,883,498
Contributions as a percentage of covered payroll	20.90%	16.81%	14.27%	14.27%	13.15%

***Changes of assumptions*:** On November 18, 2015, the Board adopted recommended changes to the economic and demographic assumptions utilized by the System. Primary among the changes were the updates to rates of mortality, retirement, disability, withdrawal and salary increases. The expectation of retired life mortality was changed to RP-2000 White Collar Mortality Table with future mortality improvement projected to 2025 with the Society of Actuaries' Projection Scale BB (set forward one year for males).

On May 15, 2019, the Board adopted recommended changes from the smoothed valuation interest rate methodology that has been in effect since June 30, 2009, to a constant interest rate method. In conjunction with the methodology, the long-term assumed rate of return in assets (discount rate) has been changed from 7.50% to 7.25%, and the assumed annual rate of inflation has been reduced from 2.75% to 2.50%.

In 2019 and later, the expectation of retired life mortality was changed to the Pub-2010 Teachers Headcount Weighted Below Median Healthy Retiree Mortality Table from the RP-2000 Mortality Tables. In 2019, rates of withdrawal, retirement, disability and mortality were adjusted to more closely reflect actual experience.

On May 11, 2022, the Board adopted recommended changes to the long-term assumed rate of return and payroll growth assumption utilized by the System. The long-term assumed rate of return was changed from 7.25% to 6.90%, and the payroll growth assumption was changed from 3.00% to 2.50%.

CLARKE COUNTY BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
EMPLOYEES' RETIREMENT SYSTEM OF GEORGIA
FOR THE FISCAL YEAR ENDED JUNE 30

	2024	2023	2022	2021	2020
School District's proportion of the net pension liability	0.015073%	0.012108%	1.053100%	0.010557%	0.016229%
School District's proportionate share of the net pension liability	$ 899,193	$ 808,629	$ 246,310	$ 444,973	$ 669,695
State of Georgia's proportionate share of the net pension liability associated with the School District	-	-	-	-	-
Total	$ 899,193	$ 808,629	$ 246,310	$ 444,973	$ 669,695
School District's covered payroll	$ 416,056	$ 313,849	$ 253,654	$ 273,771	$ 409,093
School District's proportionate share of the net pension liability as a percentage of its covered payroll	216.12%	257.65%	97.10%	162.53%	163.70%
Plan fiduciary net position as a percentage of the total pension liability	71.20%	67.44%	87.62%	76.21%	76.74%

	2019	2018	2017	2016	2015
School District's proportion of the net pension liability	0.012648%	0.010368%	0.010334%	0.009988%	0.009953%
School District's proportionate share of the net pension liability	$ 519,963	$ 421,079	$ 488,842	$ 404,654	$ 373,299
State of Georgia's proportionate share of the net pension liability associated with the School District	-	-	-	-	-
Total	$ 519,963	$ 421,079	$ 488,842	$ 404,654	$ 373,299
School District's covered payroll	$ 318,121	$ 256,784	$ 248,206	$ 230,887	$ 245,676
School District's proportionate share of the net pension liability as a percentage of its covered payroll	163.45%	163.98%	196.95%	175.26%	151.95%
Plan fiduciary net position as a percentage of the total pension liability	76.68%	76.33%	72.33%	76.20%	77.99

CLARKE COUNTY BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
EMPLOYEES' RETIREMENT SYSTEM OF GEORGIA
FOR THE FISCAL YEAR ENDED JUNE 30

	2024	2023	2022	2021	2020
Contractually required contributions	$ 132,176	$ 129,019	$ 77,301	$ 62,551	$ 67,512
Contributions in relation to the contractually required contributions	132,176	129,019	77,301	62,551	67,512
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
School District's covered payroll	$ 450,344	$ 416,056	$ 313,849	$ 253,654	$ 273,771
Contributions as a percentage of covered payroll	29.35%	31.01%	24.63%	24.66%	24.66%

