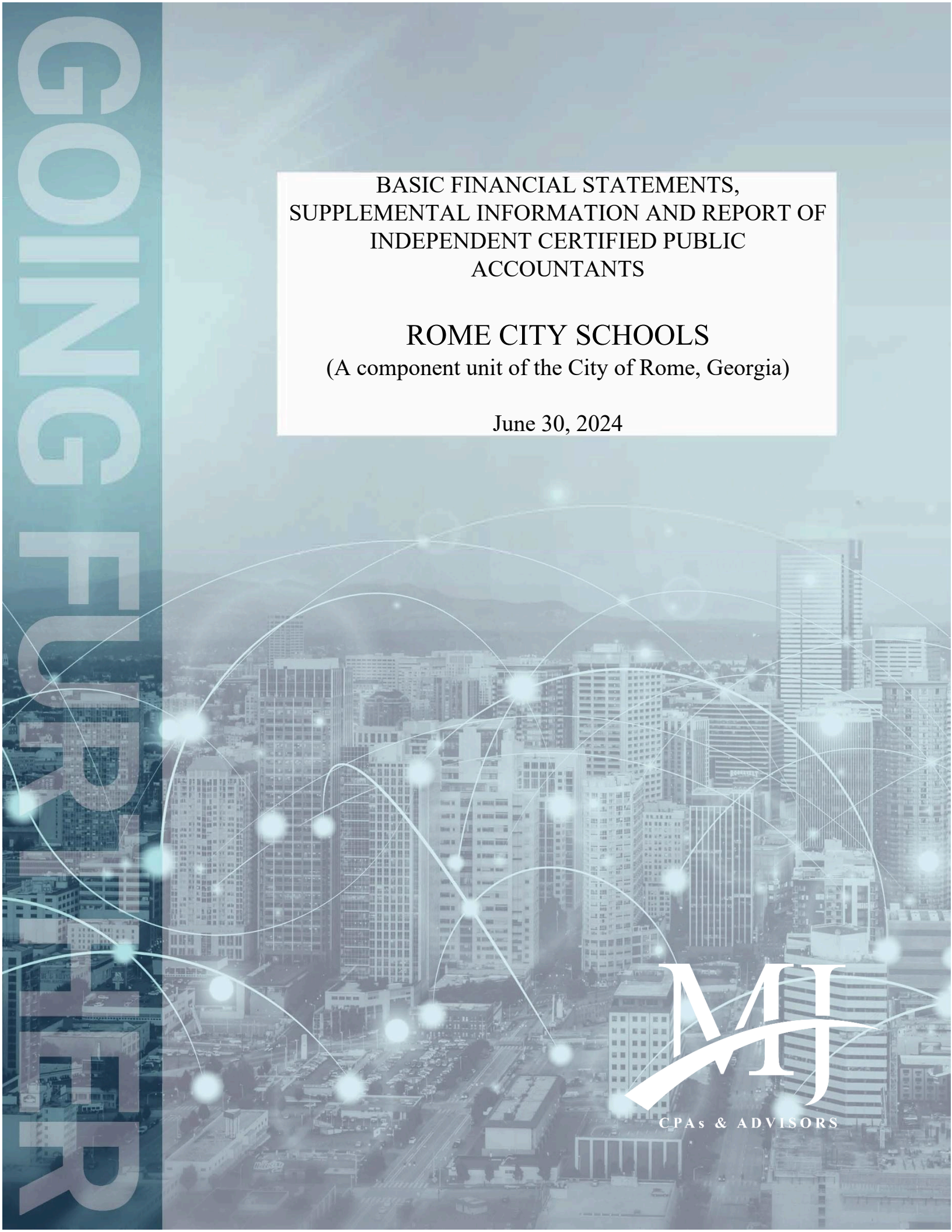
GOING FURTHER

BASIC FINANCIAL STATEMENTS, SUPPLEMENTAL INFORMATION AND REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

ROME CITY SCHOOLS

(A component unit of the City of Rome, Georgia)

June 30, 2024



MJ

CPAs & ADVISORS

BASIC FINANCIAL STATEMENTS, SUPPLEMENTAL INFORMATION AND REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

ROME CITY SCHOOLS
(A component unit of the City of Rome, Georgia)

June 30, 2024

Rome City Schools
(A component unit of the City of Rome, Georgia)
TABLE OF CONTENTS
June 30, 2024

List of Principal Officials	i
Independent Auditor's Report	1-4
Management's Discussion and Analysis	5-11
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Position	12
Statement of Activities	13
Fund Financial Statements	
Balance Sheet – Governmental Funds	14
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	15
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	16
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	17
Notes to the Basic Financial Statements	18-39
Required Supplementary Information	
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual (Non-GAAP Basis)	
General Fund	40
School Food Services Fund	41
State Stabilization Fund	42
Schedule of Proportionate Share of Net Pension Liability – Teachers Retirement System of Georgia	43
Schedule of Contributions – Teachers Retirement System of Georgia	44
Schedule of Proportionate Share of Net Pension Liability – Public School Employees Retirement System of Georgia	45
Schedule of Proportionate Share of Net OPEB Liability – School OPEB Fund	46
Schedule of Contributions – School OPEB Fund	47
Notes to Required Supplementary Information	48 and 49
Supplemental Information	
Combining Statements and Schedules	
Combining Balance Sheet – Nonmajor Governmental Funds	50 and 51
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds	52 and 53
Schedule of Special Purpose Local Option Sales Tax Expenditures	54
Compliance Section	
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*	55 and 56
Independent Auditor's Report on Compliance for Each Major Federal Program and Internal Control Over Compliance Required By the Uniform Guidance	57-59
Schedule of Expenditures of Federal Awards	60 and 61
Notes to Schedule of Expenditures of Federal Awards	62
Schedule of Findings and Questioned Costs	63 and 64
Schedule of Prior Audit Findings	65

Rome City Schools
(A component unit of the City of Rome, Georgia)
LIST OF PRINCIPAL OFFICIALS

June 30, 2024

BOARD MEMBERS

Ms. Faith Collins	Chairperson
Mr. Will Byington	Vice Chairperson
Ms. Toni Blanchard	Member
Ms. Jill Fisher	Member
Dr. Melissa Davis	Member
Ms. Pascha Burge	Member
Mr. Alvin L. Jackson	Member

EXECUTIVE STAFF

Dr. Eric L. Holland	Superintendent

MAULDIN & JENKINS
CPAs & ADVISORS

INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the **Rome City Schools, a component unit of the City of Rome, Georgia** (the "School System"), as of and for the fiscal year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the School System's basic financial statements as listed in the table of contents.

In our opinion, the accompanying 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 System as of June 30, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We have conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the School System 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.

Emphasis of Matter

As discussed in Note N to the financial statements, the School System implemented Governmental Accounting Standards Board (GASB) Statement No. 100, *Accounting Changes and Error Corrections*, as of July 1, 2023. The standard significantly changed the reporting of the School System's major funds. Our opinions are not modified with respect to this matter.

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 System'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 GAAS 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 GAAS 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 System'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 System's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual (Non-GAAP Basis) for the General Fund, the Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual (Non-GAAP Basis) for the School Food Services Fund, the Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual (Non-GAAP Basis) for the State Stabilization Fund, the Schedule of Proportionate Share of Net Pension Liability – TRS, the Schedule of Contributions – TRS, the Schedule of Proportionate Share of Net Pension Liability – PSERS, the Schedule of Proportionate Share of Net OPEB Liability – School OPEB Fund, and the Schedule of Contributions – School OPEB Fund, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management, and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School System's basic financial statements. The combining and individual nonmajor fund statements, the Schedule of Expenditures of Special Purpose Local Option Sales Tax Proceeds, and the accompanying 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 "supplementary information"), 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 supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the List of Principal Officials but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 30, 2025 on our consideration of the School System's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School System'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 System's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Atlanta, Georgia
April 30, 2025

Rome City Schools
(A component unit of the City of Rome, Georgia)
MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Fiscal Year Ended June 30, 2024

INTRODUCTION

Our discussion and analysis of the Rome City Schools' ("School System") financial performance provides an overview of the School System's financial activities for the fiscal year ended June 30, 2024. The intent of this discussion and analysis is to look at the School System's financial performance as a whole; readers should also review the basic financial statements and the accompanying notes to enhance their understanding of the School System's financial performance.

FINANCIAL HIGHLIGHTS

Key financial highlights for fiscal year 2024 are as follows:

- Government-wide revenues increased $22,707,046 and fund level revenues increased $22,685,611.
- The School System's General Fund balance increased $2,140,287.

OVERVIEW OF THE FINANCIAL STATEMENTS

The basic financial statements include two levels of statements that present different views of the School System. These include the government-wide and fund financial statements.

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

The fund financial statements focus on individual parts of the School System, reporting the School System's operation in more detail. The governmental funds statements disclose how basic services are financed in the short-term as well as what remains for future spending. The fund financial statements reflect the School System's major funds. In the case of Rome City Schools, the General Fund, the Special Purpose Local Option Sales Tax (SPLOST) Fund, the School Food Services Fund and the State Stabilization Fund are the most significant (i.e. major) funds.

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

Government-Wide Statements

The government-wide financial statements are basically a consolidation of all the School System's operating funds into one column called governmental activities. In reviewing the government-wide financial statements, a reader might ask the question, "Are we in a better financial position than last year?" The Statement of Net Position and the Statement of Activities provide the basis for answering this question. These financial statements include all the School System's assets and deferred outflows of resources and liabilities and deferred inflows of resources and use the **accrual basis of accounting** similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the School System's net position and any changes in net position. The change in net position is important because it tells the reader that, for the School System as a whole, the financial position of the School System has improved or diminished. The causes of this change may be the results of many factors, including those not under the School System's control, such as the property tax base, facility conditions, required educational programs and other factors.

The Statement of Net Position and the Statement of Activities reflect the School System's governmental activities.

Fund Financial Statements

The School System uses many funds to account for a multitude of financial transactions during the fiscal year. However, the fund financial statements presented in this report provide detail information about only the School System's significant or major funds.

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

Governmental funds are also divided into major and nonmajor categories. The School System has designated the following governmental funds as major funds:

The *General Fund* is the School System's primary operating fund. The General Fund is used to account for all financial transactions of the School System except those required to be accounted for in another fund.

