LAURENS COUNTY SCHOOLS

ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
JUNE 30, 2023

Prepared by:
Finance Department

467 Firetower Road
Dublin, Georgia 31021

LAURENS COUNTY SCHOOLS

ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

TABLE OF CONTENTS

Page

FINANCIAL SECTION

Independent Auditor's Report ..... **1 – 4**

Basic Financial Statements:

Government-wide Financial Statements:

Statement of Net Position **5**

Statement of Activities **6**

Fund Financial Statements:

Balance Sheet – Governmental Funds ..... **7 and 8**

Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds **9**

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities **10**

General Fund – Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual **11**

Statement of Fiduciary Net Position – Custodial Fund **12**

Statement of Changes in Fiduciary Net Position – Custodial Fund **13**

Notes to Financial Statements ..... **14 – 45**

Required Supplementary Information:

Schedule of Proportionate Share of the Net Pension Liability – Teachers' Retirement System of Georgia ..... **46 and 47**

Schedule of Contributions – Teachers' Retirement System of Georgia ..... **48 and 49**

Notes to Required Supplementary Information – Teachers' Retirement System of Georgia **50**

Schedule of Proportionate Share of the Net Pension Liability – Public School Employees' Retirement System ..... **51 and 52**

Notes to Required Supplementary Information – Public School Employees' Retirement System **53**

Schedule of Proportionate Share of the Net Pension Liability – Employees' Retirement System ..... **54 and 55**

Schedule of Contributions – Employees' Retirement System ..... **56 and 57**

Notes to Required Supplementary Information – Employees' Retirement System **58**

Schedule of Proportionate Share of Net OPEB Liability – School OPEB Fund ..... **59 and 60**

Schedule of OPEB Contributions – School OPEB Fund ..... **61 and 62**

Notes to Required Supplementary Information – School OPEB Fund **63**

LAURENS COUNTY SCHOOLS

ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

TABLE OF CONTENTS (CONTINUED)

Page

FINANCIAL SECTION (CONTINUED)

Supplementary Information:

Schedule of State Revenue ..... 64 and 65
Schedule of Approved Local Option Sales Tax Projects – SPLOST III 66
Schedule of Approved Local Option Sales Tax Projects – SPLOST IV 67

COMPLIANCE SECTION

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* ..... 68 and 69
Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance Required By the Uniform Guidance ..... 70 – 72
Schedule of Expenditures of Federal Awards 73
Notes to Schedule of Expenditures of Federal Awards 74
Schedule of Findings and Questioned Costs ..... 75 and 76
Schedule of Prior Year Findings 77

FINANCIAL SECTION

MAULDIN & JENKINS
CPAs & ADVISORS

INDEPENDENT AUDITOR'S REPORT

To the Superintendent and Members of the
Laurens County Board of Education
Dublin, Georgia

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of **Laurens County Schools** (the "School District") as of and for the year ended June 30, 2023 and the related notes to the financial statements, which collectively comprise the School District'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, each major fund and the aggregate remaining fund information of the School District as of June 30, 2023, and the respective changes in financial position, and the budgetary comparison for the General Fund 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, 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 School District, 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 the 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 School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of 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 School District'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 School District'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 Schedules of Proportionate Share of the Net Pension Liabilities, the Schedules of Pension Contributions, the Schedule of Proportionate Share of the Net Other Post-employment Benefit ("OPEB") Liability, and the Schedule of OPEB Contributions (on pages 61 through 62) 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 ("GASB") 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.

Management has omitted the Management's Discussion and Analysis ("MD&A") that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the GASB, 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. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District's basic financial statements. 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;* the Schedules of Expenditures of Special Purpose Local Option Sales Tax proceeds, as required by the Official Code of Georgia Annotated §48-8-121; and the Schedule of State Revenue 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 Federal Awards, the Schedules of Expenditures of Special Purpose Local Option Sales Tax proceeds, and the Schedule of State Revenue are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 25, 2024, on our consideration of the School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants 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 School District'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 School District's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Macon, Georgia
June 25, 2024

BASIC FINANCIAL STATEMENTS

LAURENS COUNTY SCHOOLS

STATEMENT OF NET POSITION
JUNE 30, 2023

	Governmental Activities
ASSETS	
Cash and cash equivalents	$ 34,972,702
Receivables:	
Taxes	1,693,556
Intergovernmental:	
State	6,052,231
Federal	5,646,907
Other	16,857
Inventory	155,941
Prepaid items	50,260
Capital assets (non-depreciable)	82,303,880
Capital assets (net of accumulated depreciation)	85,409,137
Total assets	216,301,471
DEFERRED OUTFLOWS	
Related to pension plans	43,834,897
Related to OPEB plan	9,531,804
Total deferred outflows	53,366,701
LIABILITIES	
Accounts payable	1,037,881
Salaries and benefits payable	7,203,223
Contracts payable	440,557
Accrued interest payable	475,309
Retainage payable	150,359
Bonds payable due within one year	4,869,605
Bonds payable due in more than one year	29,377,941
Intergovernmental contracts, due within one year	11,921
Net pension liability, due in more than one year	90,710,425
Net OPEB liability, due in more than one year	36,426,379
Total liabilities	170,703,600
DEFERRED INFLOWS	
Related to pension plans	1,888,621
Related to OPEB plan	22,083,547
Total deferred inflows	23,972,168
NET POSITION	
Net investment in capital assets	132,999,022
Restricted for:	
Continuation of federal programs	4,151,951
Capital projects	210,699
Debt service	3,212,378
Unrestricted	(65,581,646)
Total net position	$ 74,992,404

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

LAURENS COUNTY SCHOOLS

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities
Governmental activities:				
Instruction	$ 55,786,550	$ 67,210	$ 47,628,738	$ (8,090,602)
Support services:				
Pupil services	7,054,955	-	861,150	(6,193,805)
Improvement of instructional services	1,308,787	-	1,144,396	(164,391)
Educational media services	956,038	-	12,249	(943,789)
General administration	2,960,067	-	1,804,844	(1,155,223)
School administration	4,586,450	-	-	(4,586,450)
Business administration	742,038	-	841	(741,197)
Maintenance and operation of plant	5,819,661	7,656	3,832,396	(1,979,609)
Student transportation services	4,159,597	-	1,224,828	(2,934,769)
Central support services	825,819	-	1,068	(824,751)
Other support services	822,161	-	10,973	(811,188)
Enterprise operations	50,403	-	-	(50,403)
Food service operations	6,265,140	169,217	6,343,593	247,670
Community service operation	140	-	-	(140)
Interest on long-term debt	342,245	-	-	(342,245)
Total governmental activities	$ 91,680,051	$ 244,083	$ 62,865,076	(28,570,892)
General revenues:				
Taxes:				
Property taxes, levied for maintenance and operations				16,932,068
Sales taxes, levied for capital projects				8,527,177
Intangible taxes				163,536
Transfer taxes				72,165
Grants and contributions not restricted to specific programs				7,626,830
Local school activity				1,677,316
Unrestricted investment earnings				822,113
Miscellaneous				2,253,201
Total general revenues				38,074,406
Change in net position				9,503,514
Net position, beginning of year				65,488,890
Net position, end of year				$ 74,992,404

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

LAURENS COUNTY SCHOOLS

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023

	General	Capital Projects	Debt Service	Total Governmental Funds
ASSETS				
Cash and cash equivalents	$ 31,813,926	$ 461,458	$ 2,697,318	$ 34,972,702
Receivables:				
Taxes	828,496	-	865,060	1,693,556
Intergovernmental:				
State	6,052,231	-	-	6,052,231
Federal	5,646,907	-	-	5,646,907
Other	16,857	-	-	16,857
Due from other funds	-	350,000	-	350,000
Prepaid items	50,260	-	-	50,260
Inventory	155,941	-	-	155,941
Total assets	$ 44,564,618	$ 811,458	$ 3,562,378	$ 48,938,454
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
LIABILITIES				
Accounts payable	$ 1,028,038	$ 9,843	$ -	$ 1,037,881
Salaries and benefits payable	7,203,223	-	-	7,203,223
Contracts payable	-	440,557	-	440,557
Retainage payable	-	150,359	-	150,359
Due to other funds	-	-	350,000	350,000
Total liabilities	8,231,261	600,759	350,000	9,182,020
DEFERRED INFLOWS				
Unavailable revenue - property taxes	355,355	-	-	355,355
Total deferred inflows	355,355	-	-	355,355
FUND BALANCES				
Non-spendable:				
Inventory	155,941	-	-	155,941
Prepaid items	50,260	-	-	50,260
Restricted for:				
Federal programs	3,996,010	-	-	3,996,010
Debt service	-	-	3,212,378	3,212,378
Capital projects	-	210,699	-	210,699
Assigned for:				
Student activities	920,390	-	-	920,390
Subsequent year's budget	3,092,950	-	-	3,092,950
Unassigned	27,762,451	-	-	27,762,451
Total fund balances	35,978,002	210,699	3,212,378	39,401,079
Total liabilities, deferred inflows and fund balances	$ 44,564,618	$ 811,458	$ 3,562,378	

