LAURENS COUNTY SCHOOLS

ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
JUNE 30, 2024

Prepared by:
Finance Department

467 Firetower Road
Dublin, Georgia 31021

LAURENS COUNTY SCHOOLS

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

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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, 2024 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, 2024, 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 46 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 Schedule of Approval Local Options Sales Tax Projects, 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 Schedule of Approval Local Options Sales Tax Projects, 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 April 16, 2025, 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
April 16, 2025

BASIC FINANCIAL STATEMENTS

LAURENS COUNTY SCHOOLS

STATEMENT OF NET POSITION
JUNE 30, 2024

	Governmental Activities
ASSETS	
Cash and cash equivalents	$ 36,157,296
Receivables:	
Taxes	1,513,767
Intergovernmental:	
State	6,492,245
Federal	2,223,334
Other	170
Inventory	142,967
Capital assets (non-depreciable)	2,618,749
Capital assets (net of accumulated depreciation)	160,602,996
Total assets	209,751,524
DEFERRED OUTFLOWS	
Related to pension plans	26,444,518
Related to OPEB plan	10,957,095
Total deferred outflows	37,401,613
LIABILITIES	
Accounts payable	353,577
Salaries and benefits payable	6,622,250
Accrued interest payable	424,583
Bonds payable due within one year	4,905,573
Bonds payable due in more than one year	24,472,368
Net pension liability, due in more than one year	79,208,442
Net OPEB liability, due in more than one year	40,454,238
Total liabilities	156,441,031
DEFERRED INFLOWS	
Related to pension plans	2,751,502
Related to OPEB plan	16,878,175
Total deferred inflows	19,629,677
NET POSITION	
Net investment in capital assets	133,797,913
Restricted for:	
Continuation of federal programs	2,889,981
Capital projects	292,235
Debt service	4,591,529
Unrestricted	(70,489,229)
Total net position	$ 71,082,429

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

LAURENS COUNTY SCHOOLS

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities
Governmental activities:				
Instruction	$ 61,849,737	$ 81,807	$ 48,955,135	$ (10,945,216)
Support services:				
Pupil services	9,990,756	-	687,146	(9,303,610)
Improvement of instructional services	1,560,725	-	358,708	(1,202,017)
Educational media services	962,424	-	76,892	(885,532)
General administration	4,716,455	-	1,392,639	(3,323,816)
School administration	5,152,317	-	65,251	(5,087,066)
Business administration	867,577	-	8,646	(858,931)
Maintenance and operation of plant	6,478,008	11,722	2,632,779	(3,833,507)
Student transportation services	4,748,779	-	1,262,083	(3,486,696)
Central support services	917,011	-	9,316	(907,695)
Other support services	505,949	-	8,907	(497,042)
Enterprise operations	34,097	-	-	(34,097)
Food service operations	6,824,576	172,849	5,197,232	(1,454,495)
Interest on long-term debt	305,419	-	-	(305,419)
Total governmental activities	$ 104,913,830	$ 266,378	$ 60,654,734	(42,125,139)
General revenues:				
Taxes:				
Property taxes, levied for maintenance and operations				17,136,146
Sales taxes, levied for capital projects				9,239,325
Intangible taxes				161,702
Transfer taxes				85,479
Railroad equipment tax				46,067
Grants and contributions not restricted to specific programs				6,678,389
Local school activity				1,773,270
Unrestricted investment earnings				1,507,818
Miscellaneous				1,586,968
Total general revenues				38,215,164
Change in net position				(3,909,975)
Net position, beginning of year				74,992,404
Net position, end of year				$ 71,082,429

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

LAURENS COUNTY SCHOOLS

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2024

	General	Capital Projects	Debt Service	Total Governmental Funds
ASSETS				
Cash and cash equivalents	$ 31,654,043	$ 292,235	$ 4,211,018	$ 36,157,296
Receivables:				
Taxes	708,673	-	805,094	1,513,767
Intergovernmental:				
State	6,492,245	-	-	6,492,245
Federal	2,223,334	-	-	2,223,334
Other	170	-	-	170
Inventory	142,967	-	-	142,967
Total assets	$ 41,221,432	$ 292,235	$ 5,016,112	$ 46,529,779
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
LIABILITIES				
Accounts payable	$ 353,577	$ -	$ -	$ 353,577
Salaries and benefits payable	6,622,250	-	-	6,622,250
Total liabilities	6,975,827	-	-	6,975,827
DEFERRED INFLOWS				
Unavailable revenue - property taxes	302,709	-	-	302,709
Total deferred inflows	302,709	-	-	302,709
FUND BALANCES				
Non-spendable:				
Inventory	142,967	-	-	142,967
Restricted for:				
Federal programs	2,747,014	-	-	2,747,014
Debt service	-	-	5,016,112	5,016,112
Capital projects	-	292,235	-	292,235
Assigned for:				
Student activities	957,068	-	-	957,068
Unassigned	30,095,847	-	-	30,095,847
Total fund balances	33,942,896	292,235	5,016,112	39,251,243
Total liabilities, deferred inflows and fund balances	$ 41,221,432	$ 292,235	$ 5,016,112	$ 46,529,779