The *SPLOST Fund* was established to account for expenditures which include but are not limited to construction and renovation of schools using Special Purpose Local Option Sales Tax (SPLOST) funds. These funds are restricted by the SPLOST referendum.

The *School Food Services Fund* is used to account for the school breakfast and lunch programs which are funded primarily by the Federal government.

The *State Stabilization Fund* is used to account for the collection and expenditures of federal grants for coronavirus relief.

FINANCIAL ANALYSIS OF THE SCHOOL SYSTEM AS A WHOLE

As noted earlier, net position may serve over time as a useful indicator of the School System's financial position. At June 30, 2024, the School System's liabilities and deferred inflows of resources exceeded its assets and deferred outflows of resources by $94,991,911 (Net position - a deficit). This represents an increase in deficits of $19,823,569.

Table 1 on the following page is a summary of the School System's net position. The table compares net position for 2024 and 2023:

Table 1
Net Position

	Governmental Activities 2024	Governmental Activities 2023	Dollar Change Increase (Decrease)	Percent Change Increase (Decrease)
Assets				
Current and other assets	$ 130,175,374	$ 31,674,637	$ 98,500,737	310.98
Capital assets, net	9,934,469	11,741,064	(1,806,595)	(15.39)
Total Assets	140,109,843	43,415,701	96,694,142	222.72
Deferred outflow of resources				
Pension related items	32,079,108	48,545,972	(16,466,864)	(33.92)
OPEB related items	17,224,911	15,193,940	2,030,971	13.37
	49,304,019	63,739,912	(14,435,893)	(22.65)
Liabilities				
Current and other liabilities	28,462,861	17,600,863	10,861,998	61.71
Long-term liabilities	101,920,521	6,157,845	95,762,676	1,555.13
Net pension Liability	90,925,971	96,397,154	(5,471,183)	(5.68)
Net OPEB liability	44,340,399	38,464,949	5,875,450	15.27
Total Liabilities	265,649,752	158,620,811	107,028,941	67.47
Deferred inflow of resources				
Pension related items	483,495	694,003	(210,508)	(30.33)
OPEB related items	18,272,526	23,009,141	(4,736,615)	(20.59)
	18,756,021	23,703,144	(4,947,123)	(20.87)
Net position (deficit)				
Net investment in capital assets	9,934,469	11,741,064	(1,806,595)	(15.39)
Restricted	109,909,838	13,165,909	96,743,929	734.81
Unrestricted (deficit)	(214,836,218)	(100,075,315)	(114,760,903)	114.67
Total Net Position (deficit)	**$ (94,991,911)**	**$ (75,168,342)**	**$ (19,823,569)**	26.37

Table 2 on the next page reflects the operating activities of the School System as a whole. Net position for 2024 decreased $19,823,569, as compared to the prior fiscal year decrease of $2,661,327. Total revenues increased by $22,707,046 (22.99%). Operating grants and contribution revenue increased $17,122,415 (26.93%) primarily as a result of increased federal funding. Property taxes increased $3,222,904 (12.64%) as the current year benefitted from higher budgeted allotment of taxes paid by the City.

Overall program expenses increased $39,869,288 (39.31%). Instruction expenses, the System's largest expense, increased by $31,943,638 or 49.09%, which was a result of increases in pension liabilities and related expense, general increases to employee salaries and benefits including state health insurance, as well as significant capital addition expenses that are transferred to the City of Rome. Business administration and Interest on long-term debt increased as a result of expenses related to the issuance of Series 2023 Revenue Bonds.

Table 2
Change in Net Position
2024 vs 2023

	Governmental Activities 2024	Governmental Activities 2023	Dollar Change Increase (Decrease)	Percent Change Increase (Decrease)
Program revenues				
Charges for services	$ 103,618	$ 1,047,256	$ (943,638)	(90.11) %
Operating grants and contributions	80,709,433	63,587,018	17,122,415	26.93
Capital grants and contributions	440,550	-	440,550	100.00
	81,253,601	64,634,274	16,619,327	25.71
General Revenues				
Property taxes	28,726,225	25,503,321	3,222,904	12.64
Special local option sales taxes	8,926,858	8,615,801	311,057	3.61
Interest on investments	2,558,215	4,457	2,553,758	57,297.69
	40,211,298	34,123,579	6,087,719	17.84
Total revenues	121,464,899	98,757,853	22,707,046	22.99
Program expenses				
Instruction	97,018,869	65,075,231	31,943,638	49.09
Support services				
Pupil services	5,333,066	5,609,747	(276,681)	(4.93)
Improvement of instruction	2,651,859	1,536,541	1,115,318	72.59
Educational and media services	1,306,738	1,455,403	(148,665)	(10.21)
General administration	2,087,633	1,600,700	486,933	30.42
School administration	5,177,054	5,038,070	138,984	2.76
Business administration	1,810,404	636,351	1,174,053	184.50
Maintenance and operation	10,231,407	8,172,296	2,059,111	25.20
Student transportation	5,109,866	4,730,366	379,500	8.02
Central support services	957,739	1,109,687	(151,948)	(13.69)
Other support services	76,578	134,862	(58,284)	(43.22)
Food services	6,489,541	5,844,437	645,104	11.04
Community services operations	329,219	375,340	(46,121)	(12.29)
Interest on long-term debt	2,708,495	100,149	2,608,346	2,604.47
Total expenses	141,288,468	101,419,180	39,869,288	39.31
Change in net position	(19,823,569)	(2,661,327)	(17,162,242)	644.88
Net position, beginning of year	(75,168,342)	(72,507,015)	(2,661,327)	3.67
Net position, end of year	$ (94,991,911)	$ (75,168,342)	$ (19,823,569)	26.37 %

COMPARISON OF FUND LEVEL FINANCIAL STATEMENTS

The Statement of Revenues, Expenditures and Changes in Fund Balances is prepared on the modified accrual basis of accounting. Table 3 below uses that information to compare operating results for fiscal years 2024 and 2023.

Table 3
Comparison of Operating Results
2024 vs 2023

	2024	2023	Dollar Change Increase (Decrease)	Percent Change Increase (Decrease)
Revenues				
State funds	$ 52,024,656	$ 46,736,458	$ 5,288,198	11.31 %
Federal funds	26,417,808	14,654,414	11,763,394	80.27
Local and other funds	40,924,439	37,844,177	3,080,262	8.14
Investment earnings	2,558,214	4,457	2,553,757	57,297.67
Total revenues	121,925,117	99,239,506	22,685,611	22.86
Expenditures				
Instruction	58,420,075	59,133,497	(713,422)	(1.21)
Support services	32,607,673	29,205,680	3,401,993	11.65
Food services	6,406,591	5,756,428	650,163	11.29
Community services operations	329,219	375,340	(46,121)	(12.29)
Capital outlay	29,692,525	1,345,979	28,346,546	2,106.02
Debt service	7,150,428	5,923,750	1,226,678	20.71
Total expenditures	134,606,511	101,740,674	32,865,837	32.30
Excess of (deficiency) revenues over expenditures	$ (12,681,394)	$ (2,501,168)	$ (10,180,226)	407.02 %
Other Financing Sources (Uses)				
Proceeds from bond issuance	98,250,000	-	98,250,000	100.00
Premium on bond issuance	7,762,526	-	7,762,526	100.00
Transfers in	7,317,574	6,985,959	331,615	4.75
Transfers out	(7,317,574)	(6,985,959)	(331,615)	4.75
Total Other Financing Sources (Uses)	106,012,526	-	106,012,526	209.5
Net Change in Fund Balance	93,331,132	(2,501,168)	95,832,300	(3,831.50)
Fund Balance, Beginning of Year	19,923,881	22,425,049	(2,501,168)	(11.15)
Fund Balance, End of the Year	$ 113,255,013	$ 19,923,881	$ 93,331,132	468.44 %

Revenues from state sources increased $5,288,198 (11.31%). Federal funds increased $11,763,394 or 80.27% primarily due to the receipt of the remaining pandemic relief funding. Local revenues increase as a result of higher budgeted allotment of taxes paid by the City.

Expenditures increased primarily due to construction costs related to additional classrooms at two elementary schools and beginning construction of a new Rome Middle School.

General Fund Budgetary Highlights

The School System's budget is prepared according to Georgia law. The most significant budgeted fund is the General Fund. A comparison of the original and final budget to actual results can be found on page 40 of these financial statements.

The School System uses site-based budgeting as a part of the budget process. The budgeting systems are designed to control total site budgets but provide flexibility for the site management.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At fiscal year ended June 30, 2024, the School System had $9,934,469 invested in capital assets, all in governmental activities. Investment in capital assets decreased $1,806,595 or 15.39% over the balance at June 30, 2023. The overall decrease was due to fewer current year capital asset acquisitions relative to significant additions in the prior year and the effect of depreciation expense.

With the exception of the administration and maintenance buildings, title to all land and buildings belongs to the City of Rome.

Table 4
Capital Assets (Net of Accumulated Depreciation)

	Governmental Activities Fiscal Year **2024**	Governmental Activities Fiscal Year **2023**	Dollar Change Increase (Decrease)	Percent Change Increase (Decrease)
Land	$ 1,314,003	$ 1,314,003	$ -	- %
Buildings and improvements	1,590,971	1,689,593	(98,622)	(5.84)
Equipment	5,064,864	6,216,357	(1,151,493)	(18.52)
Vehicles	1,964,631	2,521,111	(556,480)	(22.07)
	$ 9,934,469	$ 11,741,064	$ (1,806,595)	(15.39) %

For more detail on the School System's capital assets, see Note E to the financial statements.

Debt

Substantially all buildings and land are owned by the City of Rome, Georgia and the School System cannot issue bonds, therefore, all bonded debt related to building and facilities are on the City's books or issued through the Rome Building Authority, which is a blended component unit of the School System. Bonds issued through the Rome Building Authority are repaid using SPLOST proceeds.

In June 2019, the Rome Building Authority issued $21,490,000 Series 2019 for the purpose of completing the Main Elementary school; constructing and equipping the College and Career Academy; and acquiring, equipping, renovating and improving certain school facilities. These bonds will be repaid using proceeds from SPLOST revenues. The School System has made $15,730,000 in principal payments through fiscal year 2024.

In November 2023, the Rome Building Authority issued $98,250,000 Series 2023 for the purpose of constructing and equipping a new middle school; acquiring and equipping security improvements; acquiring school buses and school-related vehicles; acquiring technology improvements and equipment; and acquiring, equipping, renovating, and improving certain school facilities. These bonds will be repaid using proceeds from SPLOST revenues. The School System will begin principal payments in March 2025.