	2019	2018	2017	2016	2015
Contractually required contributions	$ 101,373	$ 78,926	$ 63,708	$ 61,356	$ 50,703
Contributions in relation to the contractually required contributions	101,373	78,926	63,708	61,356	50,703
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
School District's covered payroll	$ 409,093	$ 318,121	$ 256,784	$ 248,206	$ 230,887
Contributions as a percentage of covered payroll	24.78	24.81	24.81	24.72	21.96

CLARKE COUNTY BOARD OF EDUCATION

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
EMPLOYEES RETIREMENT SYSTEM OF GEORGIA

Changes of benefit terms: A new benefit tier was added for members joining the System on and after July 1, 2009. A one-time 3% payment was granted to certain retirees and beneficiaries effective July 2016, and a one-time 3% payment was granted to certain retirees and beneficiaries effective July 2017. Two one-time 2% payments were granted to certain retirees and beneficiaries effective July 2018 and January 2019. Two one-time 3% payments were granted to certain retirees and beneficiaries effective July 2019 and January 2020.

Changes of assumptions: On December 17, 2015, the Board adopted recommended changes to the economic and demographic assumptions utilized by the System. Primary among the changes were the updates to rates of mortality, retirement, withdrawal and salary increases. The expectation of retired life mortality was changed to the RP-2000 Combined Mortality Table Projected Scale BB (set forward 2 years for both males and females).

A new funding policy was initially adopted by the Board on March 15, 2018, and most recently amended on June 18, 2020. Because of this new funding policy, the assumed investment rate of return was reduced from 7.50% to 7.40% for the June 30, 2017 actuarial valuation and further reduced from 7.40% to 7.30% for the June 30, 2018 actuarial valuation.

On December 17, 2020, the Board adopted recommended changes to the economic and demographic assumptions utilized by the System based on the experience study prepared for the five-year period ended June 30, 2019. Primary among the changes were the updates to rate of mortality, retirement, withdrawal, and salary increases. This also included a change to the long-term assumed investment rate of return of 7.00%. These assumption changes are reflected in the calculation of the June 30, 2021 Total Pension Liability.

CLARKE COUNTY BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
PUBLIC SCHOOL EMPLOYEES RETIREMENT SYSTEM OF GEORGIA
FOR THE FISCAL YEAR ENDED JUNE 30

	2024	2023	2022	2021	2020
School District's proportion of the net pension liability	0.000000%	0.000000%	0.000000%	0.000000%	0.000000%
School District's proportionate share of the net pension liability	$ -	$ -	$ -	$ -	$ -
State of Georgia's proportionate share of the net pension liability associated with the School District	2,288,779	2,781,816	307,124	2,169,370	2,113,995
Total	$ 2,288,779	$ 2,781,816	$ 307,124	$ 2,169,370	$ 2,113,995
School District's covered-employee payroll	$ 12,026,746	$ 8,054,920	$ 6,720,806	$ 7,667,723	$ 7,658,090
School District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	N/A	N/A	N/A	N/A	N/A
Plan fiduciary net position as a percentage of the total pension liability	85.67%	81.21%	98.00%	84.45%	85.02%

	2019	2018	2017	2016	2015
School District's proportion of the net pension liability	0.000000%	0.000000%	0.000000%	0.000000%	0.000000%
School District's proportionate share of the net pension liability	$ -	$ -	$ -	$ -	$ -
State of Georgia's proportionate share of the net pension liability associated with the School District	2,020,944	1,862,435	2,433,106	1,553,512	1,311,954
Total	$ 2,020,944	$ 1,862,435	$ 2,433,106	$ 1,553,512	$ 1,311,954
School District's covered-employee payroll	$ 8,573,115	$ 7,291,454	$ 7,459,663	$ 1,553,512	$ 1,311,954
School District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	N/A	N/A	N/A	N/A	N/A
Plan fiduciary net position as a percentage of the total pension liability	85.26%	85.69%	81.00%	87.00%	88.29%