(Continued)

LAURENS COUNTY SCHOOLS

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION JUNE 30, 2024

Total fund balances - governmental funds		$ 39,251,243
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	$ 221,039,424	
Less accumulated depreciation	(57,817,679)	163,221,745
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.		
Property taxes		302,709
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Bonds payable	$ (25,475,000)	
Bond premium	(3,902,941)	
Accrued interest	(424,583)	
Pensions - deferred outflows of resources	26,444,518	
Pension - deferred inflows of resources	(2,751,502)	
Net pension liability	(79,208,442)	
OPEB - deferred outflows of resources	10,957,095	
OPEB - deferred inflows of resources	(16,878,175)	
Net OPEB liability	(40,454,238)	(131,693,268)
Net position of governmental activities		$ 71,082,429

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, 2024

	General	Capital Projects	Debt Service	Total Governmental Funds
REVENUES				
Property taxes	$ 17,188,793	$ -	$ -	$ 17,188,793
Sales taxes	-	-	9,239,325	9,239,325
Other taxes	293,247	-	-	293,247
State funds	54,949,800	1,867,579	-	56,817,379
Federal funds	12,347,378	-	-	12,347,378
Charges for services	266,378	-	-	266,378
Investment earnings	1,210,868	68,436	228,514	1,507,818
School activity	1,773,270	-	-	1,773,270
Miscellaneous	1,586,968	-	-	1,586,968
Total revenues	89,616,702	1,936,015	9,467,839	101,020,556
EXPENDITURES				
Current:				
Instruction	55,524,840	341,786	-	55,866,626
Support services:				
Pupil services	7,172,172	387,762	-	7,559,934
Improvement of instructional services	1,489,304	-	-	1,489,304
Educational media services	903,712	-	-	903,712
General administration	4,579,261	6,765	12	4,586,038
School administration	4,756,131	13,875	-	4,770,006
Business administration	810,139	-	-	810,139
Maintenance and operation of plant	6,204,146	491,996	-	6,696,142
Student transportation services	3,968,942	528,378	-	4,497,320
Central support services	710,280	-	-	710,280
Other support services	381,429	26,354	-	407,783
Enterprise operations	34,097	-	-	34,097
Food services operations	6,915,898	-	-	6,915,898
Capital outlay	189,536	495,906	-	685,442
Debt service:				
Principal retirement	11,921	-	3,800,000	3,811,921
Interest and fees	-	-	1,425,750	1,425,750
Total expenditures	93,651,808	2,292,822	5,225,762	101,170,392
Excess (deficiency) of revenues over (under) expenditures	(4,035,106)	(356,807)	4,242,077	(149,836)
OTHER FINANCING SOURCES (USES)				
Transfers in	2,000,000	438,343	-	2,438,343
Transfers out	-	-	(2,438,343)	(2,438,343)
Total other financing sources (uses)	2,000,000	438,343	(2,438,343)	-
Net change in fund balances	(2,035,106)	81,536	1,803,734	(149,836)
FUND BALANCE, beginning of year	35,978,002	210,699	3,212,378	39,401,079
FUND BALANCE, end of year	$ 33,942,896	$ 292,235	$ 5,016,112	$ 39,251,243

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, 2024

Amounts reported for governmental activities in the Statement of Activities are different because:		
Net change in fund balances - total governmental funds		$ (149,836)
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 depreciation exceeded capital outlay is to increase net position.		
Capital outlay	$ 1,881,038	
Depreciation expense	(6,372,310)	(4,491,272)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.		
Property taxes		(52,646)
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	$ 3,800,000	
Principal payments - intergovernmental contracts	11,921	
Bond premium amortization	1,069,605	
Adjustment to record pension expense and related revenue for pension special funding situation, net of fund level amounts	35,945	
Change in net pension liability and deferred inflows and outflows related to pension activity	(6,787,222)	
Change in net OPEB liability and deferred inflows and outflows related to OPEB activity	2,602,804	733,053
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		50,726
Change in net position of governmental activities		$ (3,909,975)