For more detail on the School System's long-term debt, see Note F to the financial statements.

CURRENT ISSUES

Currently known facts, decisions, or conditions that are expected to have a significant effect on financial positions or results of operations.

- Given disruptions in the federal, state, and local economy, over the last few years, the School System continues to use extremely conservative revenue and expenditure estimates in preparing current and future budgets.
- As pandemic related grants and revenues end, the school system will be faced with the challenge of continuing to fund personnel and activities previously paid for by pandemic related funding.

CONTACTING THE SCHOOL SYSTEM'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School System's finances and to show the School System's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Greg Studdard, of Rome City Schools, 508 East Second Street, Rome, Georgia 30161. Telephone 706-236-5050. E-mail: greg.studdard@rcs.rome.ga.us.

Rome City Schools
(A component unit of the City of Rome, Georgia)

STATEMENT OF NET POSITION

June 30, 2024

	Governmental Activities
ASSETS	
Current Assets	
Cash	$ 117,483,295
Receivables	1,801,391
Due from other governments	10,722,064
Inventory	168,624
Total current assets	130,175,374
Capital assets, net of accumulated depreciation	
Land	1,314,003
Buildings and improvements	1,590,971
Computers and equipment	5,064,864
Vehicles	1,964,631
Total capital assets	9,934,469
Total assets	140,109,843
DEFERRED OUTFLOWS OF RESOURCES	
Pension related items	32,079,108
OPEB related items	17,224,911
Total deferred outflows of resources	49,304,019
LIABILITIES	
Current Liabilities	
Accounts payable	628,818
Contracts payable	4,875,347
Retainage payable	1,287,404
Salaries and benefits payable	10,128,792
Accrued interest payable	1,757,500
Bonds payable	9,785,000
Total current liabilities	28,462,861
Long-Term Liabilities, net of current portion	
Bonds payable	101,920,521
Net pension liability	90,925,971
Net OPEB liability	44,340,399
Total long-term liabilities, net of current portion	237,186,891
Total liabilities	265,649,752
DEFERRED INFLOWS OF RESOURCES	
Pension related items	483,495
OPEB related items	18,272,526
Total deferred inflows of resources	18,756,021
NET POSITION	
Investment in capital assets	9,934,469
Restricted for:	
Capital projects	109,039,922
Food services	869,916
Unrestricted	(214,836,218)
TOTAL NET POSITION	$ (94,991,911)

The accompanying notes are an integral part of this statement.

Rome City Schools
(A component unit of the City of Rome, Georgia)

STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2024

Functions/Program Activities	Expenses	Program Revenue: Charges for Services	Program Revenue: Operating Grants and Contributions	Program Revenue: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities
Governmental Activities:					
Instruction	$ 97,018,869	$ 57,870	$ 58,841,704	$ -	$ (38,119,295)
Support services					
Pupil services	5,333,066	-	2,410,268	-	(2,922,798)
Improvement of instructional services	2,651,859	-	6,513,210	-	3,861,351
Educational media services	1,306,738	-	1,053,805	-	(252,933)
General administration	2,087,633	-	1,460,064	-	(627,569)
School administration	5,177,054	-	2,136,091	-	(3,040,963)
Business administration	1,810,404	-	7,326	-	(1,803,078)
Maintenance and operation of facilities	10,231,407	-	2,730,088	-	(7,501,319)
Student transportation services	5,109,866	-	590,454	440,550	(4,078,862)
Central support services	957,739	-	13,110	-	(944,629)
Other support services	76,578	-	1,034	-	(75,544)
Food service operation	6,489,541	45,748	4,952,279	-	(1,491,514)
Community services operation	329,219	-	-	-	(329,219)
Interest on long-term debt	2,708,495	-	-	-	(2,708,495)
Total governmental activities	$ 141,288,468	$ 103,618	$ 80,709,433	$ 440,550	(60,034,867)
General revenues:					
Taxes					
Property taxes, levied for general purposes					28,726,225
Special purpose local option sales taxes, levied for capital projects and debt services					8,926,858
Interest and investment earnings					2,558,215
Total general revenues					40,211,298
Change in net position					(19,823,569)
Net position - beginning of year					(75,168,342)
Net position - end of year					$ (94,991,911)

The accompanying notes are an integral part of this statement.

Rome City Schools
(A component unit of the City of Rome, Georgia)

BALANCE SHEET
GOVERNMENTAL FUNDS

June 30, 2024

	General	SPLOST	School Food Services	State Stabilization	Nonmajor Governmental Funds	Total Governmental Funds
Assets						
Cash	$ 7,792,267	$ 107,440,793	$ 869,167	$ -	$ 1,381,068	$ 117,483,295
Due from other governments	6,962,848	794,920	127,349	1,673,278	1,163,669	10,722,064
Due from other funds	1,335,050	-	-	-	-	1,335,050
Accounts receivable	1,761,283	-	-	-	40,108	1,801,391
Inventory	-	-	168,624	-	-	168,624
Total assets	$ 17,851,448	$ 108,235,713	$ 1,165,140	$ 1,673,278	$ 2,584,845	$ 131,510,424
Liabilities						
Accounts payable	$ 453,441	$ -	$ 713	$ 150,911	$ 23,753	$ 628,818
Due to other funds	-	-	-	583,894	751,156	1,335,050
Contracts payable	-	4,714,248	-	161,099	-	4,875,347
Retainage payable	-	644,294	-	643,110	-	1,287,404
Salaries and benefits payable	8,696,304	-	294,511	134,264	1,003,713	10,128,792
Total liabilities	9,149,745	5,358,542	295,224	1,673,278	1,778,622	18,255,411
Fund Balances						
Nonspendable:						
Inventory	-	-	168,624	-	-	168,624
Restricted For:						
Capital projects	-	102,877,171	-	-	-	102,877,171
Food services	-	-	701,292	-	-	701,292
Committed:						
School activities	-	-	-	-	806,223	806,223
Unassigned (deficit)	8,701,703	-	-	-	-	8,701,703
Total fund balances	8,701,703	102,877,171	869,916	-	806,223	113,255,013
Total liabilities and fund balances	$ 17,851,448	$ 108,235,713	$ 1,165,140	$ 1,673,278	$ 2,584,845	$ 131,510,424

The accompanying notes are an integral part of this statement.

Rome City Schools
(A component Unit of the City of Rome, Georgia)
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION
June 30, 2024

Total fund balances - governmental funds	$	113,255,013
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 as assets in governmental funds.		9,934,469
Long-term liabilities, specifically compensated absences and bonds are not due and payable in the current period, and, therefore, are not reported as liabilities in the governmental funds.		
Bonds payable		(104,010,000)
Bond premium, net of amortization		(7,695,521)
Accrued interest		(1,757,500)
The net pension liability and related pension items and the net OPEB liability and deferred items are not a financial liability in governmental fund activities, and are, therefore, not reported in governmental funds.		
Net pension liability		(90,925,971)
Pension related deferred outflows of resources		32,079,108
Pension related deferred inflows of resources		(483,495)
Net OPEB liability		(44,340,399)
OPEB related deferred outflows of resources		17,224,911
OPEB related deferred inflows of resources		(18,272,526)
Total net position - governmental activities	$	(94,991,911)

The accompanying notes are an integral part of this statement.

Rome City Schools
(A component unit of the City of Rome, Georgia)
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2024

	General	SPLOST	*(Previously Major)* Title I	School Food Services	*(Previously Nonmajor)* State Stabilization	Nonmajor Governmental Funds	Total Governmental Funds
Revenues							
State funds	$ 50,650,572	$ -	$ -	$ 157,500	$ -	$ 1,216,584	$ 52,024,656
Federal funds	479,478	-	-	4,917,810	15,083,827	5,936,693	26,417,808
Local and other funds	30,193,854	8,926,858	-	82,387	-	1,721,340	40,924,439
Investment earnings	-	2,558,214	-	-	-	-	2,558,214
Total revenues	81,323,904	11,485,072	-	5,157,697	15,083,827	8,874,617	121,925,117
Expenditures							
Current:							
Instruction	50,449,523	-	-	-	1,339,285	6,631,267	58,420,075
Support services:							
Pupil services	4,538,035	-	-	-	11,084	758,453	5,307,572
Improvement of instructional services	583,808	-	-	-	229,358	1,838,693	2,651,859
Educational media services	939,436	-	-	-	367,302	-	1,306,738
General administration	2,148,919	3,075	-	-	13,995	30,018	2,196,007
School administration	5,159,440	-	-	-	9,689	1,178	5,170,307
Business administration	682,378	1,128,026	-	-	-	-	1,810,404
Maintenance and operation of facilities	8,664,403	141,353	-	-	44,984	-	8,850,740
Student transportation services	4,398,100	-	-	-	18,577	22,703	4,439,380
Central support services	808,548	-	-	-	-	-	808,548
Other support services	5,700	-	-	-	-	60,418	66,118
Food service operation	88,948	-	-	6,317,643	-	-	6,406,591
Community services operations	116,140	-	-	-	-	213,079	329,219
Capital outlay	73,464	16,569,189	-	-	13,049,872	-	29,692,525
Debt service:							
Principal	-	-	-	-	-	5,500,000	5,500,000
Interest and fees	-	1,224,928	-	-	-	425,500	1,650,428
Total expenditures	78,656,842	19,066,571	-	6,317,643	15,084,146	15,481,309	134,606,511
Excess (deficiency) of revenues over expenditures	2,667,062	(7,581,499)	-	(1,159,946)	(319)	(6,606,692)	(12,681,394)
Other financing sources (uses)							
Proceeds from bond issuance	-	98,250,000	-	-	-	-	98,250,000
Premium on bond issuance	-	7,762,526	-	-	-	-	7,762,526
Transfers in	113,361	-	-	-	319	7,203,894	7,317,574
Transfers out	(640,136)	(6,031,189)	-	-	-	(646,249)	(7,317,574)
Total other financing sources (uses)	(526,775)	99,981,337	-	-	319	6,557,645	106,012,526
Net change in fund balance	2,140,287	92,399,838	-	(1,159,946)	-	(49,047)	93,331,132
Fund balances, beginning of year	6,561,416	10,477,333	58,141	2,029,862	-	797,129	19,923,881
Adjustment - change within reporting entity	-	-	(58,141)	-	-	58,141	-
Fund balances, beginning of year, as adjusted	6,561,416	10,477,333	-	2,029,862	-	855,270	19,923,881
Fund balances, end of year	$ 8,701,703	$ 102,877,171	$ -	$ 869,916	$ -	$ 806,223	$ 113,255,013

The accompanying notes are an integral part of this statement.