(Continued)

LAURENS COUNTY SCHOOLS

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Cost	$ 219,857,468	
Less accumulated depreciation	(52,144,451)	$ 167,713,017
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.		
Property taxes		355,355
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Bonds payable	$ (29,275,000)	
Bond premium	(4,972,546)	
Accrued interest	(475,309)	
Intergovernmental contracts	(11,921)	
Pensions - deferred outflows of resources	43,834,897	
Pension - deferred inflows of resources	(1,888,621)	
Net pension liability	(90,710,425)	
OPEB - deferred outflows of resources	9,531,804	
OPEB - deferred inflows of resources	(22,083,547)	
Net OPEB liability	(36,426,379)	(132,477,047)
Net position of governmental activities		$ 74,992,404

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

LAURENS COUNTY SCHOOLS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	General	Capital Projects	Debt Service	Total Governmental Funds
REVENUES				
Property taxes	$ 16,860,915	$ -	$ -	$ 16,860,915
Sales taxes	-	-	8,527,177	8,527,177
Other taxes	235,700	-	-	235,700
State funds	53,346,507	-	-	53,346,507
Federal funds	17,014,051	-	-	17,014,051
Charges for services	244,083	-	-	244,083
Investment earnings	668,092	26,859	127,162	822,113
School activity	1,677,316	-	-	1,677,316
Miscellaneous	2,009,518	243,683	-	2,253,201
Total revenues	92,056,182	270,542	8,654,339	100,981,063
EXPENDITURES				
Current:				
Instruction	50,687,049	404,543	-	51,091,592
Support services:				
Pupil services	6,802,434	378,260	-	7,180,694
Improvement of instructional services	1,242,462	-	-	1,242,462
Educational media services	912,467	-	-	912,467
General administration	2,865,431	1,809	-	2,867,240
School administration	4,340,940	-	-	4,340,940
Business administration	706,754	-	-	706,754
Maintenance and operation of plant	5,979,672	18,290	-	5,997,962
Student transportation services	5,130,880	129,092	-	5,259,972
Central support services	635,995	-	-	635,995
Other support services	375,042	53,677	-	428,719
Enterprise operations	50,403	-	-	50,403
Food services operations	6,663,250	29,620	-	6,692,870
Community services operation	140	-	-	140
Capital outlay	800,000	4,957,642	-	5,757,642
Debt service:				
Principal retirement	47,100	-	4,325,000	4,372,100
Interest and fees	787	-	1,598,750	1,599,537
Total expenditures	87,240,806	5,972,933	5,923,750	99,137,489
Excess (deficiency) of revenues over (under) expenditures	4,815,376	(5,702,391)	2,730,589	1,843,574
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	8,400	-	-	8,400
Transfers in	-	5,170,911	-	5,170,911
Transfers out	(820,911)	-	(4,350,000)	(5,170,911)
Total other financing sources (uses)	(812,511)	5,170,911	(4,350,000)	8,400
Net change in fund balances	4,002,865	(531,480)	(1,619,411)	1,851,974
FUND BALANCE, beginning of year	31,975,137	742,179	4,831,789	37,549,105
FUND BALANCE, end of year	$ 35,978,002	$ 210,699	$ 3,212,378	$ 39,401,079

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

LAURENS COUNTY SCHOOLS

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, 2023

Amounts reported for governmental activities in the Statement of Activities are different because:

Net change in fund balances - total governmental funds		$ 1,851,974
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 net effect of the amount by which capital outlay exceeded depreciation is to increase net position.		
Capital outlay	$ 8,809,018	
Depreciation expense	(4,512,896)	4,296,122
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.		
Property taxes		71,154
Issuance of long-term debt provides current financial resources to governmental funds, while 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 net effect of these differences in the treatment of long-term debt and related items.		
Principal payments - bonds	$ 4,325,000	
Principal payments - intergovernmental contracts	47,100	
Bond premium amortization	1,199,390	
Adjustment to record pension expense and related revenue for pension special funding situation, net of fund level amounts	131,348	
Change in net pension liability and deferred inflows and outflows related to pension activity	(5,795,142)	
Change in net OPEB liability and deferred inflows and outflows related to OPEB activity	3,318,666	3,226,362
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.		
Change in accrued interest		57,902
Change in net position of governmental activities		$ 9,503,514

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

LAURENS COUNTY SCHOOLS

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Property taxes	$ 14,000,000	$ 15,288,759	$ 16,860,915	$ 1,572,156
Other taxes	-	-	235,700	235,700
State funds	49,405,676	49,985,741	53,346,507	3,360,766
Federal funds	17,903,988	19,172,301	17,014,051	(2,158,250)
Charges for services	150,000	125,000	244,083	119,083
Investment earnings	-	-	668,092	668,092
Other local sources	-	-	1,677,316	1,677,316
Miscellaneous	400,000	400,000	2,009,518	1,609,518
Total revenues	81,859,664	84,971,801	92,056,182	7,084,381
EXPENDITURES				
Current:				
Instruction	47,930,607	51,367,392	50,687,049	680,343
Support services:				
Pupil services	4,189,239	4,563,461	6,802,434	(2,238,973)
Improvement of instructional services	1,269,112	1,343,167	1,242,462	100,705
Educational media services	899,108	721,880	912,467	(190,587)
General administration	2,085,995	2,777,298	2,865,431	(88,133)
School administration	4,082,794	4,101,235	4,340,940	(239,705)
Business administration	683,301	724,991	706,754	18,237
Maintenance and operation of plant	9,053,960	6,909,634	5,979,672	929,962
Student transportation services	4,135,603	4,652,866	5,130,880	(478,014)
Central support services	785,367	632,479	635,995	(3,516)
Other support services	206,000	234,004	375,042	(141,038)
Enterprise operations	-	-	50,403	(50,403)
Food services operations	4,900,752	5,336,386	6,663,250	(1,326,864)
Community services operation	-	-	140	(140)
Capital outlay	5,286,000	5,246,204	800,000	4,446,204
Debt service:				
Principal retirement	47,950	47,950	47,100	850
Interest and fiscal charges	-	-	787	(787)
Total expenditures	85,555,788	88,658,947	87,240,806	1,418,141
Excess (deficiency) of revenues over (under) expenditures	(3,696,124)	(3,687,146)	4,815,376	8,502,522
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	-	-	8,400	8,400
Transfers out	-	-	(820,911)	(820,911)
Total other financing sources (uses)	-	-	(812,511)	(812,511)
Net change in fund balance	(3,696,124)	(3,687,146)	4,002,865	7,690,011
FUND BALANCE, beginning of year	31,975,137	31,975,137	31,975,137	-
FUND BALANCE, end of year	$ 28,279,013	$ 28,287,991	$ 35,978,002	$ 7,690,011

LAURENS COUNTY SCHOOLS

STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUND
JUNE 30, 2023

	Custodial Fund
ASSETS	
Cash	$ 768
Total assets	768
NET POSITION	
Restricted for individuals, organizations and other governments	$ 768

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

LAURENS COUNTY SCHOOLS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

ADDITIONS	
Local collections	$ -
Total additions	-
DEDUCTIONS	
Collections disbursed	549
Total deductions	549
Change in net position	(549)
NET POSITION	
Beginning of year	1,317
End of year	$ 768

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. DESCRIPTION OF SCHOOL DISTRICT AND REPORTING ENTITY

Reporting Entity

Laurens County Schools (the "School District") was established under the laws of the State of Georgia and operates under the guidance of a school board (the "Board") elected by the voters and a Superintendent appointed by the Board. The Board 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

The accompanying financial statements of the School District have been prepared in conformity with generally accepted accounting principles ("GAAP") as prescribed by the Governmental Accounting Standards Board ("GASB"). GASB is the accepted standard-setting body for governmental accounting and financial reporting principles. The most significant of the School District's accounting policies are described below.

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 School District. The government-wide statements focus on the School District as a whole, while the fund financial statements focus on major funds. Each presentation provides valuable information that can be analyzed and compared between years and between governments to enhance the information's usefulness.

Government-wide Statements

The Statement of Net Position and the Statement of Activities display information about the financial activities of the overall School District, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. Governmental activities generally are financed through taxes, intergovernmental revenues and other non-exchange transactions.

The Statement of Net Position presents the School District's non-fiduciary assets and liabilities, with the difference reported as net position. Net position is reported in three categories as follows:

1. **Net investment in capital assets** consists of the School District's total investment in capital assets, net of accumulated depreciation and reduced by outstanding debt obligations related to those capital assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of net investment in capital assets.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-wide Statements (Continued)

2. **Restricted net position** consists of resources for which the School District is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties or imposed by law through constitutional provisions or enabling legislation.