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, 2024

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Property taxes	$ 16,611,892	$ 17,000,000	$ 17,188,793	$ 188,793
Sales taxes	140,000	140,000	-	(140,000)
Other taxes	200,000	200,000	293,247	93,247
State funds	54,000,000	54,000,000	54,949,800	949,800
Federal funds	11,000,000	11,000,000	12,347,378	1,347,378
Charges for services	75,500	75,500	266,378	190,878
Investment earnings	1,000,000	1,000,000	1,210,868	210,868
Other local sources	1,500,000	1,500,000	1,773,270	273,270
Miscellaneous	1,300,000	1,300,000	1,586,968	286,968
Total revenues	85,827,392	86,215,500	89,616,702	3,401,202
EXPENDITURES				
Current:				
Instruction	55,206,055	55,170,467	55,524,840	(354,373)
Support services:				
Pupil services	5,098,577	6,500,000	7,172,172	(672,172)
Improvement of instructional services	1,805,218	1,797,780	1,489,304	308,476
Educational media services	1,535,506	933,606	903,712	29,894
General administration	2,152,247	4,454,634	4,579,261	(124,627)
School administration	4,599,964	4,598,705	4,756,131	(157,426)
Business administration	704,841	774,730	810,139	(35,409)
Maintenance and operation of plant	6,079,863	5,660,134	6,204,146	(544,012)
Student transportation services	3,892,630	3,721,302	3,968,942	(247,640)
Central support services	608,834	614,880	710,280	(95,400)
Other support services	241,691	268,986	381,429	(112,443)
Enterprise operations	-	-	34,097	(34,097)
Food services operations	2,113,872	6,300,000	6,915,898	(615,898)
Capital outlay	-	-	189,536	(189,536)
Debt service:				
Principal retirement	-	-	11,921	(11,921)
Total expenditures	84,039,298	90,795,224	93,651,808	(2,856,584)
Excess (deficiency) of revenues over (under) expenditures	1,788,094	(4,579,724)	(4,035,106)	544,618
OTHER FINANCING SOURCES				
Transfers in	-	-	2,000,000	2,000,000
Total other financing sources	-	-	2,000,000	2,000,000
Net change in fund balance	1,788,094	(4,579,724)	(2,035,106)	2,544,618
FUND BALANCE, beginning of year	35,978,002	35,978,002	35,978,002	-
FUND BALANCE, end of year	$ 37,766,096	$ 31,398,278	$ 33,942,896	$ 2,544,618

LAURENS COUNTY SCHOOLS

STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUND
JUNE 30, 2024

	Custodial Fund
ASSETS	
Cash	$ 818
Total assets	818
NET POSITION	
Restricted for individuals, organizations and other governments	$ 818

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, 2024

ADDITIONS	
Local collections	$ 50
Total additions	50
NET POSITION	
Beginning of year	768
End of year	$ 818

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 deferred outflows of resources and liabilities and deferred inflows of resources, 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 and subscriptions, 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 2024, the School System adopted GASB Statement No. 100, *Accounting Changes and Error Corrections.* The objective of this statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent and comparable information for making decisions or assessing accountability. The adoption of this statement did not have an impact on the School System's financial statements. This statement will be applied prospectively.

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.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 2023 tax digest year (calendar year) on September 28, 2023 (levy date), based on property values as of January 1, 2023. Taxes were due on December 20, 2023 (lien date). Taxes collected within the current fiscal year or within 60 days after year-end on the 2023 tax digest are reported as revenue in the governmental funds for the fiscal year 2024. 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, 2024, for maintenance and operations amounted to $14,667,997.

The tax millage rate levied for the 2023 tax year (calendar year) for the School District was as follows (a mill equals $1 per thousand dollars of assessed value):

School Operations	14.350 mills

Additionally, Title Ad Valorem Tax revenues, at the fund reporting level, amounted to $2,520,796 during the fiscal year ended June 30, 2024.

Sales Taxes

ESPLOST, at the fund reporting level, during the year amounted to $9,239,325 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.

NOTE 3. BUDGETARY DATA (CONTINUED)

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

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

Collateralization of Deposits (Continued)

(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, 2024, the School District had deposits with a carrying amount of $36,158,114 which includes bank balances of $38,855,153. As of June 30, 2024, all of the School District's deposits were properly collateralized in accordance with state law and applicable GASB pronouncements.

The School District's deposits by custodial credit risk category at June 30, 2024, are as follows:

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

Statement of Net Position:		
Cash and cash equivalents	$	36,157,296
Statement of Fiduciary Net Position		
Cash and cash equivalents		818
Total carrying value of deposits - June 30, 2024	$	36,158,114

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	79,685,131	971,587	-	(80,656,718)	-
Total	82,303,880	971,587	-	(80,656,718)	2,618,749
Capital assets, being depreciated:					
Buildings and improvements	115,185,992	28,684	-	80,656,718	195,871,394
Equipment	20,597,264	880,767	(699,082)	-	20,778,949
Land improvements	1,770,332	-	-	-	1,770,332
Total	137,553,588	909,451	(699,082)	80,656,718	218,420,675
Less accumulated depreciation for:					
Buildings and improvements	(39,194,176)	(4,519,773)	-	-	(43,713,949)
Equipment	(11,871,459)	(1,764,569)	699,082	-	(12,936,946)
Land improvements	(1,078,816)	(87,968)	-	-	(1,166,784)
Total	(52,144,451)	(6,372,310)	699,082	-	(57,817,679)
Total capital assets, being depreciated, net	85,409,137	(5,462,859)	-	80,656,718	160,602,996
Governmental activities capital assets, net	$ 167,713,017	$ (4,491,272)	$ -	$ -	$ 163,221,745