Rome City Schools
(A component unit of the City of Rome, Georgia)
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUND TO THE STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2024

Net change in fund balances - total governmental funds	$	93,331,132
Amounts reported for governmental activities in the statement of activities are different because:		
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 compensated absences payable		115,524
Change in accrued interest		(1,522,917)
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. This is the amount by which depreciation exceeded capital outlay in the current period.		
Capital Outlay		903,067
Depreciation Expense		(2,709,662)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. This amount is the net effect of these differences on the treatment of long-term debt and related items.		
Bonds issued		(98,250,000)
Original issuance premium on bonds		(7,762,526)
Amortization of bond premium		464,850
Principal payments - bonds payable		5,500,000
In the governmental funds, current year expenditures related to pensions and OPEB are comprised solely of amounts contributed to the plan for the current year. However, in the statement of activities, expenses related to pensions and OPEB include amounts that do not require the use of current financial resources. This amount represents the difference in the required accounting treatment of pensions and OPEB related items.		
		(9,893,037)
Change in net position of governmental activities	$	(19,823,569)

The accompanying notes are an integral part of this statement.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the Rome City Schools (the "School System") have been prepared in conformity with accounting principles generally accepted in the United States of America ("USGAAP") as applicable to governmental units. The more significant of the School System's accounting principles are summarized below.

1. Reporting Entity

The accompanying basic financial statements report all activities of Rome City Schools. The School System is the basic level of government which has oversight responsibility and control over all activities related to public school education in the City of Rome, Georgia. The School System receives funding from local, state and federal government sources and must comply with the requirements of these funding sources. The School System's fiscal year is July 1 to June 30, as required by state law. All activities of the School System are included in the accompanying financial statements. Rome City Schools is reported as a component unit in the City of Rome, Georgia's Annual Comprehensive Financial Report (ACFR) since the City has certain financial responsibilities for the School System. The ACFR should be read in conjunction with these statements.

All bonded debt attributable to the School System is reported as long-term debt in the Statement of Net Position of the City of Rome, Georgia Annual Comprehensive Financial Report, since the bonds are in the name of the City and the City is contractually liable for their payment. Property taxes levied by the City are used to repay the debt.

The City of Rome School Building Authority (the "Authority") is included as a blended component unit of the School System. The Authority is fiscally dependent on Rome City Schools and provides services exclusively to the School System. The Authority is reported as a special revenue fund.

The accounting policies of the School System conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of the School System's significant policies.

2. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the activities of the School System. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The School System does not consider any of its activities to be business-type activities.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements report on all the financial activities of the primary government and are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. The City bills all property taxes and provides an allocation of the taxes to the School System monthly regardless of actual collections by the City. The School System recognizes this allocation as revenue as collected which would be for the year it was intended to fund. Grants and similar items are recognized as revenue when all requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Revenues are considered to be available when they are collectible within one fiscal year of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Sales taxes, grant revenue, State Quality Basic Education (QBE) revenue, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period, if availability criteria have been met. All other revenue items are considered to be measurable and available only when cash is received by the School System.

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

The School System reports the following as major governmental funds:

The *General Fund* is the School System's primary operating fund. The General Fund is used to account for all financial transactions of the School System except those required to be accounted for in another fund.

The *SPLOST Fund* was established to account for expenditures, which include but are not limited to construction and renovation of schools using Special Purpose Local Option Sales Tax funds. These funds are restricted by the SPLOST referendum.

The *School Food Services Fund* is used to account for the school breakfast and lunch programs which are funded and restricted primarily by the Federal government.

The *State Stabilization Fund* is used to account for the collection and expenditures of federal grants for coronavirus relief.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Additionally, the School System reports the following fund types:

The *Special Revenue Funds* are used to account for Federal and State funded grants which are restricted by the Federal and State governments. These grants are awarded to the School System for the purpose of accomplishing specific educational tasks as defined in the grant agreements. These funds also contain several locally funded programs whose expenditures are limited and committed to specified purposes.

The effect of interfund activity has been eliminated from the government-wide financial statements.

4. Inventories

Inventories are recorded using the consumption method and are valued at cost by the first-in, first-out method of accounting. Donated food commodities are presented at their federally assigned value.

5. Prepaid Items

Payments made to vendors for services that will benefit periods subsequent to June 30, 2024, are recorded as prepaid items. The cost of prepaid items is recorded as expenditures when consumed rather than when purchased.

6. Capital Assets

Capital assets, which include property, plant, equipment and buildings are reported in the governmental activities in the government-wide statement of net position and depreciated over their estimated useful lives in the government-wide statement of activities. Capital assets are defined by the School System as assets with a useful life of more than two years having an aggregate purchase price of at least $5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value on the date of donation. Major outlays for capital assets and improvements are capitalized as projects are constructed. Assets that are fully depreciated and no longer in use are removed from the books.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend lives are not capitalized.

Legal title to most of the land, buildings, and building improvements used by the schools are in the name of the City of Rome, Georgia; therefore, the related amounts are not reported in the accompanying financial statements.

Property, plant and equipment are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings and improvements	40
Vehicles	7
Office and computer equipment	5

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

7. Accumulated Compensated Absences

It is the School System's policy to permit employees to accumulate earned but unused sick pay benefits. There is no liability for unpaid accumulated sick leave since all accumulated sick leave is forfeited upon separation from the employer. It is the Board's policy not to accrue vacation leave and any unused vacation leave not taken before June 30 shall be forfeited.

8. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. The School System has five (5) items that qualify for reporting in this category which occurs only in the governmental activities. Governmental Activities report: (1) a deferred outflow of resources for the School System's actual contributions to the pension and OPEB plan during the fiscal year ended June 30, 2024 which are subsequent to the measurement date of the net pension liability and will be recognized in fiscal year 2025; (2) a deferred outflow of resources for experience gains or losses related to the pension and OPEB plan, which will be amortized over the remaining service period; (3) a deferred outflow of resources for the changes in actuarial assumptions for the pension and OPEB plans, which will be amortized over the remaining service period; (4) a deferred outflow of resources for the change in the School System's proportionate share based on actual contributions towards the pension and OPEB plan, which will be amortized over the remaining service period, and (5) a deferred outflow of resources for the net difference between projected and actual investment earnings on the pension and OPEB assets, which will be amortized over a five year period.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The School System has three (3) items that qualify for reporting in this category which occurs only in the governmental activities. Governmental Activities report: (1) a deferred inflow of resources for the change in the School System's proportionate share based on actual contributions towards the pension and OPEB plan, which will be amortized over the remaining service period; (2) a deferred inflow of resources for the changes in actuarial assumptions in relation to the OPEB plan which will be amortized over the remaining service period, and (3) a deferred inflow of resources for experience gains or losses related to the pension and OPEB plan which will be amortized over the remaining service period.

9. Long-Term Debt and Obligations

The School System issues general obligation bonds to provide funds for the construction and improvement of buildings. In the fund financial statements, the face amount of debt issued and any related premium, is reported as other financing sources. Issuance costs, whether or not withheld from actual proceeds, are reported as debt service expenditures.

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

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Proceeds from the School System's outstanding general obligation bonds are used to construct and/or purchase capital assets that ultimately are recorded on the City of Rome's annual comprehensive financial report. Thus, outstanding bonds payable and any capital work financed with the bonds are excluded from the School System's investment in capital assets.

10. Fund Equity/Net Position

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

Fund Balance – Generally, fund balance represents the difference between the assets and liabilities under the current financial resources measurement focus of accounting. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the School System is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balances are classified as follows:

- ***Nonspendable*** – Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.
- ***Restricted*** – Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Members of the School System (the "Board") or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.
- ***Committed*** – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the Board through the adoption of a resolution. Only the Board may modify or rescind the commitment through a majority vote.
- ***Assigned*** – Fund balances are reported as assigned when amounts are constrained by the Board's intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the Board has authorized the Board's Superintendent and Finance Director to assign fund balances.
- ***Unassigned*** – Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The Board reports positive unassigned fund balance only in the General Fund. Negative unassigned fund balances may be reported in all governmental funds.

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

- Committed
- Assigned
- Unassigned

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

In the Statement of Net Position, equity is reported as net position and consists of amounts invested in capital assets, net of related debt, amounts restricted by outside parties for specific purposes and unrestricted amounts.

11. Interfund Transactions

During the course of its operations, the School System makes transfers between funds to finance operations, provide services and acquire assets. To the extent that certain transfers between funds had not been received as of fiscal year end, balances of interfund amounts receivable or payable have been recorded.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

12. Use of Estimates in the Preparation of Financial Statements

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

13. Pensions

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

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

14. Other Postemployment Benefits (OPEB)

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

NOTE B – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

The budget for Rome City Schools is prepared in accordance with provisions of the State Quality Basic Education Act, OCGA Section 20-2-167. After the Board of Education has tentatively adopted the annual appropriated budget, such budget is advertised twice in a newspaper of general circulation in the locality. At the next regular meeting of the Board of Education after advertisement, the Board of Education revises the budget as necessary and adopts the final school budget.

Encumbrances represent obligations to purchase goods or services as documented by purchase orders or contracts. Appropriations lapse at fiscal year end and encumbrances outstanding at that time are appropriately provided for in the subsequent fiscal year's budget. There were no outstanding encumbrances at June 30, 2024.

NOTE C – DEPOSITS

The School System's cash includes interest bearing checking accounts and savings accounts. Official Code of Georgia Annotated Section 45-8-14 authorizes the School System to deposit its funds in one or more solvent banks or insured federal savings and loan associations. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the School System will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposit and investment (other than federal or state government instruments) amounts that exceed standard depository insurance limits are required to be collateralized either: (1) individually by the financial institutions through pledged obligations of the U.S. Government, obligations backed by the full faith and credit of the U.S. Government, obligations of the State of Georgia or other states, or obligations of counties, municipalities, or public authorities of the State of Georgia, or (2) participation in the State of Georgia Secure Deposit Program. As of June 30, 2024, the financial institutions holding School System's deposits that are in excess of FDIC insurance and require collateralization are participants in the State of Georgia Secure Deposit Program, which is administered by the Office of the State Treasurer, and requires participating banks holding deposits of public funds to pledge collateral at varying rates depending on the tier assigned by the State. As of June 30, 2024, the School System's cash accounts were insured and/or collateralized as defined by GASB Standards.