CLARKE COUNTY BOARD OF EDUCATION
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
PUBLIC SCHOOLS EMPLOYES RETIREMENT SYSTEM OF GEORGIA

***Changes of assumptions*:** On December 17, 2015, the Board adopted recommended changes to the economic and demographic assumptions utilized by the System. Primary among the changes were the updates to rates of mortality, retirement and withdrawal. The expectation of retired life mortality was changed to the RP-2000 Blue Collar Mortality Table projected to 2025 with Projection Scale BB (set forward three years for males and two years for females).

A new funding policy was initially adopted by the Board on March 15, 2018, and most recently amended on December 17, 2020. Because of this new funding policy, the assumed investment rate of return was reduced from 7.50% to 7.40% for the June 30, 2017 actuarial valuation and further reduced from 7.40% to 7.30% for the June 30, 2018 actuarial valuation.

On December 17, 2020, the Board adopted recommended changes to the economic and demographic assumption utilized by the System based on the experience study prepared for the five-year period ended June 30, 2019. Primary among the changes were the updates to rates or mortality, retirement, disability, and withdrawal. This also included a change to the long-term assumed investment rate of return to 7.00%. These assumption changes are reflected in the calculation of the June 30, 2021 Total Pension Liability.

CLARKE COUNTY BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF NET OPEB LIABILITY
SCHOOL OPEB FUND
FOR THE FISCAL YEAR ENDED JUNE 30

	2024	2023	2022	2021	2020
School District's proportion of the net OPEB liability	1.087073%	1.098166%	1.099734%	1.101093%	1.062703%
School District's proportionate share of the net OPEB liability	$ 119,071,587	$ 108,753,377	$ 119,110,291	$ 161,724,918	$ 130,416,458
Total	$ 119,071,587	$ 108,753,377	$ 119,110,291	$ 161,724,918	$ 130,416,458
School District's covered-employee payroll	$ 102,955,913	$ 97,869,772	$ 95,589,872	$ 85,048,854	$ 74,023,495
School District's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll	115.65%	111.12%	124.61%	190.16%	176.18%
Plan fiduciary net position as a percentage of the total OPEB liability	6.05%	6.17%	6.14%	3.99%	4.63%

	2019	2018
School District's proportion of the net OPEB liability	1.049856%	1.047699%
School District's proportionate share of the net OPEB liability	$ 133,433,475	$ 147,201,287
Total	$ 133,433,475	$ 147,201,287
School District's covered-employee payroll	$ 77,845,032	$ 74,647,573
School District's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll	171.41%	197.20%
Plan fiduciary net position as a percentage of the total OPEB liability	2.93%	1.61%

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

CLARKE COUNTY BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
SCHOOL OPEB FUND
FOR THE FISCAL YEAR ENDED JUNE 30

	2024	2023	2022	2021	2020
Contractually required contributions	$ 4,466,054	$ 4,179,187	$ 3,970,692	$ 4,090,825	$ 3,723,639
Contributions in relation to the contractually required contributions	4,466,054	4,179,187	3,970,692	4,090,825	3,723,639
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
School District's covered-employee payroll	$ 113,479,976	$ 102,955,913	$ 97,869,772	$ 95,589,872	$ 85,048,854
Contributions as a percentage of covered-employee payroll	3.94%	4.06%	4.06%	4.28%	4.38%

	2019	2018	2017
Contractually required contributions	$ 5,723,393	$ 5,441,305	$ 5,462,781
Contributions in relation to the contractually required contributions	5,723,393	5,441,305	5,462,781
Contribution deficiency (excess)	$ -	$ -	$ -
School District's covered-employee payroll	$ 74,023,495	$ 77,845,032	$ 74,647,573
Contributions as a percentage of covered-employee payroll	7.73%	6.99%	7.32%

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

CLARKE COUNTY BOARD OF EDUCATION

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
SCHOOL OPEB FUND

***Changes of benefit terms*:** There have been no changes in benefit terms.

Changes in assumptions: June 30, 2020 valuation: Decremental assumptions were changed to reflect the Employees' Retirement System's experience study. Approximately 0.10% of employees are members of the Employees' Retirement System.