Current year depreciation expense by function is as follows:

Instruction		$ 3,023,295
Support Services:		
Pupil services	$ 2,205,292	
Educational media services	1,623	
General administration	11,790	
School administration	37,624	
Business administration	711	
Maintenance and operations	75,610	
Student transportation	613,850	
Support services - central	154,631	
Support services - other	189,712	3,290,843
Food services		58,172
Total Depreciation expense		$ 6,372,310

NOTE 7. INTERFUND BALANCES AND TRANSFERS

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

	Transfers From
Transfers To	Debt Service Fund
General Fund	$ 2,000,000
Capital Projects Fund	438,343
Total	$ 2,438,343

Transfers are used to move sales tax revenues collected by the Debt Service Fund to the Capital Projects Fund for payment of SPLOST related expenditures, to move funds from the Capital Projects Fund to the Debt Service Fund for payment of debt service and from the Capital Projects Fund to the General Fund to reimburse expenditures paid from General Fund in a prior year.

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 self-funded coverage to the Trust, as approved by the Department of Insurance, attaching at 107% of the loss fund and based on the Fund's annual normal premium.

NOTE 8. RISK MANAGEMENT (CONTINUED)

Unemployment Compensation

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

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

	Beginning of Year Liability	Claims and Changes in Estimates	Claims Paid	End of Year Liability
2023	-	4,695	(4,695)	-
2024	**-**	**7**	**(7)**	**-**

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, 2024, were as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Intergovernmental Contracts	$ 11,921	$ -	$ (11,921)	$ -	$ -
General Obligation Bonds	29,275,000	-	(3,800,000)	25,475,000	3,950,000
Bond Premiums Amortized	4,972,546	-	(1,069,605)	3,902,941	955,573
Net Pension Liability	90,710,425	15,555,682	(27,057,665)	79,208,442	-
Net OPEB Liability	36,426,379	7,623,323	(3,595,464)	40,454,238	-
Total	$ 161,396,271	$ 23,179,005	$ (35,534,655)	$ 149,040,621	$ 4,905,573

NOTE 9. LONG-TERM LIABILITIES (CONTINUED)

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 intergovernmental contract was fully matured at the end of June 30, 2024.

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	$ 25,475,000

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
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	492,322
2029	3,225,000	430,000	322,588
2030 - 2033	5,375,000	895,000	671,434
Total	$ 25,475,000	$ 5,202,500	$ 3,902,941

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 $1,513,080 for the year ended June 30, 2024. 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, 2024, the School District reported a liability of $40,454,238 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2023. The total OPEB liability used to calculate the net OPEB liability was based on an actuarial valuation as of June 30, 2022. An expected total OPEB liability as of June 30, 2023, 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, 2023. At June 30, 2023, the School District's proportion was 0.369330%, which was an increase of 0.001505% from its proportion measured as of June 30, 2022.

For the year ended June 30, 2024, the School District recognized on OPEB expense of $(1,089,724). At June 30, 2024, 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	$ 1,179,174	$ 11,618,932
Changes of assumptions	7,349,740	5,052,121
Net difference between projected and actual earnings on pension plan investments	24,271	-
Changes in proportion and differences between School District contributions and proportionate share of contributions	890,830	207,122
School District contributions subsequent to the measurement date	1,513,080	-
Total	$ 10,957,095	$ 16,878,175

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 $1,513,080 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, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ending June 30,	OPEB
2025	$ (2,732,709)
2026	(1,923,936)
2027	(2,371,104)
2028	(848,134)
2029	371,588
2030	70,135

Actuarial Assumptions: The total OPEB liability as of June 30, 2023 was determined by an actuarial valuation as of June 30, 2022 using the following actuarial assumptions and other inputs, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2023:

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	7.00%
Ultimate trend rate	4.50%
Year of Ultimate trend rate	2032

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, 2022 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, 2022 valuation were based on a review of recent plan experience done concurrently with the June 30, 2022 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%	1.50%
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 3.68% was used as the discount rate, as compared with last year's rate of 3.57%. 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 (3.65% 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 3.68%, as well as what the School District's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.68%) or 1-percentage-point higher (4.68%) than the current rate:

	1% Decrease (2.68%)	Current Discount Rate (3.68%)	1% Increase (4.68%)
School District's proportionate share of the collective net OPEB liability	$ 45,856,745	$ 40,454,238	$ 35,904,185

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

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
School District's proportionate share of the collective net OPEB liability	$ 34,845,962	$ 40,454,238	$ 47,368,032

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 2024. The School District's contractually required contribution rate for the year ended June 30, 2024, was 19.98% of annual School District payroll. For the current fiscal year, employer contributions to the pension plan were $8,376,168 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, 2024 was 29.35% of annual covered payroll for the Old and New Plan members and 25.51% for GSEPS members. Contributions are expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Employer contributions to the pension plan were $23,461 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 $16.00, 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, 2024, the School District reported a liability of $79,208,442 for its proportionate share of the Net Pension Liability for TRS $(79,067,833) and ERS $(140,609).