NOTE D – DUE FROM OTHER GOVERNMENTS

Accounts receivable consists of grant reimbursements due from federal, state or other grantors, and from the City of Rome for expenditures made but not yet reimbursed. The following is a summary of accounts receivable at June 30, 2024:

Georgia Department of Education	$	8,567,546
City of Rome, Georgia		1,359,598
Georgia Department of Revenue		794,920
	$	10,722,064

Remainder of this page intentionally left blank.

NOTE E – CAPITAL ASSETS

The School System's policy is to capitalize assets with a minimum aggregate purchase price of $5,000 and to write off fully depreciated assets which are no longer in use. The following is a summary of changes in capital assets during the fiscal year ended June 30, 2024:

	Balance June 30, 2023	Increases	Decreases	Balance June 30, 2024
Capital assets, not being depreciated				
Land	$ 1,314,003	$ -	$ -	$ 1,314,003
Total capital assets not being depreciated	1,314,003	-	-	1,314,003
Capital assests being depreciated				
Buildings and improvements	3,475,264	-	-	3,475,264
Computers and equipment	22,530,383	794,415	-	23,324,798
Vehicles	6,344,036	108,652	-	6,452,688
Total capital assets being depreciated	32,349,683	903,067	-	33,252,750
Less accummulated depreciation for				
Buildings and improvements	(1,785,671)	(98,622)	-	(1,884,293)
Computers and equipment	(16,314,026)	(1,945,908)	-	(18,259,934)
Vehicles	(3,822,925)	(665,132)	-	(4,488,057)
Total accumulated depreciation	(21,922,622)	(2,709,662)	-	(24,632,284)
Total capital assets, net	$ 11,741,064	$ (1,806,595)	$ -	$ 9,934,469

Depreciation expense was charged to functions as follows:

Instruction	$ 1,301,259
Pupil services	25,494
General administration	7,150
School administration	6,747
Maintenance and operations	455,925
Transportation	670,486
Central support services	149,191
Other support services	10,460
School food services	82,950
	$ 2,709,662

Legal title to most land, buildings and building improvements used by the schools are in the name of the City of Rome, Georgia. The School System does not capitalize any of these costs as they are considered capital outlay. For the year ended June 30, 2024, the School System incurred $28,951,018 of costs for capital assets which are capital assets of the City of Rome.

NOTE F – LONG-TERM DEBT AND OBLIGATIONS

The changes in long-term debt and obligations during the fiscal year were as follows:

	Balance June 30, 2023	Additions	Deletions	Balance June 30, 2024	Due Within One Year
Direct Borrowings:					
General Obligation Bonds	$ 11,260,000	$ 98,250,000	$ 5,500,000	$ 104,010,000	$ 9,785,000
Bond Premiums	397,845	7,762,526	464,850	7,695,521	-
Total Bonds Payable	11,657,845	106,012,526	5,964,850	111,705,521	9,785,000
Compensated Absences	115,524	-	115,524	-	-
Net Pension Liability	96,397,154	21,198,565	26,669,748	90,925,971	-
Net OPEB Liability	38,464,949	7,639,737	1,764,287	44,340,399	-
Total	$ 146,635,472	$ 134,850,828	$ 34,514,409	$ 246,971,891	$ 9,785,000

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

Through an intergovernmental agreement (See Note L), the School System became liable for $16,490,000 of Rome Building Authority Revenue Bonds which bear an interest rate of 5.00% and mature on August 1, 2024. The proceeds of the bonds are being used to pay the costs of: (i) completing the Main Elementary School, (ii) acquiring, constructing, and equipping the College and Career Academy and (iii) constructing, equipping, renovating, and improving certain school facilities, including the technology and security therein. Payments for this debt have been made from current Special Purpose Local Option Sales Tax proceeds. In addition, repayment of this debt is guaranteed by the full faith and credit and taxing power of the City of Rome and the School System.

In November 2023, the School System, through an intergovernmental agreement with the City of Rome (See Note L), issued $98,250,000 of Series 2023 Building Authority Revenue Bonds, which bear an interest rate of 5.00% and mature on March 1, 2044. The proceeds of the bonds are being used to pay the costs of: (i) acquiring, constructing and equipping a new middle school campus to be owned by the City of Rome, Georgia and to be operated by the School System (ii) to pay capitalized interest on the bonds and (iii) pay the cost of issuance of the bonds. In addition, repayment of this debt is guaranteed by the full faith and credit and taxing power of the City of Rome and the School System.

As of June 30, 2024, principal and interest payments due by fiscal year on the Series 2019 and Series 2023 Bonds by the School System are as follows:

Year Ending June 30:	**Principal**	**Interest**	**Total**
2025	$ 9,785,000	$ 5,056,500	$ 14,841,500
2026	4,235,000	4,855,250	9,090,250
2027	4,445,000	4,499,500	8,944,500
2028	4,670,000	4,277,250	8,947,250
2029	4,900,000	4,043,750	8,943,750
2030-2034	19,450,000	17,143,750	36,593,750
2035-2039	24,835,000	11,768,750	36,603,750
2040-2044	31,690,000	4,908,000	36,598,000
Total	$ 104,010,000	$ 56,552,750	$ 160,562,750

NOTE G – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Interfund receivable and payable balances at June 30, 2024 are as follows:

	Interfund Receivable	Interfund Payable
General Fund	$ 1,335,050	$ -
State Stabilization Fund		583,894
Nonmajor Governmental Funds:		
Title VIB Special Education Fund	-	168,999
Vocational Education	-	38,458
Title I	-	542,299
Title II	-	1,400
	$ 1,335,050	$ 1,335,050

The purpose of interfund receivables and payables is to meet temporary cash flow requirements.

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

	Transfers In	Transfers Out
General Fund	$ 113,361	$ 640,136
SPLOST Fund	-	6,031,189
State Stabilization Fund	319	-
Nonmajor Governmental Funds:		
Title I Fund	683,856	-
Title III Fund	66,699	-
ROTC Fund	155,077	-
JTPA Fund	19,495	-
CIS Local Assistance Fund	26,244	-
Lottery Fund	97,546	-
Barron Fund	209,310	-
Education for Economic Security Act (Title II) Fund	-	387,170
Title IV Fund	-	259,079
Title VI-B Fund	20,167	-
School Building Authority	5,925,500	-
	$ 7,317,574	$ 7,317,574

Transfers are used to move the local share of grants from the General Fund to the Special Revenue Funds. Transfers were used to move SPLOST proceeds from the SPLOST Fund to the Special Revenue Funds to record a debt service payment on the General Obligation bonds as allowed in the referendum and to supplement an allowable SPLOST project expenditure paid out of the General Fund. Transfers were also used to move local funds from the General Fund to supplement an ESSER project in the State Stabilization Fund. Transfers were also used to move federal funds from the Education for Economic Security Act Title II and Title IV Funds to supplement Title I funding.

NOTE H – ON-BEHALF PAYMENTS FOR FRINGE BENEFITS

The School System has recognized revenues and expenditures in the General Fund in the amount of $147,533 for health insurance and retirement contributions paid on the School System's behalf as follows:

Paid by the Office of State Treasurer to the Teachers Retirement System for Teachers Retirement (TRS) in the amount of $40,105

Paid by the Office of State Treasurer to the Public School Employees Retirement System for Public School Employees Retirement (PSERS) in the amount of $107,428

NOTE I – RISK MANAGEMENT

The School System is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disaster. The School System has a private insurance carrier to cover any claims that exceed money held in the fund. The School System purchases commercial insurance for all other risks of loss. Settled claims have not exceeded purchased commercial insurance coverage in any of the past three years. There was no significant reduction in insurance coverage from last fiscal year.

NOTE J – NONMONETARY TRANSACTIONS

The School System received from the United States Department of Agriculture through the Georgia Department of Education $321,559 in donated food commodities for its lunchroom programs. The federally assigned value of these commodities is reflected as revenues.

Remainder of this page intentionally left blank.

NOTE K – RETIREMENT PLAN

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

Plan description: All teachers of the School System as defined in §47-3-60 of the Official Code of Georgia Annotated (O.C.G.A.) and certain other support personnel as defined by §47-3-63 are provided a pension through the Teachers Retirement System of Georgia (TRS). TRS, a cost-sharing, multiple-employer defined benefit pension plan, is administered by the TRS Board of Trustees (TRS Board). Title 47 of the O.C.G.A. assigns the authority to establish and amend the benefit provisions to the state legislature. TRS issues a publicly available financial report that can be obtained at www.trsga.com/publications.

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

Contributions: Per Title 47 of the O.C.G.A., contribution requirements of active employees and participating employers, as actuarially determined, are established and may be amended by the TRS Board. Pursuant to O.C.G.A. §47-3-63, the employer contributions for certain full-time public school support personnel are funded on behalf of the employer by the State of Georgia. Contributions are expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Employees were required to contribute 6.00% of their annual pay during fiscal year 2024. The School System's contractually required contribution rate for the year ended June 30, 2024 was 19.98% of annual School System payroll. School System contributions to TRS, excluding contributions funded by the State on behalf of the School System, were $8,941,524 for the year ended June 30, 2024.

At June 30, 2024, the School System reported a liability for its proportionate share of the net pension liability that reflected a reduction for support provided to the School System by the State of Georgia for certain public school support personnel. The amount recognized by the School System as its proportionate share of the net pension liability, the related State of Georgia support, and the total portion of the net pension liability that was associated with the School System were as follows:

School System's proportionate share of the net pension liability	$	90,925,971
State of Georgia's proportionate share of the net pension liability associated with the School System		306,462
Total	$	91,232,433

NOTE K – RETIREMENT PLAN (CONTINUED)

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

The net pension liability was measured as of June 30, 2023. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of June 30, 2022. An expected total pension liability as of June 30, 2023 was determined using standard rollforward techniques. The School System's proportion of the net pension liability was based on contributions to TRS during the fiscal year ended June 30, 2023. At June 30 2023, the School System's proportion was 0.307970%, which was an increase of 0.011107% from its proportion measured as of June 30, 2022.