3. **Unrestricted net position** consists of resources not meeting the definition of the two preceding categories. Unrestricted net position often has constraints on resources imposed by management which can be removed or modified.

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.

Fund Financial Statements

The fund financial statements provide information about the School District's funds, including fiduciary funds. Eliminations have been made to minimize the double counting of internal activities. Separate statements are presented for governmental and fiduciary funds. The emphasis of fund financial statements is on major governmental funds, with each displayed in a separate column.

The School District reports the following major governmental funds:

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

- The *Capital Projects Fund* accounts for and reports financial resources including Education Special Purpose Local Option Sales Tax (“ESPLOST”), bond proceeds, and grants from the Georgia State Financing and Investing Commission, that are restricted, committed, or assigned to the expenditure capital outlay expenditures, including the acquisition or construction of capital facilities and other capital assets.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Financial Statements (Continued)

- The *Debt Service Fund* accounts for and reports financial resources that are restricted, committed, or assigned including taxes (sales) legally restricted for the payment of general long-term principal and interest.

The School District reports the following fiduciary fund type:

- The *Custodial Fund* is used to report resources held by the School District in a purely custodial capacity for school activities.

Basis of Accounting

The basis of accounting determines when transactions are reported in the financial statements. The government-wide and fiduciary fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the 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. The School District considers all revenues reported in the governmental funds to be available if they are collected within 60 days after year-end. The School District considers all intergovernmental revenues to be available if they are collected within 120 days after year-end. Property taxes, sales taxes 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, 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 acquisitions under capital leases, if any, are reported as other financing sources.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting (Continued)

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 resources 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.

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 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.

New Accounting Pronouncements

In fiscal year 2023, the System adopted GASB Statement No. 96, Subscription-Based Information Technology Arrangements. This statement defines subscription-based information technology arrangements and provides uniform guidance for accounting and financial reporting for transactions that meet that definition. Under this statement, a government is required to recognize a subscription liability an intangible right-to-use asset for contracts that meet the definition of a subscription-based information technology arrangement. The adoption of this statement did not have an impact on the System's financial statements.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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. The Official Code of Georgia Annotated ("O.C.G.A.") §45-8-14 authorizes the School District to deposit its funds in one or more solvent banks, insured Federal savings and loan associations or insured chartered building and loan associations.

Investments

Composition of Investments – The School District can invest its funds as permitted by O.C.G.A. §36-83-4. 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.

The School District does not have a formal policy regarding investment policies that address credit risks, custodial credit risks, concentration of credit risks, interest rate risks or foreign currency risks.

Investments made by the School District in non-participating 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. All other investments are reported at fair value.

For accounting purposes, certificates of deposit are classified as investments if they have an original maturity greater than three months when acquired.

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 in the basic financial statements do not include any amounts which would necessitate the need for an allowance for uncollectible receivables.

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)

Inventories

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.

Prepaid Items

Payments made to vendors for services that will benefit future accounting periods are recorded as prepaid items, in both the government-wide and governmental fund financial statements.

Capital Assets

On the government-wide financial statements, capital assets are recorded 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 acquisition value on the date donated. 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. The School District does not capitalize book collections or works of art.

Capital acquisition and construction are recorded as expenditures in the governmental fund financial statements at the time of purchase (including ancillary charges), and the related assets are reported as capital assets in the governmental activities column in the government-wide financial statements.

Depreciation is computed using the straight-line for all assets, except land, and is used to allocate the actual or estimated historical cost of capital assets over estimated useful lives.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets (Continued)

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

	Capitalization Policy	Estimated Useful Life
Land	All	N/A
Construction in Progress	All	N/A
Land Improvements	$ 100,000	10 – 30 Years
Buildings and Improvements	100,000	10 – 50 Years
Equipment	5,000	5 – 20 Years
Computers and Software	5,000	5 – 15 Years
Intangible Assets	100,000	10 – 20 Years

Deferred Outflows/Inflows of Resources

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

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

Long-Term Liabilities

In the School District's government-wide financial statements, outstanding debt is reported as liabilities. Bond premiums and discounts and the difference between the reacquisition price and the net carrying value of refunded debt are deferred and amortized over the life of the bonds using the effective interest method. Bond issuance costs are recognized as an outflow of resources in the fiscal year in which the bonds are issued.

In the governmental fund financial statements, the School District recognizes the proceeds of debt and premiums as other financing sources of the current period. Bond issuance costs are reported as debt service expenditures.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Pensions

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

Post-employment Benefits Other Than Pensions

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' Post-employment Benefit Fund (the "School OPEB Fund") and additions to/deductions from the School OPEB Fund 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 Balances

Fund balances for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

The School District's fund balances are classified as follows:

Non-spendable consists of resources that cannot be spent either because they are in a non-spendable form or because they are legally or contractually required to be maintained intact.

Restricted consists of resources that can be used only for specific purposes pursuant to constraints either: 1) externally imposed by creditors, grantors, contributors, or laws and regulations of other governments, or 2) imposed by law through constitutional provisions or enabling legislation.

Committed consists of resources that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board. The Board is the School District's highest level of decision-making authority, and the formal action that is required to be taken to establish, modify, or rescind a fund balance commitment is a resolution approved by the Board. Committed fund balances also should incorporate contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balances (Continued)

Assigned consists of resources constrained by the School District's intent to be used for specific purposes but are neither restricted nor committed. The intent should be expressed by: 1) the Board, or 2) the budget or finance committee, the Superintendent, or designee, to assign amounts to be used for specific purposes.

Unassigned consists of resources within the General Fund not meeting the definition of any aforementioned category. The General Fund should be the only fund that reports a positive unassigned fund balance amount. In other governmental funds, it may be necessary to report a negative unassigned fund balance.

The fund balances of the School District's General Fund has been accumulated to meet the purpose of providing stability and flexibility to respond to unexpected adversity and/or opportunities. The School District's basic goal is to maintain annual expenditure increases necessary to provide a consistent educational environment satisfactory to its citizens and to limit expenditures to anticipate revenue in order to maintain a balanced budget.

When multiple categories of fund balances are available for expenditure, the School District will start with the most restricted category and spend those funds first before moving down to the next category with available funds.

Use of Estimates

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Property Taxes

The Laurens County Board of Commissioners adopted the property tax levy for the 2022 tax digest year (calendar year) on October 1, 2022 (levy date), based on property values as of January 1, 2022. Taxes were due on December 1, 2022 (lien date). Taxes collected within the current fiscal year or within 60 days after year-end on the 2022 tax digest are reported as revenue in the governmental funds for the fiscal year 2023. The Laurens 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, 2023, for maintenance and operations amounted to $14,486,818.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property Taxes (Continued)

The tax millage rate levied for the 2022 tax year (calendar year) for the School District was as follows (a mill equals $1 per thousand dollars of assessed value):

School Operations	14.485 mills

Additionally, Title Ad Valorem Tax revenues, at the fund reporting level, amounted to $2,374,097 during the fiscal year ended June 30, 2023.

Sales Taxes

ESPLOST, at the fund reporting level, during the year amounted to $8,527,177 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.

NOTE 3. BUDGETARY DATA

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 Fund. There is no statutory prohibition regarding over expenditure of the budget at any level. The budget for all governmental funds is prepared and adopted by fund, function and object. The legal level of budgetary control was established by the Board at the aggregate function level. The budget for the General Fund was prepared in accordance with GAAP.

The budgetary process begins with the School System'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. §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 unexpended budget authority lapses at fiscal year-end.

See the General Fund Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget to Actual for a detail of any over/under expenditures during the fiscal year under review.

NOTE 4. DEPOSITS AND INVESTMENTS

Collateralization of Deposits – O.C.G.A. §45-8-12 provides that there shall not be on deposit at any time in any depository for a time longer than ten days a sum of money which has not been secured by surety bond, by guarantee of insurance, or by collateral. The aggregate of the face value of such surety bond and the market value of securities pledged shall be equal to not less than 110% of the public funds being secured after the deduction of the amount of deposit insurance. If a depository elects the pooled method (O.C.G.A. §45-8-13.1) the aggregate of the market value of the securities pledged to secure a pool of public funds shall be not less than 110% of the daily pool balance.

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

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

Custodial Credit Risk – Custodial credit risk is the risk that in the event of bank failure, the School District's deposits may not be returned to it. The School District does not have a deposit policy for custodial credit risk. At June 30, 2023, the School District had deposits with a carrying amount of $34,973,470 which includes bank balances of $37,613,118. As of June 30, 2023, all of the School District's deposits were properly collateralized in accordance with state law and applicable GASB pronouncements.