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	$	79,067,833
State of Georgia's proportionate share of the net pension liability associated with the School District		322,405
Total	$	79,390,238

The net pension liability for TRS and ERS was measured as of June 30, 2023. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of June 30, 2022. An expected total pension liability as of June 30, 2023, was determined using standard 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, 2023.

At June 30, 2023, the School District's TRS proportion was 0.267806%, which was an decrease of 0.010962% from its proportion measured as of June 30, 2022. At June 30, 2023, the School District's ERS proportion was 0.002357%, which was an decrease of 0.000474% from its proportion measured as of June 30, 2022.

At June 30, 2024, 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 $942,772.

The PSERS Net Pension Liability was measured as of June 30, 2023. The total pension liability used to calculate the Net Pension Liability was based on an actuarial valuation as of June 30, 2022. An expected total pension liability as of June 30, 2023, was determined using standard 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, 2023.

For the year ended June 30, 2024, the School District recognized pension expense of $15,182,961 for TRS, $28,089 for ERS, $170,157 for PSERS, and revenue of $60,144 for TRS and $170,157 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, 2024, 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	$ 4,014,958	$ 326,919
Changes of assumptions	8,134,382	-
Net difference between projected and actual earnings on pension plan investments	5,561,053	-
Changes in proportion and differences between School District contributions and proportionate share of contributions	321,221	2,411,594
School District contributions subsequent to the measurement date	8,376,168	-
Total	$ 26,407,782	$ 2,738,513

	ERS	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 2,136	$ 329
Changes of assumptions	5,411	-
Net difference between projected and actual earnings on pension plan investments	5,728	-
Changes in proportion and differences between School District contributions and proportionate share of contributions	-	12,660
School District contributions subsequent to the measurement date	23,461	-
Total	$ 36,736	$ 12,989

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, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending June 30,	TRS	ERS
2025	$ 4,724,199	$ (4,683)
2026	2,624,729	(3,859)
2027	10,133,029	11,446
2028	(2,188,856)	(2,618)

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

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, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2013 – June 30, 2018.

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 %	0.90 %
Domestic large equities	46.30	9.40
Domestic small equities	1.20	13.40
International developed market equities	12.30	9.40
International emerging market equities	5.20	11.40
Alternatives	5.00	10.50
Total	100.00 %	

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
Cost-of-living adjustment	1.05%, annually

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):

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:

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

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

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.

NOTE 12. RETIREMENT PLANS (CONTINUED)

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

- 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%

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

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 %	0.90 %
Domestic large equities	46.30	9.40
Domestic small equities	1.20	13.40
International developed market equities	12.30	9.40
International emerging market equities	5.20	11.40
Alternatives	5.00	10.50
Total	100.00 %	

*Rates shown are net inflation.

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):

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.

***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	$ 125,015,443	$ 79,067,833	$ 41,545,425

	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	$ 192,945	$ 140,609	$ 96,567

***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, 2024, the School District property tax revenues were reduced by $266,827 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,

	2024	2023	2022
School District's proportion of the net pension liability	**0.267806%**	0.278768%	0.285706%
School District's proportionate share of the net pension liability	**$ 79,067,833**	$ 90,521,358	$ 25,268,790
State of Georgia's proportionate share of the net pension liability associated with the School District	**322,405**	364,985	100,472
	$ 79,390,238	$ 90,886,343	$ 25,369,262
School District's covered payroll	**$ 39,032,703**	$ 37,696,164	$ 37,195,157
School District's proportionate share of the net pension liability as a percentage of its covered payroll	**202.57%**	240.13%	67.94%
Plan fiduciary net position as a percentage of the total pension liability	**76.29%**	72.85%	92.03%

2021	2020	2019	2018	2017	2016	2015
0.284977%	0.275369%	0.287844%	0.272926%	0.279986%	0.281965%	0.286653%
$ 69,032,583	$ 59,211,781	$ 53,430,012	$ 50,724,138	$ 57,764,234	$ 42,926,371	$ 36,214,826
280,028	244,486	216,063	300,339	451,821	320,465	256,464
$ 69,312,611	$ 59,456,267	$ 53,646,075	$ 51,024,477	$ 58,216,055	$ 43,246,836	$ 36,471,290
$ 36,750,913	$ 33,745,008	$ 34,447,956	$ 31,532,458	$ 30,963,399	$ 29,970,231	$ 29,570,863
187.84%	175.47%	155.10%	160.86%	186.56%	143.23%	122.47%
77.01%	78.56%	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,

	2024	2023	2022
Contractually required contribution	**$ 8,376,168**	$ 7,798,734	$ 7,467,610
Contributions in relation to the contractually required contribution	**8,376,168**	7,798,734	7,467,610
Contribution deficiency (excess)	**$ -**	$ -	$ -
School District's covered payroll	**41,922,763**	39,032,703	37,696,164
Contributions as a percentage of covered payroll	**19.98%**	19.98%	19.81%