For the year ended June 30, 2024, the School System recognized pension expense of $19,726,698 and revenue of $61,260 for support provided by the State of Georgia for certain support personnel. At June 30, 2024, the School System reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Difference between expected and actual experience	$ 4,617,099	$ 375,948
Assumption changes	9,354,330	-
Net difference between projected and actual earnings on pension plan investments	6,395,068	-
Changes in proportion and differences between School System contributions and proportinate share of contributions	2,771,087	107,547
School System contributions subsequent to the measurement date	8,941,524	-
	$ 32,079,108	$ 483,495

School System contributions subsequent to the measurement date of $8,941,524 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30:	
2025	$ 7,024,742
2026	4,570,900
2027	13,047,954
2028	(1,989,507)
Total	$ 22,654,089

NOTE K – RETIREMENT PLAN (CONTINUED)

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

Actuarial assumptions: The total pension liability as of June 30, 2024 was determined by an actuarial valuation as of June 30, 2022 using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary increases	3.00 – 8.75%, average, including inflation
Investment rate of return	6.90%, net of pension plan investment expense, including inflation
Postretirement benefit increases	1.5% semiannually

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

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

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected nominal returns, net of pension plan investment expense and the assumed rate of inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target 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%
U.S. Large Stock	46.30	9.40
U.S. Small Stocks	1.20	13.40
International developed market equities	12.30	9.40
International emerging market equities	5.20	11.40
Alternatives	5.00	10.50
Total	100.00%	

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

NOTE K – RETIREMENT PLAN (CONTINUED)

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

Discount rate: The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that Plan member contributions will be made at the current contribution rate and that employer and State of Georgia contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current Plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the School System's proportionate share of the net pension liability to changes in the discount rate: The following presents the School System's proportionate share of the net pension liability calculated using the discount rate of 6.90%, as well as what the School System'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%) or 1-percentage-point higher (7.90%) than the current rate:

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
School System's proportionate share of the net pension liability	$ 143,764,538	$ 90,925,971	$ 47,776,618

Pension plan fiduciary net position: Detailed information about the pension plan's fiduciary net position is available in the separately issued TRS financial report which is publicly available at www.trsga.com/publications.

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

Plan description: PSERS is a cost-sharing, multiple-employer defined benefit pension plan established by the Georgia General Assembly in 1969 for the purpose of providing retirement allowances for public school employees who are not eligible for membership in the Teachers Retirement System of Georgia. The PSERS 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/formspubs/formspubs.

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.

NOTE K – RETIREMENT PLAN (CONTINUED)

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

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.

Pension Liabilities and Pension Expense

At June 30, 2023, the School System did not have a liability for a proportionate share of the net pension liability because of the related State of Georgia support. The amount of the State's proportionate share of the net pension liability associated with the School System is as follows:

State of Georgia's proportionate share of the Net Pension Liability associated with the School System	$ 851,903

The net pension liability was measured as of June 30, 2023. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of June 30, 2022. An expected total pension liability as of June 30, 2023 was determined using standard rollforward techniques. The State's proportion of the net pension liability associated with the School System 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 System recognized pension expense of $153,756 and revenue of $153,756 for support provided by the State of Georgia.

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

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

NOTE K – RETIREMENT PLAN (CONTINUED)

GENERAL INFORMATION ABOUT THE PUBLIC SCHOOL EMPLOYEES RETIREMENT SYSTEM (PSERS) (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 postretirement mortality assumptions as follows:

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

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

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

Asset class	Target allocation	Long-term expected real rate of return*
Fixed income	30.00%	0.90%
Domestic large stocks	46.30	9.40
Domestic small stocks	1.20	13.40
International developed market stocks	12.30	9.40
International emerging market stocks	5.20	11.40
Alternatives	5.00	10.50
Total	100.00%	

* Net of inflation

Discount rate: The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that Plan member contributions will be made at the current contribution rate and that employer and nonemployer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current Plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

NOTE L – AGENCY AGREEMENTS

In May of 2004, the School Building Authority was created by an act of the General Assembly of the State of Georgia. This Authority is a separate legal entity whose sole purpose is to issue bonds for the School System.

In June 2019, the City of Rome, through the City of Rome School Building Authority, entered into an agency agreement with the School System. Additionally, in November 2023 the City of Rome, through the City of Rome School Building Authority, entered into another agency agreement with the School System.

The 2019 agreement authorizes the School System as the agent of the Building Authority for the specific purpose of constructing the school improvement projects as outlined in the agreement. The School System became liable for $16,490,000 of Revenue Bonds which bear an interest rate of 5.00% and mature on August 1, 2024. The proceeds of the Bonds were used to provide funds to pay the costs of: (i) completing the Main Elementary School, (ii) acquiring, constructing and equipping the College and Career Academy and (iii) constructing, equipping renovating and improving certain school facilities, including the technology and security therein.

The 2023 agreement authorizes the School System as the agent of the Building Authority for the specific purpose of constructing the school improvement projects as outlined in the agreement. The School System became liable for $98,250,000 of Revenue Bonds that bear an interest rate of 5.00% and mature on March 1, 2044. The proceeds of the Bonds were used to provide funds to pay the costs of: (i) acquiring, constructing and equipping a new middle school campus to be owned by the City of Rome, Georgia and to be operated by the School System (ii) to pay capitalized interest on the bonds and (iii) pay the cost of issuance of the bonds. In addition, repayment of this debt is guaranteed by the full faith and credit and taxing power of the City of Rome and the School System.

NOTE M – OTHER POSTEMPLOYMENT BENEFITS

Plan Description:

The School System participates in the State of Georgia School Employees Postemployment Benefit Fund (the "School OPEB Fund") which is another postemployment 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 Official Code of Georgia Annotated (O.C.G.A.) are provided OPEB through the School OPEB Fund - a cost-sharing, multiple-employer defined benefit postemployment healthcare plan, reported as an employee trust fund of the State of Georgia and administered by a Board of Community Health (DCH Board). Title 20 of the O.C.G.A. assigns the authority to establish and amend the benefit terms of the group health plan to the DCH Board. The School OPEB Fund is included in the State of Georgia Annual Comprehensive Financial Report which is publicly available and can be obtained at https://sao.georgia.gov/statewide-reporting/acfr.

Benefits:

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

NOTE M – OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Contributions:

As established by the Board of Community Health, the School OPEB Fund is substantially funded on a pay-as-you-go basis; that is, annual cost of providing benefits will be financed in the same year as claims occur. Contributions required and made to the School OPEB Fund from the School System were $1,575,311 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 System reported a liability of $44,340,399 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 rollforward techniques. The School System's proportion of the net OPEB liability was actuarially determined based on employer contributions to the School OPEB Fund during the fiscal year ended June 30, 2023. At June 30, 2023, the School System's proportion was 0.404809%, which was an increase of 0.016399% from its proportion measured as of June 30, 2022.

For the year ended June 30, 2024, the School System recognized OPEB expense of $683,175. At June 30, 2024, the School System reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 1,292,449	$ 12,735,083
Net difference between projected and actual earnings on OPEB plan investments	26,602	-
Changes in proportion and differences between School System contributions and proportionate share of contributions	6,274,770	-
Changes in plan assumptions	8,055,779	5,537,443
School System contributions subsequent to the measurement date	1,575,311	-
Total	$ 17,224,911	$ 18,272,526

School System contributions subsequent to the measurement date of $1,575,311 are reported as deferred outflows of resources and will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending June 30:	
2025	$ (1,215,646)
2026	(645,377)
2027	(1,605,330)
2028	(113,705)
2029	833,733
2030	123,399
Total	$ (2,622,926)

NOTE M – OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

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

Actuarial assumptions:

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

Inflation	2.50%
Salary increase	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:	
Initial trend rate	7.00%
Ultimate trend rate	4.50%
Year of ultimate trend rate	2032

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

- 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. Postretirement mortality rates for service retirements were based on the Pub-2010 General Healthy Annuitant Mortality Table (ages set forward two years and adjusted 101% for males and 103% for females) with the MP-2019 Projection Scale applied generationally. Postretirement mortality rates for disability retirements were based on the Pub-2010 General Disabled Mortality Table (ages set back three years for males and adjusted 103% for males and 106% for females) with the MP-2019 Projection Scale applied generationally. Postretirement mortality rates for beneficiaries were based on the Pub-2010 General Contingent Survivor Mortality Table (ages set forward two years and adjust 106% for males and 158% for females) with the MP-2019 Projection Scale applied generationally.

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the pension systems, which covered the period ended July 1, 2013 – 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.

NOTE M – OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

The remaining actuarial assumptions (e.g., initial per capita costs, healthcare cost trends, rate of plan participation, rates of plan election, etc.) used in the June 30, 2021 valuation were based on a review of recent plan experience done concurrently with the June 30, 2021 valuation.

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

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return*
Fixed income	30.00%	1.50%
Equities	70.00%	9.40%
Total	100.00%	

*Net of Inflation

Discount rate:

The discount rate was 3.68%, an increase from the prior year's rate of 3.57%. In order to measure the total OPEB liability for the School OPEB Fund, a single equivalent interest rate of 3.68% was used as the discount rate. This is comprised mainly of the yield or index rate for 20-year tax-exempt general obligation municipal bonds with an average rating of AA or higher (3.65% per the Municipal Bond Index Rate). The projection of cash flows used to determine the discount rate assumed that contributions from members and from the employer will be made at the current level as averaged over the last five years, adjusted for annual projected changes in headcount. Projected future benefit payments for all current plan members were projected through 2128.

NOTE M – OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Sensitivity of the School System's proportionate share of the net OPEB liability to changes in the discount rate:

The following presents the School System's proportionate share of the net OPEB liability calculated using the discount rate of 3.68%, as well as what the School System'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 System's proportionate share of the net OPEB liability	$ 50,261,888	$ 44,340,399	$ 39,353,253

Sensitivity of the School System's proportionate share of the net OPEB liability to changes in the healthcare cost trend rate:

The following presents the School System's proportionate share of the net OPEB liability, as well as what the School System'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 rates:

	1% Decrease	Current Discount Rate	1% Increase
School System's proportionate share of the net OPEB liability	$ 38,193,375	$ 44,340,399	$ 51,918,354

NOTE N – ACCOUNTING CHANGES

Change Withing the Financial Reporting Entity

Change in Major Funds:

In the current year, the School System's State Stabilization Fund meets the definition of a major fund. The State Stabilization Fund reported $- fund balance as of June 30, 2023, and therefore the only impact is the presentation of the fund as a major governmental fund.