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

Custodial Credit Risk (Continued) – The School District's deposits by custodial credit risk category at June 30, 2023, are as follows:

Reconciliation of cash and cash equivalents to carrying value of deposits:

Statement of Net Position:	
Cash and cash equivalents	$ 34,972,702
Statement of Fiduciary Net Position	
Cash and cash equivalents	768
Total carrying value of deposits - June 30, 2023	$ 34,973,470

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. These commodities are recorded at their federally assigned value. **See Note 2 – Inventories.**

NOTE 6. CAPITAL ASSETS

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

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental activities:					
Capital assets, not being depreciated:					
Land	$ 2,618,749	$ -	$ -	$ -	$ 2,618,749
Construction in progress	76,984,676	5,134,646	-	(2,434,191)	79,685,131
Total	79,603,425	5,134,646	-	(2,434,191)	82,303,880
Capital assets, being depreciated:					
Buildings and improvements	112,251,515	500,286	-	2,434,191	115,185,992
Equipment	17,474,646	3,122,618	-	-	20,597,264
Land improvements	1,718,864	51,468	-	-	1,770,332
Total	131,445,025	3,674,372	-	2,434,191	137,553,588
Less accumulated depreciation for:					
Buildings and improvements	(36,547,763)	(2,646,413)	-	-	(39,194,176)
Equipment	(10,092,358)	(1,779,101)	-	-	(11,871,459)
Land improvements	(991,434)	(87,382)	-	-	(1,078,816)
Total	(47,631,555)	(4,512,896)	-	-	(52,144,451)
Total capital assets, being depreciated, net	83,813,470	(838,524)	-	2,434,191	85,409,137
Governmental activities capital assets, net	$ 163,416,895	$ 4,296,122	$ -	$ -	$ 167,713,017

NOTE 6. CAPITAL ASSETS (CONTINUED)

Current year depreciation expense by function is as follows:

Instruction		$ 3,005,579
Support Services:		
Pupil services	$ 216,933	
General administration	11,790	
School administration	36,784	
Business administration	1,422	
Maintenance and operations	71,884	
Student transportation	585,859	
Support services - central	154,631	
Support services - other	370,437	1,449,740
Food services		57,577
Total Depreciation expense		$ 4,512,896

NOTE 7. INTERFUND BALANCES AND TRANSFERS

Interfund balances at June 30, 2023, consisted of the following:

Payable To	Receivable From Debt Service Fund
Capital Projects Fund	$ 350,000

Amounts above represent amounts transferred to the Capital Projects Fund to fund Special Purpose Loan Sales Tax (“SPLOST”) related expenditures.

Interfund transfers for the year ended June 30, 2023, consisted of the following:

	Transfers From		
Transfers To	General Fund	Debt Service Fund	Total
Capital Projects Fund	$ 820,911	$ 4,350,000	$ 5,170,911

Transfers are used to move sales tax revenues collected by the Debt Service Fund and local revenues collected by the General Fund for payment of SPLOST related expenditures.

NOTE 8. RISK MANAGEMENT

Commercial 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 illness or injuries to employees; and natural disasters. The School District carries commercial insurance for these risks. Settled claims resulting from these insured risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Workers' Compensation

The School District participates in the Georgia Education Workers' Compensation Trust (the "Trust"), a public entity risk pool organized on December 1, 1991, to develop, implement and administer a program of workers' compensation self-insurance for its member organizations. The School District pays an annual premium to the Trust for its general workers' compensation insurance coverage. Specific excess of loss insurance coverage is provided through an agreement by the Trust with the Safety National Casualty Company to provide coverage for potential losses sustained by the Trust in excess of $1.0 million loss per occurrence, up to the statutory limit. Employers' Liability insurance coverage is also provided with limits of $2.0 million. The Trust covers the first $1.0 million of each Employers Liability claim with Safety National providing additional Employers Liability limits up to a $2.0 million per occurrence maximum. Safety National Casualty Company also provides $2.0 million in aggregate coverage to the Trust, attaching at 107% of the loss fund and based on the Fund's annual normal premium.

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
2022	-	-	-	-
2023	-	**4,695**	**(4,695)**	-

Surety Bond

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

Position Covered	Amount
Superintendent	$ 100,000

NOTE 9. LONG-TERM LIABILITIES

The changes in long-term debt during the fiscal year ended June 30, 2023, were as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Intergovernmental Contracts	$ 59,021	$ -	$ (47,100)	$ 11,921	$ 11,921
General Obligation Bonds	33,600,000	-	(4,325,000)	29,275,000	3,800,000
Bond Premiums Amortized	6,171,936	-	(1,199,390)	4,972,546	1,069,605
Net Pension Liability	25,336,665	77,338,208	(11,964,448)	90,710,425	-
Net OPEB Liability	39,071,776	6,388,447	(9,033,844)	36,426,379	-
Total	$ 104,239,398	$ 83,726,655	$ (26,569,782)	$ 161,396,271	$ 4,881,526

Intergovernmental Contract

The School District entered into a contract with the City of East Dublin dated August 6, 2006 for the purposes of construction of water lines to the school facility of East Dublin.

The following schedule details debt service requirements to maturity for the School District's intergovernmental contract:

Fiscal Year Ending June 30,	Intergovernmental Contracts		
	Principal	Interest	Total
2024	11,921	59	11,980
Total	$ 11,921	$ 59	$ 11,980

NOTE 9. LONG-TERM LIABILITIES (CONTINUED)

General Obligation Bonds

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

Purpose	Interest Rates	Issue Date	Maturity Date	Amount Issued	Amount Outstanding
General Government - Series 2020	4.0% - 5.0%	November 17, 2020	March 1, 2033	$ 37,725,000	$ 29,275,000

The following schedule details debt service requirements to maturity for the School District's total general obligation bonds payable:

Fiscal Year Ending June 30,	General Obligation Bonds		
	Principal	Interest	Premium
2024	3,800,000	1,425,750	1,069,605
2025	3,950,000	1,273,750	955,573
2026	4,100,000	1,076,250	807,408
2027	4,300,000	871,250	653,616
2028	4,525,000	656,250	1,279,100
2029 - 2033	8,600,000	1,325,000	207,244
Total	$29,275,000	$ 6,628,250	$ 4,972,546

NOTE 10. SIGNIFICANT CONTINGENT LIABILITIES

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. Any disallowances resulting from the grantor audit may become a liability of the School District. However, the School District believes that such disallowances, if any, will be immaterial to its overall financial position.

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 have a material adverse effect on the financial condition of the School District.

NOTE 11. OTHER POST-EMPLOYMENT BENEFITS ("OPEB")

Georgia School Personnel Post-employment Health Benefit Fund

Plan Description: The School District participates in the State of Georgia School Employees' Post-employment Benefit Fund (the "School OPEB Fund") which is another post-employment benefit ("OPEB") plan administered by the State of Georgia Department of Community Health ("DCH"). Certified teachers and non-certified employees of the Board as defined in §20-2-875 of the O.C.G.A. are provided OPEB through the School OPEB Fund - a cost-sharing multiple-employer defined benefit post-employment 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 Provided: The School OPEB Fund provides healthcare benefits for retirees and their dependents due under the group health plan for public school teachers, including librarians, other certified employees of public schools, regional educational service agencies and non-certified public school employees. Retiree medical eligibility is attained when an employee retires and is immediately eligible to draw a retirement annuity from Employees' Retirement System ("ERS"), Georgia Judicial Retirement System ("JRS"), Legislative Retirement System ("LRS"), Teachers' Retirement System ("TRS") or Public School Employees' Retirement System ("PSERS"). If elected, dependent coverage starts on the same day as retiree coverage. Medicare-eligible retirees are offered Standard and Premium Medicare Advantage plan options. Non-Medicare eligible retiree plan options include Health Reimbursement Arrangement ("HRA"), Health Maintenance Organization ("HMO") and a High Deductible Health Plan ("HDHP"). The School OPEB Fund also pays for administrative expenses of the fund. By law, no other use of the assets of the School OPEB Fund is permitted.

NOTE 11. OTHER POST-EMPLOYMENT BENEFITS ("OPEB") (CONTINUED)

Georgia School Personnel Post-employment Health Benefit Fund (Continued)

Contributions: As established by the DCH Board, the School OPEB Fund is substantially funded on a pay-as-you-go basis; that is, annual cost of providing benefits will be financed in the same year as claims occur. Contributions to the School OPEB Fund from the School District were $1,419,868 for the year ended June 30, 2023. Active employees are not required to contribute to the School OPEB Fund.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB: At June 30, 2023, the School District reported a liability of $36,426,379 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2022. The total OPEB liability used to calculate the net OPEB liability was based on an actuarial valuation as of June 30, 2021. An expected total OPEB liability as of June 30, 2022, was determined using standard roll-forward techniques.