June 30, 2019 valuation: Decremental assumptions were changed to reflect the Teachers Retirement Systems experience study.

June 30, 2018 valuation: The inflation assumption was lowered from 2.75% to 2.50%.

June 30, 2017 valuation: The participation assumption, tobacco use assumption and morbidity factors were revised.

June 30, 2015 valuation: Decremental and underlying inflation assumptions were changed to reflect to Retirement Systems' experience studies.

June 30, 2012 valuation: A data audit was performed and data collection procedures and assumptions were changed.

The discount rate was updated from 3.07% as of June 30, 2016 to 3.58% as of June 30, 2017, to 3.87% as of June 30, 2018, back to 3.58% of June 30, 2019, to 2.22% as of June 30, 2020 and to 3.57% as of June 30, 2023.

III. OTHER SUPPLEMENTARY INFORMATION

CLARKE COUNTY BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Project	Original Estimated Cost [1]	Current Estimated Cost [2]	Expended In Prior Years [3]	Expended In Current Year [3]	Total Completion Cost	Project Status
SPLOST V:						
(a) additions to, renovations of, repairs to, improvements to, and equipment for existing educational, administrative and services buildings, properties, and facilities of the School District, including, without limitation, Alps Road Elementary School, Barnett Shoals Elementary School, David C. Barrow Elementary School, Chase Street Elementary School, Cleveland Road Elementary School, Fowler Drive Elementary School, the facility known as the West Broad campus, Howard B. Stroud Elementary School, Julia J. Harris Elementary School, the current Gaines Elementary School, the facility formerly operated as Gaines Elementary School and known as Old Gaines, Oglethorpe Avenue Elementary School, Timothy Road Elementary School, Whit Davis Elementary School, Whitehead Road Elementary School, Winterville Elementary School, Burney-Harris-Lyons Middle School, Clarke Middle School, W. R. Coile Middle School, Hilsman Middle School, Cedar Shoals High School, Clarke Central High School and Classic City High School, Athens Community Career Academy, Early Learning Center, athletic facilities, transportation facilities (including bus driver training facilities), maintenance facilities, storage facilities (including the storage facility located on Barber Street), and administrative and services facilities;	$ 103,597,902	$ 94,957,130	$ 91,442,330	$ 7,932,597	$ 99,374,927	Ongoing
(b) new administrative and services facilities and professional and early learning facilities;	6,000,000	16,622,099	16,622,098	-	16,622,098	Complete
(c) technology to be used at all educational and administrative facilities, including, but not limited to, classroom technology infrastructure, computers, laptops, tablets and mobile devices for students and staff, servers, wiring, wireless antennas, and other technology upgrades with necessary hardware, software, and programs;	20,000,000	18,126,775	18,096,855	29,919	18,126,774	Complete
(d) real and personal property, including, but not limited to, improved or unimproved land and existing buildings for future school or administrative and services facility sites, custodial and school nutrition kitchen equipment and other furniture, fixtures and equipment;	300,000	743,125	480,240	271	480,511	Ongoing
(e) security system upgrades, equipment and infrastructure to all educational and administrative facilities;	-	146,935	146,935	-	146,935	Complete
(f) school buses (including installment payments);	2,500,000	2,500,000	2,104,225	368,775	2,473,000	Ongoing
(g) sewer system upgrades to convert from septic systems to public sewer;	-	-	-	-	-	Ongoing
(i) capitalized expenses incident thereto (including, but not limited to, the payment of implementation, administrative and management expenses, any capitalized interest, and reimbursements for expenditures for needs assessment for facilities).	2,602,098	1,903,936	1,781,770	2,698	1,784,468	Ongoing
Total SPLOST V	$ 135,000,000	$ 135,000,000	$ 130,674,453	$ 8,334,260	$ 139,008,713	
SPLOST VI:						