In addition, in the current year, the School System's Title I Fund meets the definition of a nonmajor fund. The impact of the change is shown in the table below:

	Reporting Units Affected by Adjustments to Beginning Fund Balances	
	Title I Fund	Nonmajor Governmental Funds
June 30, 2023, as previously reported	$ 58,141	$ 797,129
Change from major fund to nonmajor fund	(58,141)	58,141
June 30, 2023, as adjusted	$ -	$ 855,270

REQUIRED SUPPLEMENTARY INFORMATION

Rome City Schools
(A component unit of the City of Rome, Georgia)
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES AND EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BASIS)
GENERAL FUND
For the Fiscal Year Ended June 30, 2024

	Original Budget	Final Budget	Actual (Budget Basis)	Variances
REVENUES				
State funds	$ 45,290,550	$ 48,858,690	$ 50,031,560	$ 1,172,870
Federal funds	304,961	519,961	479,478	(40,483)
Local	25,411,240	27,573,000	31,163,793	3,590,793
Total revenues	71,006,751	76,951,651	81,674,831	4,723,180
EXPENDITURES				
Current				
Instruction	49,655,988	52,765,778	50,800,450	1,965,328
Support services:				
Pupil services	4,685,891	4,479,437	4,538,035	(58,598)
Improvement of instructional services	379,263	210,000	583,808	(373,808)
Educational media services	963,320	1,100,000	939,436	160,564
General administration	1,222,302	2,010,000	2,148,919	(138,919)
School administration	5,263,118	4,925,000	5,159,440	(234,440)
Business administration	587,587	700,000	682,378	17,622
Maintenance and operation of facilities	6,602,570	8,044,300	8,664,403	(620,103)
Student transportation services	3,481,751	3,220,000	4,398,100	(1,178,100)
Central support services	966,110	1,365,000	808,548	556,452
Community services	-	51,206	116,140	(64,934)
Other support services	-	-	5,700	(5,700)
Capital outlay	-	-	73,464	(73,464)
Food service operation	-	-	88,948	(88,948)
Total expenditures	73,807,900	78,870,721	79,007,769	(137,048)
Excess (deficiency) of revenues over expenditures	(2,801,149)	(1,919,070)	2,667,062	4,586,132
Other financing sources (uses)				
Transfers in	-	-	113,361	113,361
Transfers out	-	-	(640,136)	(640,136)
Net change in fund balance	(2,801,149)	(1,919,070)	2,140,287	4,059,357
Fund balance, beginning of the year	6,561,416	6,561,416	6,561,416	-
Fund balance, end of the year	$ 3,760,267	$ 4,642,346	$ 8,701,703	$ 4,059,357

Rome City Schools
(A component unit of the City of Rome, Georgia)
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES AND EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BASIS)
SCHOOL FOOD SERVICES FUND
For the Fiscal Year Ended June 30, 2024

	Original and Final Budget	Actual (Budget Basis)	Variances
Revenues			
State funds	$ 130,000	$ 157,500	$ 27,500
Federal funds	4,093,562	4,917,810	824,248
Local	94,400	82,387	(12,013)
Total revenues	4,317,962	5,157,697	839,735
Expenditures			
Current			
Food service operation	5,647,454	6,317,643	(670,189)
Total expenditures	5,647,454	6,317,643	(670,189)
Net change in fund balance	(1,329,492)	(1,159,946)	169,546
Fund balance, beginning of the year	2,029,862	2,029,862	-
Fund balance, end of the year	$ 700,370	$ 869,916	$ 169,546

Rome City Schools
(A component unit of the City of Rome, Georgia)
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES AND EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BASIS)
STATE STABILIZATION FUND
For the Fiscal Year Ended June 30, 2024

	Original and Final Budget	Actual (Budget Basis)	Variances
Revenues			
Federal funds	$ 15,083,827	$ 15,083,827	$ -
Total revenues	15,083,827	15,083,827	-
Expenditures			
Current			
Instruction	1,339,285	1,339,285	-
Support services:			
Pupil service	11,084	11,084	-
Improvement of instructional services	229,358	229,358	-
Educational media services	367,302	367,302	-
General administration	13,995	13,995	-
School administration	9,689	9,689	-
Maintenance and operation of facilities	44,984	44,984	-
Student transportation services	18,577	18,577	-
Capital outlay	13,049,872	13,049,872	-
Total expenditures	15,084,146	15,084,146	-
Excess (deficiency) of revenues over expenditures	(319)	(319)	-
Other financing sources			
Transfers in	319	319	-
Total other financing sources	319	319	-
Net change in fund balance	-	-	-
Fund balance, beginning of the year	-	-	-
Fund balance, end of the year	$ -	$ -	$ -

Rome City Schools
(A component unit of the City of Rome, Georgia)
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
TEACHERS RETIREMENT SYSTEM OF GEORGIA

For the Fiscal Year Ended June 30

	2024	2023	2022	2021	2020
School System's proportion of the net pension liability	0.307970%	0.296863%	0.290327%	0.291807%	0.278278%
School System's proportionate share of the net pension liability	$ 90,925,971	$ 96,397,154	$ 25,677,487	$ 70,687,077	$ 59,837,295
State of Georgia's proportionate share of the net pension liability associated with the School System	306,462	351,022	99,057	226,494	145,573
Total	$ 91,232,433	$ 96,748,176	$ 25,776,544	$ 70,913,571	$ 59,982,868
School System's covered payroll	$ 44,889,890	$ 40,125,755	$ 37,774,035	$ 37,622,105	$ 33,927,579
School System's proportionate share of the net pension liability as a percentage of its covered payroll	202.55%	240.24%	67.98%	187.89%	176.37%
Plan fiduciary net position as a percentage of the total pension liability	76.29%	72.85%	92.03%	77.01%	78.56%

	2019	2018	2017	2016	2015
School System's proportion of the net pension liability	0.270055%	0.276234%	0.275873%	0.278119%	0.262262%
School System's proportionate share of the net pension liability	$ 50,127,993	$ 51,338,940	$ 56,915,676	$ 42,340,856	$ 33,133,344
State of Georgia's proportionate share of the net pension liability associated with the School System	175,969	466,305	1,012,369	690,865	560,177
Total	$ 50,303,962	$ 51,805,245	$ 57,928,045	$ 43,031,721	$ 33,693,521
School System's covered payroll	$ 32,278,292	$ 32,020,999	$ 30,801,176	$ 29,836,054	$ 27,211,010
School System's proportionate share of the net pension liability as a percentage of its covered payroll	155.30%	160.33%	184.78%	141.91%	121.76%
Plan fiduciary net position as a percentage of the total pension liability	80.27%	79.33%	76.06%	81.44%	84.03%

Rome City Schools
(A component unit of the City of Rome, Georgia)
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
TEACHERS RETIREMENT SYSTEM OF GEORGIA
FOR THE FISCAL YEAR ENDED JUNE 30

	2024	2023	2022	2021	2020
Contractually required contributions	$ 8,941,524	$ 8,969,000	$ 7,948,912	$ 7,199,731	$ 7,953,313
Contributions in relation to the contractually required contributions	8,941,524	8,969,000	7,948,912	7,199,731	7,953,313
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
School System's covered payroll	$ 44,752,372	$ 44,889,890	$ 40,125,755	$ 37,774,035	$ 37,622,105
Contributions as a percentage of covered payroll	19.98%	19.98%	19.81%	19.06%	21.14%

	2019	2018	2017	2016	2015
Contractually required contributions	$ 7,090,864	$ 5,425,981	$ 4,569,401	$ 4,395,332	$ 3,923,441
Contributions in relation to the contractually required contributions	7,090,864	5,425,981	4,569,401	4,395,332	3,923,441
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
School System's covered payroll	$ 33,927,579	$ 32,278,292	$ 32,020,999	$ 30,801,176	$ 29,836,054
Contributions as a percentage of covered payroll	20.90%	16.81%	14.27%	14.27%	13.15%

Rome City Schools
(A component unit of the City of Rome, Georgia)
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
PUBLIC SCHOOL EMPLOYEES RETIREMENT SYSTEM OF GEORGIA
FOR THE FISCAL YEAR ENDED JUNE 30

	2024	2023	2022	2021	2020
School System's proportion of the net pension liability	0.000000%	0.000000%	0.000000%	0.000000%	0.000000%
School System's proportionate share of the net pension liability	$ -	$ -	$ -	$ -	$ -
State of Georgia's proportionate share of the net pension liability associated with the School System	851,903	962,075	89,705	489,336	405,620
Total	$ 851,903	$ 962,075	$ 89,705	$ 489,336	$ 405,620
School System's covered-employee payroll	$ 2,160,587	$ 2,457,867	$ 1,857,672	$ 1,714,298	$ 1,593,851
School System's proportionate share of the net pension liability as a percentage of its covered-employee payroll	N/A	N/A	N/A	N/A	N/A
Plan fiduciary net position as a percentage of the total pension liability	85.67%	67.44%	98.00%	84.45%	85.02%

	2019	2018	2017	2016	2015
School System's proportion of the net pension liability	0.000000%	0.000000%	0.000000%	0.000000%	0.000000%
School System's proportionate share of the net pension liability	$ -	$ -	$ -	$ -	$ -
State of Georgia's proportionate share of the net pension liability associated with the School System	388,818	347,165	486,621	319,024	290,547
Total	$ 388,818	$ 347,165	$ 486,621	$ 319,024	$ 290,547
School System's covered-employee payroll	$ 1,181,398	$ 1,189,010	$ 1,207,722	$ 1,173,080	$ 1,165,742
School System's proportionate share of the net pension liability as a percentage of its covered-employee payroll	N/A	N/A	N/A	N/A	N/A
Plan fiduciary net position as a percentage of the total pension liability	85.26%	85.69%	81.00%	87.00%	88.29%

Rome City Schools
(A component unit of the City of Rome, Georgia)

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF NET OPEB LIABILITY
SCHOOL OPEB FUND

	2024	2023	2022	2021	2020
School System's proportion of the net OPEB liability	0.404809%	0.388410%	0.360793%	0.358568%	0.341574%
School System's proportion of the net OPEB liability	$ 44,340,399	$ 38,464,949	$ 39,076,867	$ 52,665,289	$ 41,918,458
School System's covered-employee payroll	$ 45,620,892	$ 45,120,567	$ 42,347,461	$ 41,385,196	$ 37,358,527
School System's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll	97.19%	85.25%	92.28%	127.26%	112.21%
Plan fiduciary net position as a percentage of the total OPEB liability	6.05%	6.17%	6.14%	3.99%	4.63%

	2019	2018
School System's proportion of the net OPEB liability	0.330303%	0.319036%
School System's proportion of the net OPEB liability	$ 41,980,498	$ 44,824,429
School System's covered-employee payroll	$ 35,272,546	$ 34,684,724
School System's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll	119.02%	129.23%
Plan fiduciary net position as a percentage of the total OPEB liability	2.93%	1.61%

Notes to the Schedule:

The schedule will present 10 years of information once it is accumulated.