2021	2020	2019	2018	2017	2016	2015
$ 7,089,397	$ 7,769,143	$ 7,023,717	$ 5,767,390	$ 4,472,578	$ 4,382,912	$ 3,911,879
7,089,397	7,769,143	7,023,717	5,767,390	4,472,578	4,382,912	3,911,879
$ -	$ -	$ -	$ -	$ -	$ -	$ -
37,195,157	36,750,913	33,745,008	34,447,956	31,532,458	30,963,399	29,970,231
19.06%	21.14%	20.81%	16.74%	14.18%	14.16%	13.05%

LAURENS COUNTY SCHOOLS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
TEACHERS' RETIREMENT SYSTEM OF GEORGIA
FOR THE YEAR ENDED JUNE 30, 2024

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,

	2024	2023	2022
School District's proportion of the net pension liability	**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	**942,772**	1,178,355	123,914
	$ 942,772	$ 1,178,355	$ 123,914
School District's covered payroll	**$ 1,474,240**	$ 1,809,653	$ 1,802,601
School District's proportionate share of the net pension liability as a percentage of its covered payroll	**0.00%**	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	**85.67%**	81.21%	98.00%

2021	2020	2019	2018	2017	2016	2015
0.000000%	0.000000%	0.000000%	0.000000%	0.000000%	0.000000%	0.000000%
$ -	$ -	$ -	$ -	$ -	$ -	$ -
889,086	849,416	795,718	731,088	951,615	624,180	527,178
$ 889,086	$ 849,416	$ 795,718	$ 731,088	$ 951,615	$ 624,180	$ 527,178
$ 1,820,002	$ 1,868,687	$ 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%	0.00%	0.00%
84.45%	85.02%	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, 2024

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,

	2024	2023	2022
School District's proportion of the net pension liability	**0.002357%**	0.002831%	0.002902%
School District's proportionate share of the net pension liability	**$ 140,609**	$ 189,067	$ 67,875
School District's covered payroll	**64,701**	69,312	69,554
School District's proportionate share of the net pension liability as a percentage of its covered payroll	**217.32%**	272.78%	97.59%
Plan fiduciary net position as a percentage of the total pension liability	**71.20%**	67.44%	87.62%

Note: The measurement period for the year ended June 30, 2024 is June 30, 2023. The schedule above is intended to show information for the last ten fiscal years. Additional years will be displayed as they become available.

2021	2020	2019	2018
0.002315%	0.001959%	0.001663%	0.001314%
$ 97,576	$ 80,839	$ 68,366	$ 53,366
58,875	49,381	32,231	32,231
165.73%	163.70%	212.11%	165.57%
76.21%	76.74%	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,

	2024	2023	2022
Contractually required contribution	$ **23,461**	$ 20,064	$ 17,072
Contributions in relation to the contractually required contribution	**23,461**	20,064	17,072
Contribution deficiency (excess)	**$ -**	$ -	$ -
School District's covered payroll	**79,935**	64,701	69,312
Contributions as a percentage of covered payroll	**29.35%**	31.01%	24.63%

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

2021	2020	2019	2018	2017
$ 17,152	$ 14,519	$ 12,237	$ 7,997	$ 11,686
17,152	14,519	12,237	7,997	11,686
$ -	$ -	$ -	$ -	$ -
69,554	58,875	49,381	32,231	47,103
24.66%	24.66%	24.78%	24.81%	24.81%

LAURENS COUNTY SCHOOLS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
EMPLOYEES' RETIREMENT SYSTEM
FOR THE YEAR ENDED JUNE 30, 2024

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,

	2024	2023	2022
School District's proportion of the net OPEB Liability	**0.369330%**	0.367825%	0.360746%
School District's proportionate share of the net pension liability	**$ 40,454,238**	$ 36,426,379	$ 39,071,776
	$ 40,454,238	$ 36,426,379	$ 39,071,776
School District's covered-employee payroll	**35,720,405**	36,779,651	34,493,799
School District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	**113.25%**	99.04%	113.27%
Plan fiduciary net position as a percentage of the total pension liability	**6.05%**	6.17%	6.14%

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

2021	2020	2019	2018
0.360595%	0.363217%	0.364426%	0.366287%
$ 52,963,008	$ 44,574,519	$ 46,317,427	$ 51,463,176
$ 52,963,008	$ 44,574,519	$ 46,317,427	$ 51,463,176
32,704,835	$ 30,191,465	31,256,216	29,232,289
161.94%	147.64%	148.19%	176.05%
3.99%	4.63%	2.93%	1.61%

LAURENS COUNTY SCHOOLS

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

	2024	2023	2022
Contractually required contribution	$ **1,513,080**	$ 1,419,868	$ 1,329,963
Contributions in relation to the contractually required contribution	**1,513,080**	1,419,868	1,329,963
Contribution deficiency (excess)	$ **-**	$ -	$ -
School District's covered-employee payroll	**40,535,059**	35,720,405	36,779,651
Contributions as a percentage of covered-employee payroll	**3.73%**	3.97%	3.62%