(a) construction of, additions to, renovations of, repairs to, improvements to, and equipment for new and existing educational, administrative and services buildings, properties, and facilities of the School District, as indicated by enrollment and enrollment trends, including, without limitation, Alps Road Elementary School, Barnett Shoals Elementary School, David C. Barrow Elementary School, Chase Street Elementary School, Cleveland Road Elementary School, Fowler Drive Elementary School, the facility known as the West Broad campus, Howard B. Stroud Elementary School, J.J. Harris Elementary School, the current Gaines Elementary School, the facility formerly operated as Gaines Elementary School, Oglethorpe Avenue Elementary School, Timothy Road Elementary School, Whit Davis Elementary School, Whitehead Road Elementary School, Winterville Elementary School, Burney-Harris-Lyons Middle School, Clarke Middle School, W. R. Coile Middle School, Hilsman Middle School, Cedar Shoals High School, Clarke Central High School and Classic City High School, Athens Community Career Academy, Early Learning Center, athletic facilities, transportation facilities (including bus driver training facilities), maintenance facilities, storage facilities, and administrative and services facilities;	147,450,000	147,450,000	225,364	51,348,306	51,573,670	Ongoing
(b) new administrative and services facilities, and professional and early learning facilities;	-	-	-	-	-	Ongoing
(c) technology to be used at all educational and administrative facilities, including, but not limited to, computers, laptops, tablets and mobile devices for students and staff, servers, wiring, wireless antennas, and other technology upgrades with necessary hardware, software, and programs;	22,500,000	22,500,000	4,016,420	6,865,688	10,882,108	Ongoing
(d) acquisition of and/or improvements to real and personal property, including, but not limited to, improved or unimproved land and existing buildings for future school or administrative and services facility sites, custodial and school nutrition kitchen equipment and other furniture, fixtures and equipment;	600,000	600,000	-	3,523	3,523	Ongoing
(e) security system upgrades, equipment and infrastructure to all educational and administrative facilities;	-	-	-	-	-	Ongoing
(f) school buses (including installment payments);	2,500,000	2,500,000	-	403,359	403,359	Ongoing
(g) sewer system upgrades to convert from septic systems to public sewer;	-	-	-	-	-	Ongoing
(h) capital expenditures in accordance with the School District's strategic plan for facilities; and (9) capitalized expenses incident thereto (including the payment of any capitalized interest); (collectively, the Projects); (ii) paying capitalized interest through September 1, 2022, and (iii) paying the costs of issuing the Debt.	1,950,000	1,950,000	1,208,729	321,276	1,530,005	Ongoing
Total SPLOST VI	$ 175,000,000	$ 175,000,000	$ 5,450,513	$ 58,942,152	$ 64,392,665	
Total SPLOST Projects	$ 310,000,000	$ 310,000,000	$ 136,124,966	$ 67,276,412	$ 203,401,378	

(1) The School District's original cost estimate as specified in the resolution calling for the imposition of the Local Option Sales Tax.

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

(3) The voters of Clarke County approved the imposition of a 1% sales tax to fund the above projects and retire associated debt. Amounts expended for these projects may include sales tax proceeds, state, local property taxes and/or other funds over the life of the projects.

IV. SINGLE AUDIT SECTION

MAULDIN & JENKINS
CPAs & ADVISORS

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 Members of
the Clarke County Board of Education
Athens, 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 and each major fund of the Clarke County Board of Education, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Clarke County Board of Education's basic financial statements, and have issued our report thereon dated January 16, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Clarke County Board of Education's internal control over financial reporting (internal control) as a basis for designing 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 Clarke County Board of Education's internal control. Accordingly, we do not express an opinion on the effectiveness of the Clarke County Board of Education'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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Clarke County Board of Education'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 financial statements. 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.