The School District's proportion of the net OPEB liability was actuarially determined based on employer contributions during the fiscal year ended June 30, 2022. At June 30, 2022, the School District's proportion was 0.367825%, which was an increase of 0.007079% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the School District recognized on OPEB expense of $(1,898,798). At June 30, 2023, the School District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	OPEB	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 1,453,981	$ 14,316,670
Changes of assumptions	5,547,812	7,367,286
Net difference between projected and actual earnings on pension plan investments	222,191	-
Changes in proportion and differences between School District contributions and proportionate share of contributions	887,952	399,591
School District contributions subsequent to the measurement date	1,419,868	-
Total	$ 9,531,804	$ 22,083,547

NOTE 11. OTHER POST-EMPLOYMENT BENEFITS ("OPEB") (CONTINUED)

Georgia School Personnel Post-employment Health Benefit Fund (Continued)

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued): School District contributions subsequent to the measurement date of $1,419,868 are reported as deferred outflows of resources and will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ending June 30,	OPEB
2024	$ (4,138,892)
2025	(3,186,877)
2026	(2,381,246)
2027	(2,826,360)
2028	(1,309,531)
2029	(128,705)

Actuarial Assumptions: The total OPEB liability as of June 30, 2022 was determined by an actuarial valuation as of June 30, 2021 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, 2022:

OPEB:

Inflation	2.50%
Salary increases	3.00% – 8.75%, including inflation
Long-term expected rate of return	7.00%, compounded annually, net of investment expense, and including inflation
Healthcare cost trend rate:	
Pre-Medicare Eligible	6.50%
Medicare Eligible	5.00%
Ultimate trend rate:	
Pre-Medicare Eligible	4.50%
Medicare Eligible	4.50%
Year of Ultimate trend rate:	
Pre-Medicare Eligible	2029
Medicare Eligible	2023

NOTE 11. OTHER POST-EMPLOYMENT BENEFITS ("OPEB") (CONTINUED)

Georgia School Personnel Post-employment Health Benefit Fund (Continued)

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

- For TRS members: Post-retirement 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. Post-retirement 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 (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.

- For PSERS Members: Pre-retirement mortality rates were based on the Pub-2010 General Employee Mortality Table, with no adjustment, with the MP-2019 Projection scale applied generationally. Post-retirement mortality rates for service retirements were based on the Pub-2010 General Healthy Annuitant Mortality Table (ages set forward one year and adjusted 101% for males and 103% for females) with the MP-2019 Projection scale applied generationally. Post-retirement 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. Post-retirement mortality rates for beneficiaries were based on the Pub-2010 General Contingent Survivor Mortality Table (ages set forward two years and adjusted 104% for males and 99% for females) with the MP-2019 Projection scale applied generationally.

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the pension system, which covered the five-year period ended 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, health care cost trends, rate of plan participation, rates of plan election, etc.) used in the June 30, 2021 valuation were based on a review of recent plan experience done concurrently with the June 30, 2021 valuation.

NOTE 11. OTHER POST-EMPLOYMENT BENEFITS ("OPEB") (CONTINUED)

Georgia School Personnel Post-employment Health Benefit Fund (Continued)

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

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%	2.00%
Equities	70.00%	9.40%
Total	100.00%	

*Net of Inflation

Discount rate: In order to measure the total OPEB liability for the School OPEB, a single equivalent interest rate of 3.57% was used as the discount rate, as compared with last year's rate of 2.20%. The plan's fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, the municipal bond rate as used for the long-term rate of return was applied to all periods of projected benefit payments to determine the total OPEB liability. This is comprised mainly of the yield or index rate for 20-year tax-exempt general obligation bonds with an average rating of AA or higher (3.54% per the Municipal Bond Index Rate). The projection of cashflows used to determine the discount rate assumed that contributions from members and from the employers 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 2128.

NOTE 11. OTHER POST-EMPLOYMENT BENEFITS ("OPEB") (CONTINUED)

Georgia School Personnel Post-employment Health Benefit Fund (Continued)

Sensitivity of the District's proportionate share of the net OPEB liability to changes in the discount rate: The following presents the School District's proportionate share of the net OPEB liability calculated using the discount rate of 3.57%, 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 (2.57%) or 1-percentage-point higher (4.57%) than the current rate:

	1% Decrease (2.57%)	Current Discount Rate (3.57%)	1% Increase (4.57%)
School District's proportionate share of the collective net OPEB liability	$ 41,202,608	$ 36,426,379	$ 32,378,315

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

	1% Decrease	Healthcare Cost Trend Rate	1% Increase
School District's proportionate share of the collective net OPEB liability	$ 31,385,680	$ 36,426,379	$ 42,621,377

OPEB plan fiduciary net position: Detailed information about the OPEB plan's fiduciary net position is available in the Annual Comprehensive Financial Report ("ACFR") which is publicly available at https://sao.georgia.gov/statewide-reporting/acfr.

NOTE 12. RETIREMENT PLANS

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

Teachers' Retirement System of Georgia ("TRS")

***Plan Description*:** All teachers of the School District as defined in O.C.G.A §47-3-60 and certain other support personnel as defined by O.C.G.A. §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 (the "TRS Board"). Title 47 of the O.C.G.A. assigns the authority to establish and amend the benefit provisions to the State Legislature. The TRS of Georgia issues a publicly available separate financial report that can be obtained at www.trsga.com/publications.

NOTE 12. RETIREMENT PLANS (CONTINUED)

Teachers' Retirement System of Georgia ("TRS") (Continued)

***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.

***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% of their annual pay during fiscal year 2023. The School District's contractually required contribution rate for the year ended June 30, 2023, was 19.98% of annual School District payroll. For the current fiscal year, employer contributions to the pension plan were $7,798,734 from the School District.

Employees' Retirement System ("ERS")

Plan description: The Employees' Retirement System ("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 hired prior to January 1, 2009 also have the option to irrevocably change their membership to GSEPS.

NOTE 12. RETIREMENT PLANS (CONTINUED)

Employees' Retirement System ("ERS") (Continued)

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, post-retirement 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.

***Contributions*:** Member contributions under the Old Plan are 4% of annual compensation, up to $4,200, plus 6% 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 contractually required contribution rate, actuarially determined annually, for the year ended June 30, 2023 was 31.01% of annual covered payroll for the Old and New Plan members and 27.47% for GSEPS members. The rates include the annual actuarially determined employer contribution rate of 24.67% of annual covered payroll for Old and New Plan members and 21.59% for GSEPS members plus a 6.34% adjustment to the Old and New Plan and a 5.88% adjustment to the GSEPS plan for the commencement of cost of living adjustments ("COLA"s) pre-funding for certain retired ERS 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 $20,064 for the current fiscal year.

Public School Employees' Retirement System ("PSERS")

***Plan Description*:** Public School Employees' Retirement System ("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 TRS. 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.

NOTE 12. RETIREMENT PLANS (CONTINUED)

Public School Employees' Retirement System ("PSERS") (Continued)

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.

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. The current fiscal year contribution was $162,067.

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

At June 30, 2023, the School District reported a liability of $90,710,425 for its proportionate share of the Net Pension Liability for TRS $(90,521,358) and ERS $(189,067).

NOTE 12. RETIREMENT PLANS (CONTINUED)

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

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:

School District's proportionate share of the net pension liability	$	90,521,358
State of Georgia's proportionate share of the net pension liability associated with the School District		364,985
Total	$	90,886,343

The net pension liability for TRS and ERS was measured as of June 30, 2022. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of June 30, 2021. An expected total pension liability as of June 30, 2022, was determined using standard roll-forward 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, 2022.

At June 30, 2022, the School District’s TRS proportion was 0.278768%, which was an decrease of 0.006938% from its proportion measured as of June 30, 2021. At June 30, 2022, the School District’s ERS proportion was 0.002831%, which was an decrease of 0.000071% from its proportion measured as of June 30, 2021.

At June 30, 2023, the School District did not have a PSERS liability for a proportionate share of the Net Pension Liability because of a special funding situation with the State of Georgia, which is responsible for the Net Pension Liability of the plan. The amount of the State’s proportionate share of the Net Pension Liability associated with the School District is $1,178,355.

The PSERS Net Pension Liability was measured as of June 30, 2022. The total pension liability used to calculate the Net Pension Liability was based on an actuarial valuation as of June 30, 2021. An expected total pension liability as of June 30, 2022, was determined using standard roll-forward 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, 2022.

For the year ended June 30, 2023, the School District recognized pension expense of $13,459,934 for TRS, $56,847 for ERS, $296,120 for PSERS, and revenue of $34,189 for TRS and $296,120 for PSERS. The revenue is support provided by the State of Georgia. For TRS, the State of Georgia support is provided only for certain support personnel.