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

2021	2020	2019	2018	2017
$ 1,341,915	$ 1,219,449	$ 1,956,176	$ 1,888,785	$ 1,909,851
1,341,915	1,219,449	1,956,176	1,888,785	1,909,851
$ -	$ -	$ -	$ -	$ -
34,493,799	32,704,835	30,191,465	31,256,216	29,232,289
3.89%	3.73%	6.48%	6.04%	6.53%

LAURENS COUNTY SCHOOLS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
SCHOOL OPEB FUND
FOR THE YEAR ENDED JUNE 30, 2024

CHANGES OF BENEFIT TERMS

There have been no changes in benefit terms.

CHANGES IN ASSUMPTIONS

For the June 30, 2022 actuarial valuation, the tobacco use assumption and aging factors were revised.

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, to 3.57% as of June 30, 2022, and to 3.68% as of June 30, 2023.

SUPPLEMENTARY INFORMATION

LAURENS COUNTY SCHOOLS

SCHEDULE OF STATE REVENUE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Agency/Funding	Governmental Fund Types		
	General Fund	Capital Projects Fund	Total
Grants			
Bright from the Start:			
Georgia Department of Early Care and Learning			
Pre-Kindergarten Program	$ 1,907,118	$ -	$ 1,907,118
Education, Georgia Department of Quality Basic Education			
Direct Instructional Cost:			
Kindergarten Program	2,211,066	-	2,211,066
Kindergarten Program - Early Intervention Program	418,198	-	418,198
Primary Grades (1-3) Program	5,254,570	-	5,254,570
Primary Grades - Early Intervention (1-3) Program	1,463,398	-	1,463,398
Upper Elementary Grades (4-5) Program	2,364,877	-	2,364,877
Upper Elementary Grades - Early Intervention (4-5) Program	831,628	-	831,628
Middle School (6-8) Program	5,160,933	-	5,160,933
High School General Education (9-12) Program	4,567,403	-	4,567,403
Career Technical and Agricultural Education Program 9-12	1,835,785	-	1,835,785
Students with Disabilities	9,296,678	-	9,296,678
Program for Intellectually Gifted Students - Category VI	2,849,919	-	2,849,919
Remedial Education Program	237,491	-	237,491
Alternative Education Program	393,191	-	393,191
English Speakers of Other Languages (ESOL)	323,207	-	323,207
Media Center Program	898,784	-	898,784
20 Days Additional Instruction	270,581	-	270,581
Staff and Professional Development	156,974	-	156,974
Principal Staff and Professional Development	2,629	-	2,629
Indirect Cost:			
Central Administration	1,304,201	-	1,304,201
School Administration	1,779,727	-	1,779,727
Facility Maintenance and Operations	1,624,906	-	1,624,906
Categorical Grants:			
Pupil Transportation	1,087,785	-	1,087,785
Nursing Services	141,924	-	141,924
Vocational Supervisors	28,877	-	28,877
Education Equalization Funding Grant	6,678,389	-	6,678,389
Food Services	184,596	-	184,596
Vocational Education	213,600	-	213,600
Other State Programs:			
Math and Science Supplements	17,748	-	17,748
Hygiene Products in Georgia Schools	5,319	-	5,319
Teachers' Retirement	32,289	-	32,289
Preschool Handicapped Program	87,747	-	87,747
CTAE Connect Grant Bond Funds	24,472	-	24,472
Dyslexia Services Grant - State Funds	12,652	-	12,652
School Security Grant	400,000	-	400,000
Total State Categorical Grants:			
One Time QBE Adjustment	719,071	-	719,071
Capital Outlay Grants:			
Miscellaneous	-	1,867,579	1,867,579
Office of the State Treasurer:			
Public School Employees Retirement	162,067	-	162,067
	$ 54,949,800	$ 1,867,579	$ 56,817,379

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, 2024

Project	Original Estimated Cost [1]	Current Estimated Costs [2]	Expended In Current Year [3]	Expended In Prior Years (3)(4)	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	$ 5,225,750	$ 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	2,252,419	252,419	2,000,000	2,252,419	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	2,040,403	-	-	December 2027
	$44,160,000	$44,412,419	$ 7,518,572	$ 5,322,040	$ 2,252,419	

[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 the current year, $2,000,000 was transferred to the General Fund to reimburse prior year eligible expenditures. Prior year expenditures were revised to reflect these transfers.

Reconciliation to total expenditures, Capital Projects Fund:

$ 7,518,572	SPLOST IV Expenditures
(5,225,750)	Principal and Interest on Series 2020 bonds- Debt Service Fund
$ 2,292,822	Total expenditures, Capital Projects Fund

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 Board of Education
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, 2024, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated April 16, 2025.