Mauldin & Jenkins, LLC

Atlanta, Georgia
January 16, 2025

MAULDIN & JENKINS
CPAs & ADVISORS

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

To the Superintendent and Members of
the Clarke County Board of Education
Athens, Georgia

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Clarke County Board of Education's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Clarke County Board of Education's major federal programs for the year ended June 30, 2024. The Clarke County Board of Education's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Clarke County Board of Education 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, 2024.

Basis for Opinion on Each Major Federal Program

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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Clarke County Board of Education and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Clarke County Board of Education's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective intern control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Clarke County Board of Education's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Clarke County Board of Education's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting form error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Clarke County Board of Education's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Clarke County Board of Education's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Clarke County Board of Education's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the Clarke County Board of Education's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

Mauldin & Jenkins, LLC

Atlanta, Georgia
January 16, 2025

CLARKE COUNTY BOARD OF EDUCATION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Total Expenditures
U.S. DEPARTMENT OF AGRICULTURE			
Passed Through Georgia Department of Education:			
Child Nutrition Cluster			
School Breakfast Program - Cash Assistance	10.553	245GA324N1199	$ 2,464,354
National School Lunch Program:			
Non-Cash Assistance - Commodities [1]	10.555	225GA324N1099	505,804
Cash Assistance	10.555	245GA324N1199	6,075,730
School Snack Program	10.555	235GA324N1199	235,883
COVID-19 - National School Lunch Program	10.555	235GA324N1199	311,547
Fresh Fruit and Vegetable Program	10.582	235GA324L1603	139,783
Fresh Fruit and Vegetable Program	10.582	245GA324N1199	11,789
Total Child Nutrition Cluster			9,744,890
Total U.S. Department of Agriculture			9,744,890
U.S. DEPARTMENT OF DEFENSE			
R.O.T.C. Program	12.357	N/A	217,488
Total U.S. Department of Defense			217,488
U.S. DEPARTMENT OF EDUCATION			
Passed Through the Georgia Department of Education:			
Title I, Part A - Improving the Academic Achievement of the Disadvantaged	84.010A	S010A220010-21A	822,013
Title I, Part A - School Improvement	84.010A	S010A230010	5,674,253
			6,496,266
Title I, Part C - Migrant Education State Grant Program	84.011A	S011A220011	7,068
Title I, Part C - Migrant Education State Grant Program	84.011A	S011A230011	31,178
			38,246
Title II-A Program			
Title II-A - Cultivating Teachers	84.367A	S367A230001	4,843
Title II-A - Improving Teacher Quality	84.367A	S367A230001	760,226
Title II-A - Advanced Placement Testing	84.367A	S367A230001	4,200
			769,269
Special Education Cluster (IDEA)			
Title VI-B Flowthrough	84.027A	H173A220081	885,056
Title VI-B Flowthrough	84.027A	H173A230081	2,757,163
Title VI-B Preschool	84.173A	H027A220073	2,511
Title VI-B Preschool	84.173A	H027A230073	59,557
Total Special Education Cluster (IDEA)			3,704,287
Title III Program			
Title III - English Language Acquisition State Grants	84.365A	S365A220010	43,786
Title III - English Language Acquisition State Grants	84.365A	S365A230010	187,097
			230,883

(Continued)