NOTE 12. RETIREMENT PLANS (CONTINUED)

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

At June 30, 2023, the School District reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	TRS	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 3,757,564	$ 471,185
Changes of assumptions	13,626,353	-
Net difference between projected and actual earnings on pension plan investments	17,784,872	-
Changes in proportion and differences between School District contributions and proportionate share of contributions	787,312	1,414,207
School District contributions subsequent to the measurement date	7,798,734	-
Total	$ 43,754,835	$ 1,885,392

	ERS	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 406	$ 1,715
Changes of assumptions	33,609	-
Net difference between projected and actual earnings on pension plan investments	21,968	-
Changes in proportion and differences between School District contributions and proportionate share of contributions	4,015	1,514
School District contributions subsequent to the measurement date	20,064	-
Total	$ 80,062	$ 3,229

NOTE 12. RETIREMENT PLANS (CONTINUED)

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

School District contributions subsequent to the measurement date for TRS and ERS are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending June 30,	TRS	ERS
2024	$ 9,150,235	$ 31,551
2025	7,152,156	7,776
2026	4,978,112	548
2027	12,790,206	16,894

***Actuarial Assumptions*:** The total pension liability as of June 30, 2022, was determined by an actuarial valuation as of June 30, 2021, using the following actuarial assumptions, applied to all periods included in the measurement:

Teachers' Retirement System:

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
Post-retirement benefit increases	1.50% semi-annually

Post-retirement 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. Post-retirement 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 (ages set forward one year and adjusted 106%) as 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.

NOTE 12. RETIREMENT PLANS (CONTINUED)

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

Actuarial Assumptions (Continued): The actuarial assumptions used in the June 30, 2021 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 investment rate of return and payroll growth assumption.

The long-term expected rate of return on TRS 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 %	0.20 %
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 %	

Employees' Retirement System:

Inflation	2.50%
Salary increases	3.00% - 6.75%, including inflation
Investment rate of return	7.00%, net of pension plan investment expense, including inflation

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 post-retirement mortality assumptions as follows:

NOTE 12. RETIREMENT PLANS (CONTINUED)

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

Employees' Retirement System (Continued):

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, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2014 – June 30, 2019.

Public School Employees' Retirement System:

Inflation	2.50%
Salary increase	N/A
Investment rate of return	7.00%, net of pension plan investment expense, including inflation
Post-retirement benefit increases	1.50% semi-annually

Mortality rates are as follows:

- The Pub-2010 General Employee Table, with no adjustments, projected generationally with the MP-2010 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 post-retirement mortality assumptions as follows:

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

NOTE 12. RETIREMENT PLANS (CONTINUED)

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

Public School Employees' Retirement System (Continued):

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2014 – June 30, 2019.

The long-term expected rate of return on ERS and PSERS 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 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 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 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 and PSERS 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 non-employer 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, ERS and PSERS 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 12. RETIREMENT PLANS (CONTINUED)

Pension Liabilities, Pension Expense, 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 7.0%, 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 6.0%) or 1-percentage-point higher (7.90% and 8.0%) than the current rate:

	Teachers' Retirement System		
	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
School District's proportionate share of the collective net pension liability	$ 136,566,751	$ 90,521,358	$ 52,919,204

	Employees' Retirement System		
	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
School District's proportionate share of the collective net pension liability	$ 251,684	$ 189,067	$ 136,412

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

NOTE 13. TAX ABATEMENTS

For the year ended June 30, 2023, the School District property tax revenues were reduced by $474,429 under agreements entered into by Laurens County, Georgia. Under the agreements, taxes on both real property and personal property are reduced based on investments made by the corporation to whom the incentives were offered. In order to qualify, certain eligibility requirements must be met and are based on economic development goals of each project. Generally, a project will create employment opportunities, promote trade and commerce in the County, and increase the tax base. If a company fails to meet the criteria established in the agreement, recovery payments may apply.

REQUIRED SUPPLEMENTARY INFORMATION

LAURENS COUNTY SCHOOLS

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHERS' RETIREMENT SYSTEM OF GEORGIA
FOR THE FISCAL YEAR ENDED JUNE 30,

	2023	2022	2021	2020
School District's proportion of the net pension liability	**0.278768%**	0.285706%	0.284977%	0.275369%
School District's proportionate share of the net pension liability	**$ 90,521,358**	$ 25,268,790	$ 69,032,583	$ 59,211,781
State of Georgia's proportionate share of the net pension liability associated with the School District	**364,985**	100,472	280,028	244,486
	$ 90,886,343	$ 25,369,262	$ 69,312,611	$ 59,456,267
School District's covered payroll	**$ 37,696,164**	$ 37,195,157	$ 36,750,913	$ 33,745,008
School District's proportionate share of the net pension liability as a percentage of its covered payroll	**240.13%**	67.94%	187.84%	175.47%
Plan fiduciary net position as a percentage of the total pension liability	**72.85%**	92.03%	77.01%	78.56%

Note: The schedule above is intended to show information for the last ten fiscal years. Additional years will be displayed as they become available.

2019	2018	2017	2016	2015
0.287844%	0.272926%	0.279986%	0.281965%	0.286653%
$ 53,430,012	$ 50,724,138	$ 57,764,234	$ 42,926,371	$ 36,214,826
216,063	300,339	451,821	320,465	256,464
$ 53,646,075	$ 51,024,477	$ 58,216,055	$ 43,246,836	$ 36,471,290
$ 34,447,956	$ 31,532,458	$ 30,963,399	$ 29,970,231	$ 29,570,863
155.10%	160.86%	186.56%	143.23%	122.47%
80.27%	79.33%	76.06%	81.44%	84.03%

LAURENS COUNTY SCHOOLS

REQUIRED SUPPLEMETARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
TEACHERS' RETIREMENT SYSTEM OF GEORGIA
FOR THE FISCAL YEAR ENDED JUNE 30,

	2023	2022	2021	2020
Contractually required contribution	**$ 7,798,734**	$ 7,467,610	$ 7,089,397	$ 7,769,143
contractually required contribution	**7,798,734**	7,467,610	7,089,397	7,769,143
Contribution deficiency (excess)	**$ -**	$ -	$ -	$ -
School District's covered payroll	**39,032,703**	37,696,164	37,195,157	36,750,913
Contributions as a percentage of covered payroll	**19.98%**	19.81%	19.06%	21.14%

Note: The schedule above is intended to show information for the last ten fiscal years. Additional years will be displayed as they becon

2019	2018	2017	2016	2015
$ 7,023,717	$ 5,767,390	$ 4,472,578	$ 4,382,912	$ 3,911,879
7,023,717	5,767,390	4,472,578	4,382,912	3,911,879
$ -	$ -	$ -	$ -	$ -
33,745,008	34,447,956	31,532,458	30,963,399	29,970,231
20.81%	16.74%	14.18%	14.16%	13.05%

ne available.

LAURENS COUNTY SCHOOLS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
TEACHERS' RETIREMENT SYSTEM OF GEORGIA
FOR THE YEAR ENDED JUNE 30, 2023

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%.

LAURENS COUNTY SCHOOLS

REQUIRED SUPPMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
PUBLIC SCHOOLS EMPLOYEES' RETIREMENT SYSTEM OF GEORGIA
FOR THE FISCAL YEAR ENDED JUNE 30,

	2023	2022	2021	2020
School District's proportion of the net pension liability	**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	**1,178,355**	123,914	889,086	849,416
	$ 1,178,355	$ 123,914	$ 889,086	$ 849,416
School District's covered payroll	**$ 1,809,653**	$ 1,802,601	$ 1,820,002	$ 1,868,687
School District's proportionate share of the net pension liability as a percentage of its covered payroll	**0.00%**	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	**81.21%**	98.00%	84.45%	85.02%

Note: The schedule above is intended to show information for the last ten fiscal years. Additional years will be displayed as they become available.

2019	2018	2017	2016	2015
0.000000%	0.000000%	0.000000%	0.000000%	0.000000%
$ -	$ -	$ -	$ -	$ -
795,718	731,088	951,615	624,180	527,178
$ 795,718	$ 731,088	$ 951,615	$ 624,180	$ 527,178
$ 2,996,500	$ 2,887,754	$ 2,842,177	$ 2,739,853	$ 2,654,637
0.00%	0.00%	0.00%	0.00%	0.00%
85.26%	85.69%	81.00%	87.00%	88.29%

LAURENS COUNTY SCHOOLS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM
FOR THE YEAR ENDED JUNE 30, 2023

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 the rates of mortality, retirement and withdrawal. The expectation of retired life mortality was changed to the RP-2000 Blue Collar Mortality Table with future mortality improvement projected to 2025 with the 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 assumptions utilized by the System based on the experience study prepared for the five-year period ending June 30, 2019. Primary among the changes were the updates to rates of 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.

LAURENS COUNTY SCHOOLS

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

	2023	2022	2021	2020
School District's proportion of the net pension liability	**0.002831%**	0.002902%	0.002315%	0.001959%
School District's proportionate share of the net pension liability	**$ 189,067**	$ 67,875	$ 97,576	$ 80,839
School District's covered payroll	**69,312**	69,554	58,875	49,381
School District's proportionate share of the net pension liability as a percentage of its covered payroll	**272.78%**	97.59%	165.73%	163.70%
Plan fiduciary net position as a percentage of the total pension liability	**67.44%**	87.62%	76.21%	76.74%

Note: The measurement period for the year ended June 30, 2023 is June 30, 2022. The schedule above is intended to show information for the last ten fiscal years. Additional years will be displayed as they become available.