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. We identified a certain deficiency in internal controls, described in the accompanying Schedule of Findings and Questioned Costs as item 2024-001 that we considered to be a significant deficiency.

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.*

Laurens County Schools' Response to Finding

Government Auditing Standards requires the auditor to perform limited procedures on the School District's response to the finding identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. The School District's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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
April 16, 2025

MAULDIN & JENKINS
CPAs & ADVISORS

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

To the Superintendent and Members of the
Laurens County Board of Education
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, 2024. 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, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the 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
April 16, 2025

LAURENS COUNTY SCHOOLS

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

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	$ 1,350,523
National School Lunch Program	10.555	235GA324N1099	3,581,687
COVID-19 Supply Chain Assistance Grant	10.555	235GA324N1099	164,583
Total Child Nutrition Cluster			5,096,793
Other programs:			
Warehouse and Delivery Grant	10.560	235GA324N1099	11,123
Total U.S. Department of Agriculture			5,107,916
U.S. Department of Education:			
Pass-Through From Georgia Department of Education			
Special Education Cluster:			
Grants to States	84.027A	H027A230073	1,367,489
COVID-19 American Rescue Plan (ARP) - Grants to State and LEAs	84.027X	H027X210073	2,701
Preschool Grants	84.173A	H173A220081	4,871
Preschool Grants	84.173A	H173A230081	28,708
Total Special Education Cluster			1,403,769
Education Stabilization Fund:			
COVID-19 Elementary and Secondary School Emergency Relief	84.425D	S425D210012	246,271
COVID-19 - American Rescue Plan Elementary and Secondary School Emergency Relief Fund	84.425U	S425U210012	2,317,878
COVID-19- American Rescue Plan Elementary and Secondary School Homeless Children and Youth	84.425W	S425W210011	19,044
Total Education Stabilization Fund			2,583,193
Other Programs:			
Title I, Grants to Local Educational Agencies	84.010A	S010A220010	251,038
Title I, Grants to Local Educational Agencies	84.010A	S010A230010	2,055,583
Title I, Migrant Education - State Grant Program	84.011	S011A230011	27,710
English Language Acquisition State Grants	84.365	S365A220010	17,371
English Language Acquisition State Grants	84.365	S365A230010	6,339
Career and Technical Education - Basic Grants to States	84.048A	V048A220010	4,950
Career and Technical Education - Basic Grants to States	84.048A	V048A230010	81,946
Rural Education	84.358B	S358B220010	200,002
Rural Education	84.358B	S358B230010	531,807
Total Other Programs			3,176,746
Total U.S. Department of Education			7,163,708
U.S. Department of Defense:			
Direct			
Department of the Air Force			
R.O.T.C. Program	12.unknown	N/A	75,754
Total U.S. Department of Defense			75,754
Total Expenditures of Federal Awards			$ 12,347,378

N/A = Not Available

LAURENS COUNTY SCHOOLS

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

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 $310,021 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, 2024.

NOTE 4. SUBRECIPIENTS

The School System did not pass through any funds to subrecipients for the year ended June 30, 2024.

NOTE 5. TRANSFERS

During the year ended June 30, 2024, $492,657 was tranferred to the Title V-B Rural and Low Income Schools program from Title II A Improving Teacher Quality program ($303,197) and the Title IV A Student Support and Academic Enrichment Program ($189,460). 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, 2024

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?	__X__ Yes ___ 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:
84.027A/84.173A/84.027X/84.173X	*Special Education Cluster*
	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, 2024

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

2024-001 Accounts Receivable and Related Balances - Grants

Criteria:	Generally accepted accounting principles ("GAAP") require receivables and the associated revenues to be recognized in the accounting period to which they relate and revenues to be recognized only in the current period when they are both measurable and available to finance expenditures. Available is considered to be within 60 days of year-end.
Condition:	The School System did not properly record accounts receivable and the related grant revenues, in the General Fund.
Context:	During our testing of grants, we noted accounts receivable and related balances were not properly stated as of June 30, 2024.
Cause:	Management oversight
Effect:	An audit adjustment in the General Fund to decrease receivables by $251,303, to decrease revenues by $136,081, to increase expenditures by $113,413, and to decrease payables by $1,809 was made to properly state accounts receivable and related balances.
Recommendation:	We recommend the School System strengthen internal controls to ensure accounts receivable and related balances are properly recorded.
Views of Responsible Officials and Planned Corrective Action:	We concur. The School System will strengthen controls to ensure accurate reporting of accounts receiveable and related amounts.

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, 2024

None reported.

MANAGEMENT'S CORRECTIVE ACTION PLAN
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

2024-001 Accounts Receivable and Related Balances - Grants

Name of Contact Person Responsible for Corrective Action Plan: Mary McCollough, Finance Director

Corrective Action Plan: We will strengthen on our internal controls and procedures in regard to grants to ensure accounts receivable and related balances are properly stated at year-end.

Anticipated Completion Date: Fiscal year 2025