CLARKE COUNTY BOARD OF EDUCATION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Total Expenditures
U.S. DEPARTMENT OF EDUCATION (Continued):			
Passed Through Georgia Department of Education (Continued):			
Title IV-A Program			
Title IV-A - Student Support and Academic Achievement	84.424A	S424A230011	$ 456,829
Title IV-B Program			
Title IV-B - 21st Century Community Learning Centers	84.287C	S287C220010	147,433
Title IV-B - 21st Century Community Learning Centers	84.287C	S287C230010	626,805
			774,238
Education for the Homeless Children and Youth	84.196A	S196A220011	12,360
Education for the Homeless Children and Youth	84.196A	S196A230011	69,138
			81,498
Vocational Education - Carryover	84.048A	V048A230010	8,158
Vocational Education - Program Improvement	84.048A	V048A230010	148,893
Vocational Education - Plus Reserve	84.048A	V048A230010	3,866
			160,917
Education Stabilization Fund			
COVID-19: Elementary and Secondary School Emergency Relief Fund	84.425D	S425D210012	263,331
COVID-19: American Rescue Plan Elementary & Secondary School Emergency Relief Fund	84.425U	S425U210012	17,223,511
COVID-19: ESSER ARP - Homeless Children and Youth	84.425W	S425W210011	81,080
Total Education Stabilization Fund			17,567,922
Total Passed Through Georgia Department of Education			30,280,355
Direct Through U.S. Department of Education (continued):			
Impact Aid			
Payments for Federally Connected Children - Section 7003	84.041B	N/A	149,988
Total U.S. Department of Education			30,430,343
U.S. DEPARTMENT OF TREASURY			
Direct			
Coronavirus State And Local Fiscal Recovery Funds			
School-Based Health Center Renovation Grant	21.027	S425D220012	109,274
Total U.S. Department of Treasury			109,274
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Direct			
Head Start	93.600	N/A	6,561,431
Total U.S. Department of Health and Human Services			6,561,431
Total Expenditures of Federal Awards			$ 47,063,426

[(1)] The amounts shown for the Food Distribution Program represents the federally assigned value of nonmonetary assistance for donated commodities received and/or consumed by the system during the current fiscal year.

The Schedule of Expenditures of Federal Awards includes the federal grant activity of the Clarke County Board of Education and is presented on the modified accrual basis of accounting.

The School District did not utilize the 10% de minimis indirect cost rate.

The School District did not pass any funds through to sub-recipients.

The information in this schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* . Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the financial statements.

CLARKE COUNTY BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2024

SECTION I
SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:	Unmodified
Internal control over financial reporting:	
Material weaknesses identified?	___ yes __X__ no
Significant deficiencies identified?	___ yes __X__ none reported
Noncompliance material to financial statements noted?	___ yes __X__ no

Federal Awards

Internal Control over major federal programs:	
Material weaknesses identified?	____ yes __X__ no
Significant deficiencies identified?	____ yes __X__ none reported
Type of auditor's report issued on compliance for major federal programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	_____yes __X__ no

Identification of major program:

Name of Federal Program or Cluster	Assistance Listing Number
COVID-19: Education Stabilization Fund	84.425D, 84.425U & 84.425W

Dollar threshold used to distinguish between Type A and Type B programs:	$1,411,903
Auditee qualified as low-risk auditee?	__X__ yes ____no

CLARKE COUNTY BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2024

SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES

None reported.

SECTION III
FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None reported.

CLARKE COUNTY BOARD OF EDUCATION
SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2024

STATUS OF PRIOR YEAR FINDINGS

2023-001 – Improve Controls over Expenditures

Description: The policies and procedures of the School District were insufficient to provide adequate internal controls over expenditures as it relates to the Elementary and Secondary School Emergency Relief Fund program.

Condition: Auditors performed a review of expenditure activity associated with the ESSER program to determine if appropriate internal controls were implemented and applicable compliance requirements were met. This testing revealed that ESSER funds were utilized to cover after-school program expenditures that exceeded net allowable costs. The School District incurred $1,765,203 in expenditures and received $913,744 in program income related to the after-school program. Based upon this activity, the net allowable costs that could have been funded by the ESSER program totaled $851,459; however, the School District received $1,161,082 in ESSER funding for this purpose during the period under review. Therefore, expenditures totaling $309,623 were deemed unallowable for the ESSER program, and it was noted that excessive cash drawdowns in this same amount were made.

Status: Resolved in current year.