2019	2018
0.001663%	0.001314%
$ 68,366	$ 53,366
32,231	32,231
212.11%	165.57%
76.68%	76.33%

LAURENS COUNTY SCHOOLS

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
EMPLOYEES' RETIREMENT SYSTEM OF GEORGIA
FOR THE FISCAL YEAR ENDED JUNE 30,

	2023	2022	2021	2020
Contractually required contribution	$ **20,064**	$ 17,072	$ 17,152	$ 14,519
Contributions in relation to the contractually required contribution	**20,064**	17,072	17,152	14,519
Contribution deficiency (excess)	**$ -**	$ -	$ -	$ -
School District's covered payroll	**64,701**	69,312	69,554	58,875
Contributions as a percentage of covered payroll	**31.01%**	24.63%	24.66%	24.66%

Note: The schedule above is intended to show information for the last ten fiscal years. Additional years will be displayed as they become available.

2019	2018	2017
$ 12,237	$ 7,997	$ 11,686
12,237	7,997	11,686
$ -	$ -	$ -
49,381	32,231	47,103
24.78%	24.81%	24.81%

LAURENS COUNTY SCHOOLS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
EMPLOYEES' RETIREMENT SYSTEM
FOR THE YEAR ENDED JUNE 30, 2023

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, disability, withdrawal and salary increases. The expectation of retired life mortality was changed to the RP-2000 Combined Mortality Table projected to 2025 with projection 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 ending June 30, 2019. Primary among the changes were the updates to rates of mortality, retirement, withdrawal and salary increases. 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.

On April 21, 2022, the Board adopted a new funding policy which, in part, provides that the Actuarial Accrued Liability and Normal Cost of the System will include a prefunded variable cost-of-living adjustment ("COLA") for eligible retirees and beneficiaries of the System. Under the new policy, future COLAs are provided through a profit-sharing mechanism using the System's asset performance. After studying the parameters of this new policy, the assumption for future COLAs was set at 1.05%. Previously, no future COLAs were assumed. In addition, the funding policy set the assumed rate of return at 7.20% for the June 30, 2021 valuation and established a new Transitional Unfunded Actuarial Accrued Liability as of June 30, 2021 which will be amortized over a closed 20-year period.

LAURENS COUNTY SCHOOLS

REQUIRED SUPPMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
SCHOOL OPEB FUND
FOR THE FISCAL YEAR ENDED JUNE 30,

	2023	2022	2021	2020
School District's proportion of the net OPEB Liability	**0.367825%**	0.360746%	0.360595%	0.363217%
School District's proportionate share of the net pension liability	**$ 36,426,379**	$ 39,071,776	$ 52,963,008	$ 44,574,519
	$ 36,426,379	$ 39,071,776	$ 52,963,008	$ 44,574,519
School District's covered-employee payroll	**36,779,651**	34,493,799	32,704,835	$ 30,191,465
School District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	**99.04%**	113.27%	161.94%	147.64%
Plan fiduciary net position as a percentage of the total pension liability	**6.17%**	6.14%	3.99%	4.63%

Note: The schedule above is intended to show information for the last ten fiscal years. Additional years will be displayed as they become available.

2019	2018
0.364426%	0.366287%
$ 46,317,427	$ 51,463,176
$ 46,317,427	$ 51,463,176
31,256,216	29,232,289
148.19%	176.05%
2.93%	1.61%

LAURENS COUNTY SCHOOLS

REQUIRED SUPPMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
SCHOOL OPEB FUND
FOR THE FISCAL YEAR ENDED JUNE 30,

	2023	2022	2021	2020
Contractually required contribution	$ **1,419,868**	$ 1,329,963	$ 1,341,915	$ 1,219,449
Contributions in relation to the contractually required contribution	**1,419,868**	1,329,963	1,341,915	1,219,449
Contribution deficiency (excess)	$ **-**	$ -	$ -	$ -
School District's covered-employee payroll	**35,720,405**	36,779,651	34,493,799	32,704,835
Contributions as a percentage of covered-employee payroll	**3.97%**	3.62%	3.89%	3.73%

Note: The schedule above is intended to show information for the last ten fiscal years. Additional years will be displayed as they become available.

2019	2018	2017
$ 1,956,176	$ 1,888,785	$ 1,909,851
1,956,176	1,888,785	1,909,851
$ -	$ -	$ -
30,191,465	31,256,216	29,232,289
6.48%	6.04%	6.53%

LAURENS COUNTY SCHOOLS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
SCHOOL OPEB FUND
FOR THE YEAR ENDED JUNE 30, 2023

CHANGES OF BENEFIT TERMS

There have been no changes in benefit terms.

CHANGES IN ASSUMPTIONS

For the June 30, 2020 actuarial valuation, the decremental assumptions were changed to reflect the Employees' Retirement Systems experience study. Approximately 0.10% of employees are members of the Employees' Retirement System.

For the June 30, 2019 actuarial valuation, the decremental assumptions were changed to reflect the Teachers' Retirement Systems experience study.

For the June 30, 2018 actuarial valuation, the inflation assumption was lowered from 2.75% to 2.50%.

For the June 30, 2017 actuarial valuation, participation assumption, tobacco use assumption and morbidity factors were revised.

For the June 30, 2015 actuarial valuation, the decremental and underlying inflation assumptions were changed to reflect the Retirement Systems' experience study.

For the June 30, 2012 actuarial 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% as of June 30, 2019, 2.22% as of June 30, 2020, and to 3.57% as of June 30, 2022.

SUPPLEMENTARY INFORMATION

LAURENS COUNTY SCHOOLS

SCHEDULE OF STATE REVENUE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Agency/Funding	Governmental Fund Types General Fund
Grants	
Bright from the Start:	
Georgia Department of Early Care and Learning	
Pre-Kindergarten Program	$ 1,574,034
Education, Georgia Department of Quality Basic Education	
Direct Instructional Cost:	
Kindergarten Program	2,359,320
Kindergarten Program - Early Intervention Program	410,140
Primary Grades (1-3) Program	4,753,354
Primary Grades - Early Intervention (1-3) Program	1,287,677
Upper Elementary Grades (4-5) Program	2,331,348
Upper Elementary Grades - Early Intervention (4-5) Program	750,395
Middle School (6-8) Program	4,833,755
High School General Education (9-12) Program	4,291,380
Career Technical and Agricultural Education Program 9-12	1,542,225
Students with Disabilities	7,754,719
Program for Intellectually Gifted Students - Category VI	2,264,957
Remedial Education Program	308,305
Alternative Education Program	353,957
English Speakers of Other Languages (ESOL)	269,192
Media Center Program	837,390
20 Days Additional Instruction	253,217
Staff and Professional Development	149,329
Principal Staff and Professional Development	2,522
Indirect Cost:	
Central Administration	1,165,814
School Administration	1,648,906
Facility Maintenance and Operations	1,663,287
Categorical Grants:	
Pupil Transportation	1,014,882
Nursing Services	138,051
Vocational Supervisors	28,268
Education Equalization Funding Grant	7,626,830
Food Services	232,570
Vocational Education	496,262

(Continued)

LAURENS COUNTY SCHOOLS

SCHEDULE OF STATE REVENUE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Agency/Funding	Governmental Fund Types General Fund
Grants (Continued)	
Other State Programs:	
Math and Science Supplements	$ 19,674
Hygiene Products in Georgia Schools	5,357
Teachers' Retirement	31,484
Preschool Handicapped Program	113,822
CTAE Connect Grant Bond Funds	156,000
Bus Purchases - State Allotment	969,210
Bus Safety Incentive Grant	34,237
Total State Categorical Grants:	
One Time QBE Adjustment	1,512,570
Office of the State Treasurer:	
Public School Employees Retirement	162,067
	$ 53,346,507

See Notes to the Basic Financial Statements.

LAURENS COUNTY SCHOOLS

SCHEDULE OF APPROVED LOCAL OPTION SALES TAX PROJECTS - SPLOST III
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Project	Original Estimated Cost [1]	Current Estimated Costs [2]	Expended In Current Year [3]	Expended In Prior Years [3]	Total Completion Cost	Estimated Completion Date
Payment of certain outstanding debt of the School District, including but not limited to, payment of a portion of the debt service with respect to general obligation bonds to be issued by the School District prior to the reimposition of the special 1% sales and use tax for educational purposes, not to exceed $9,000,000;	$ 9,000,000	$ 12,000,000	$ 2,601,710	$ 6,398,290	$ 9,000,000	December 2022
The acquisition of real property and construction, equipping and furnishing of new school buildings and facilities, including but not limited to, new middle schools, including physical education and athletic facilities;	17,822,000	25,000,000	4,249,897	13,207,972	$ 17,457,869	January 2024
Additions, renovations, refurbishment, repairs and improvements to existing school buildings and facilities, including but not limited to, the East Laurens Primary, Elementary, Middle, and High School Complex, including the vocational building; and to Southwest Laurens Elementary, Northwest Laurens Elementary, West Laurens Middle, West Laurens High, and old West Laurens High, including physical education and athletic facilities;	2,000,000	6,000,000	1,325,945	3,707,950	$ 5,033,895	June 2023
Technology and security equipment and improvements throughout the School District;	2,500,000	2,000,000	267,999	1,523,314	$ 1,791,313	June 2023
The acquisition of school vehicles and equipment, including but not limited to, school buses and mowing equipment;	2,500,000	3,000,000	129,092	2,514,944	$ 2,644,036	June 2023
Construction of new auditoriums.	3,000,000	-	-	-	-	December 2022
	$ 36,822,000	$ 48,000,000	$ 8,574,643	$ 27,352,470	$ 35,927,113	

[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 Laurens County approved the imposition of a 1% sales tax to fund the above project(s) 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 project(s).

[4] In addition to the expenditures shown above, the School District has incurred interest to provide advance funding as follows:

Prior Years	2,273,278.00
Current Year	1,598,750.00
Total	3,872,028.00

[5] $3,000,000 was transferred to the general fund due to $9,000,000 limit on debt reduction with respect to general obligation bond issued by District.

Reconciliation to total expenditures, Capital Projects Fund:	$ 8,574,643	SPLOST III Expenditures
	3,322,040	SPLOST IV Expenditures
	(5,923,750)	Principal and Interest on Series 2020 bonds- Debt Ser
	$ 5,972,933	Total expenditures, Capital Projects Fund

See Notes to the Basic Financial Statements.

LAURENS COUNTY SCHOOLS

SCHEDULE OF APPROVED LOCAL OPTION SALES TAX PROJECTS - SPLOST IV
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Project	Original Estimated Cost [1]	Current Estimated Costs [2]	Expended In Current Year [3][5]	Expended In Prior Years (3)(5)	Total Completion Cost	Estimated Completion Date
The retirement of previously incurred general obligation debt in the maximum of $25,600,000,	$ 25,600,000	$ 25,600,000	$ 3,322,040	$ -	$ -	December 2027
To pay the costs of acquiring, constructing and equipping a new West Laurens Middle School, a new East Laurens High School, and athletic facilities;	2,000,000	2,000,000	-	-	-	January 2024
Acquiring, renovating, and improving existing schools within the system; constructing and renovating administrative and maintenance facilities; purchasing and equipping school buses and other vehicles; purchasing instructional equipment and materials, including textbooks and e-books; upgrading system-wide technology and security equipment; renovating, constructing, and improving athletic facilities, and acquiring real and personal property necessary or to be used for the foregoing purposes and al other general purposes related to such capital outlay projects.	16,560,000	16,560,000	-	-	-	December 2027
	$ 44,160,000	$ 44,160,000	$ 3,322,040	$ -	$ -	

[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 Laurens County approved the imposition of a 1% sales tax to fund the above project(s) 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 project(s).

See Notes to the Basic Financial Statements.

COMPLIANCE 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
Laurens County Schools
Dublin, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the **Laurens County Schools** (the "School District"), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the School System's basic financial statements, and have issued our report thereon dated June 25, 2024.

Report on Internal Control over Financial Reporting
In planning and performing our audit of the financial statements, we considered the School District's internal control over financial reporting ("internal control") as a basis for designing 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 School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the School District'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 on significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School District'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 disclose 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, but 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 Laurens County School's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Mauldin & Jenkins, LLC

Macon, Georgia
June 25, 2024

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
Laurens County Schools
Dublin, Georgia

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the **Laurens County School's** (the "School District'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 School District's major federal programs for the year ended June 30, 2023. The School District'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 School District 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, 2023.

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 School District 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 School District'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 internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the School District's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the School District'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 from 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 School District'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 School District'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 School District'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 School District'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

Macon, Georgia
June 25, 2024

LAURENS COUNTY SCHOOLS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Funding Agency Program/Grant	Assistance Listing Number	Pass-Through Entity ID Number	Expenditures In Period
U.S. Department of Agriculture:			
Pass-Through From Georgia Department of Education			
Child Nutrition Cluster			
Food Services			
School Breakfast Program	10.553	235GA324N1099	$ 1,366,355
National School Lunch Program	10.555	235GA324N1099	4,365,843
COVID-19 Supply Chain Assistance Grant	10.555	235GA324N1099	187,518
Total Child Nutrition Cluster			5,919,716
Other programs:			
Warehouse and Delivery Grant	10.560	235GA324N1099	4,469
National School Lunch Program Equipment Assistance Grant	10.579	235GA324N1099	111,396
			115,865
Total U.S. Department of Agriculture			6,035,581
U.S. Department of Education:			
Pass-Through From Georgia Department of Education			
Special Education Cluster			
Grants to States	84.027	H027A220073	1,412,626
Grants to States	84.027	H027A210073	6,896
COVID-19 American Rescue Plan (ARP) - Grants to State and LEAs	84.027X	H027X210073	148,376
COVID-19 American Rescue Plan (ARP) - Age 3-5 Grants	84.173X	H173X210081	19,421
Preschool Grants	84.173A	H173A210081	3,797
Preschool Grants	84.173A	H173A220081	25,186
Total Special Education Cluster			1,616,302
Education Stabilization Fund:			
COVID-19 ESSER	84.425D	S425D210012	900,817
COVID-19 - American Rescue Plan Elementary and Secondary School Emergency Relief Fund	84.425U	S425U210012	5,374,189
COVID-19- American Rescue Plan Elementary and Secondary School Homeless Children and Youth	84.425W	S425W210011	67,330
Total Education Stabilization Fund			6,342,336
Other Programs:			
Title I, Grants to Local Educational Agencies	84.010A	S010A210010-21A	88,471
Title I, Grants to Local Educational Agencies	84.010A	S010A220010	2,129,238
Title I, Migrant Education - State Grant Program	84.011	S011A210011	1,188
Title I, Migrant Education - State Grant Program	84.011	S011A220011	32,883
English Language Acquisition State Grants	84.365	S365A210010	15,753
Career and Technical Education - Basic Grants to States	84.048A	V048A210010	4,633
Career and Technical Education - Basic Grants to States	84.048A	V048A220010	89,723
Student Support and Academic Enrichment	84.424A	S424A210011	3,296
Student Support and Academic Enrichment	84.424A	S424A220011	9,973
Rural Education	84.358B	S358B210010	158,325
Rural Education	84.358B	S358B220010	461,722
Total Other Programs			2,995,205
Total U.S. Department of Education			10,953,843
U.S. Department of Defense:			
Direct			
Department of the Air Force			
R.O.T.C. Program	12.unknown	N/A	24,627
Total U.S. Department of Defense			24,627
Total Expenditures of Federal Awards			$ 17,014,051

N/A = Not Available

LAURENS COUNTY SCHOOLS

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 1. BASIS OF PRESENTATION

The Schedule of Expenditures of Federal Awards includes the federal grant activity of the Laurens County School's (the "School District") and is presented on the accrual basis of accounting.

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

NOTE 2. DONATED COMMODITIES

The Child Nutrition Cluster includes $396,349 of non-cash expenditures in the form of donated food commodities.

NOTE 3. DE MINIMIS COST RATE

The School System elected not to use the 10% de minimis cost rate for the year ended June 30, 2023.

NOTE 4. SUBRECIPIENTS

The School System did not pass through any funds to subrecipients for the year ended June 30, 2023.

NOTE 5. TRANSFERS

During the year ended June 30, 2023, $473,163 was tranferred to the Rural Education program from Supporting Effective Instruction – State Grants program ($317,477) and the Student Support and Academic Enrichment Program ($155,686). Expenditures of transfers are reflected within the receiving program.

LAURENS COUNTY SCHOOLS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

SECTION I
SUMMARY OF AUDIT RESULTS

Financial Statements

Type of auditor's report 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 not considered to be material weaknesses?	___ Yes __X__ None Reported
Noncompliance material to financial statements noted?	___ Yes __X__ No

Federal Awards

Internal Control over major programs: Material weaknesses identified?	___ Yes __X__ No
Significant deficiencies identified not considered to be material weaknesses?	___ Yes __X__ None Reported
Type of auditor's report issued on compliance for major 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:

Assistance Listing Number	Name of Federal Program or Cluster
	U.S. Department of Education:
84.425D/84.425U/84.425W	*Education Stabilization Fund*
	U.S. Department of Agriculture
10.553/10.555	*Child Nutrition Cluster*

LAURENS COUNTY SCHOOLS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

SECTION I
SUMMARY OF AUDIT RESULTS (CONTINUED)

Dollar threshold used to distinguish between
Type A and Type B programs: $750,000

Auditee qualified as low-risk auditee? ___ Yes __X__ No

SECTION II
FINANCIAL STATEMENTS FINDINGS

None reported.

SECTION III
FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None reported.

LAURENS COUNTY SCHOOLS

SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

None reported.