Rome City Schools
(A component unit of the City of Rome, Georgia)

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
SCHOOL OPEB FUND

	2024	2023	2022	2021	2020
Contractually required contribution	$ 1,575,311	$ 1,556,264	$ 1,404,392	$ 1,342,088	$ 1,212,595
Contributions in relation to the contractually required contribution	1,575,311	1,556,264	1,404,392	1,342,088	1,212,595
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
School System's covered-employee payroll	$ 50,754,687	$ 45,620,892	$ 45,120,567	$ 42,347,461	$ 41,385,196
Contributions as a percentage of covered-employee payroll	3.10%	3.41%	3.11%	3.17%	2.93%

	2019	2018
Contractually required contribution	$ 1,839,612	$ 1,711,929
Contributions in relation to the contractually required contribution	1,839,612	1,711,929
Contribution deficiency (excess)	$ -	$ -
School System's covered-employee payroll	$ 37,358,527	$ 35,272,546
Contributions as a percentage of covered-employee payroll	4.92%	4.85%

Notes to the Schedule:

The schedule will present 10 years of information once it is accumulated.

NOTE A – BUDGET RECONCILIATION

The Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP Basis) - General Fund presents actual and budget for the General Fund. The Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP Basis) – School Food Services Fund presents actual and budget for the School Food Services Fund. To facilitate comparison with the budget, adjustments have been made to actual revenues and expenditures to reflect actual amounts on the budget basis.

The primary differences between the School System's budget basis and generally accepted accounting principles are:

(a) Salaries and employee benefits paid to teachers under contract are recorded when paid (budget) rather than when the liability is incurred (USGAAP).

(b) State revenue relating to Quality Basic Education expenditures is recorded when received (budget) rather than when susceptible to accrual (USGAAP).

(c) Certain transfers among funds are recorded when paid (budget) rather than when susceptible to accrual (USGAAP).

(d) Payments made by the State on behalf of the School System are not budgeted.

(e) City revenue is budgeted on a cash basis rather than when susceptible to accrual (USGAAP).

Adjustments necessary to convert the General Fund's excess of expenditures over revenues and other sources and other uses from the USGAAP basis to the budget basis are as follows:

USGAAP basis expenditures over revenues	$	2,667,062
Adjustments for:		
Salaries and employee benefits		(350,927)
State revenue		(619,012)
City revenue		969,939
	$	2,667,062

No adjustments were necessary to convert the School Food Services Fund from USGAAP basis to the budget basis.

The following departments in the following funds exceeded their budget:

General Fund		
Support Services:		
Pupil services	$	58,598
Improvement of instructional services		373,808
General administration		138,919
School administration		234,440
Maintenance and operation of facilities		620,103
Student transportation services		1,178,100
Community services		64,934
Other support services		5,700
Capital outlay		73,464
Food service operation		88,948

School Food Services Fund		
Food service operations	$	670,189

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
For the Fiscal Year Ended June 30, 2024

NOTE B - PENSIONS AND OPEB

Teachers Retirement System of Georgia:

Changes of assumptions: On November 18, 2015, the School District 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 School District 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 7.25% to 6.90%, and the assumed annual rate of inflation was unchanged at 2.50%.

In 2019 and later, the expectation of retired life mortality was changed to the Pub-2010 Teacher 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%.

Public School Employees Retirement System of Georgia:

Changes of assumptions: On December 17, 2015, the School District adopted recommended changes to the economic and demographic assumptions utilized by the System. Primary among the changes were the updates to rates of mortality, retirement and withdrawal. The expectation of retired life mortality was changed to the RP-2000 Blue Collar Mortality Table projected to 2025 with Projection Scale BB (set forward 3 years for males and 2 years for females).

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

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.

School OPEB Fund:

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

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

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

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

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

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

The discount rate was updated from 3.07% as of June 30, 2016 to 3.58% as of June 30, 2017, to 3.87% as of June 30, 2018, back to 3.58% as of June 30, 2019, to 2.22% as of June 30, 2020, to 2.20% as of June 30, 2021, to 3.57% as of June 30, 2022, and to 3.68% as of June 30, 2023.

SUPPLEMENTAL INFORMATION

Rome City Schools
(A component unit of the City of Rome, Georgia)
NONMAJOR GOVERNMENTAL FUNDS

Nonmajor governmental funds include special revenue funds which are used to account for funds received from other governmental agencies that are legally restricted or committed to be expended for specified purposes. These funds also account for resources transferred from the General Fund when these funds are inadequate to finance the specified activities. The following special revenue funds are included in the Nonmajor governmental fund category:

SPECIAL REVENUE FUNDS

Title VIB Special Education Fund includes funds from the Individuals with Disabilities Education Act – Part B – Special Education Grants to States for the purpose of providing special education programs for children in pre-kindergarten through the twelfth grade.

Vocational Education Fund was established to account for federal categorical grant funds flowing through the State Department of Education, for the purpose of providing vocational education training to high school students.

Title I Fund was established to account for federal grant funds for the purpose of improving teaching and learning of children who are at risk of not meeting academic standards and who reside in areas with higher concentrations of children from lower income families.

Education for Economic Security Act (Title II) Fund was established to account for federal categorical grant funds flowing through the State of Georgia Department of Education, for the purpose of training teachers in the math, science, foreign language and computer science programs.

Title III Fund was established to improve the education of limited English proficient children and youths by helping them learn English and meet challenging State academic content and student academic achievement standards. The program also provides enhanced instructional opportunities for immigrant children and youths.

Title IV Fund was established to improve the education of students through programs such as STEM and other effective uses of technology.

ROTC Fund was established to account for federal funds received for the purpose of providing a ROTC program to high school students.

Principals Fund was established to account for revenues and expenditures of funds, which belong primarily to the schools and their student bodies, but are supervised and audited by the School System's Finance Department.

Job Training Partnership Act (JTPA) Fund was established to account for federal categorical grant funds flowing through the Department of Education and Department of Labor, State of Georgia, for the purpose of providing vocational training to post-secondary students.

Communities In Schools (CIS) Local Asst. was established for the purpose of providing accountable and personalized delivery of services for communities in schools of Rome-Floyd's students and families.

Lottery Fund was established to account for the State categorical grant funds received from the State of Georgia Lottery, for the purpose of providing various educational needs for schools in the State of Georgia.

Barron Fund was created to account for funds received from the use of the Barron Stadium.

School Building Authority was created by the General Assembly of the State of Georgia to issue Revenue Bonds for the School System.

Principals Student Fund is used to account for the activities of the student body club and class activities.

Rome City Schools
(A component unit of the City of Rome, Georgia)
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2024

	Special Revenue Funds							
ASSETS	**Title VIB Special Education**	**Vocational Education**	**Title I**	**Education for Economic Security Act (Title II)**	**Title III**	**Title IV**	**ROTC**	**Principals**
Cash	$ 70,989	$ -	$ 236,835	$ -	$ 19,483	$ -	$ -	$ 359,243
Accounts receivable	-	38,708	-	1,400	-	-	-	-
Due from other governments	265,523	-	823,362	-	74,784	-	-	-
Total assets	$ 336,512	$ 38,708	$ 1,060,197	$ 1,400	$ 94,267	$ -	$ -	$ 359,243
LIABILITIES AND FUND BALANCES								
Liabilities								
Accounts payable	$ 6,779	$ 250	$ 5,772	$ -	$ -	$ -	$ -	$ -
Due to other funds	168,999	38,458	542,299	1,400	-	-	-	-
Salaries and benefits payable	160,734	-	512,126	-	90,990	-	-	-
Total liabilities	336,512	38,708	1,060,197	1,400	90,990	-	-	-
Fund balances								
Committed for school activities	-	-	-	-	3,277	-	-	359,243
Unassigned	-	-	-	-	-	-	-	-
Total fund balances	-	-	-	-	3,277	-	-	359,243
Total liabilities and fund balances	$ 336,512	$ 38,708	$ 1,060,197	$ 1,400	$ 94,267	$ -	$ -	$ 359,243

continued on next page

Rome City Schools
(A component unit of the City of Rome, Georgia)
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2024

	Special Revenue Funds - Continued							
ASSETS	**JTPA**	**CIS Local Asst.**	**Lottery**	**Barron**	**School Building Authority**	**Principals Student**	**State Stabilization**	**Total**
Cash	$ 12,391	$ 59,080	$ 278,938	$ 31,074	$ -	$ 313,035	$ -	$ 1,381,068
Accounts receivable	-	-	-	-	-	-	-	40,108
Due from other governments	-	-	-	-	-	-	-	1,163,669
Total assets	$ 12,391	$ 59,080	$ 278,938	$ 31,074	$ -	$ 313,035	$ -	$ 2,584,845
LIABILITIES AND FUND BALANCES								
Liabilities								
Accounts payable	$ -	$ -	$ 9,323	$ 1,629	$ -	$ -	$ -	$ 23,753
Due to other funds	-	-	-	-	-	-	-	751,156
Salaries and benefits payable	-	13,252	223,397	3,214	-	-	-	1,003,713
Total liabilities	-	13,252	232,720	4,843	-	-	-	1,778,622
Fund balances								
Committed for school activities	12,391	45,828	46,218	26,231	-	313,035	-	806,223
Unassigned	-	-	-	-	-	-	-	-
Total fund balances	12,391	45,828	46,218	26,231	-	313,035	-	806,223
Total liabilities and fund balances	$ 12,391	$ 59,080	$ 278,938	$ 31,074	$ -	$ 313,035	$ -	$ 2,584,845

Rome City Schools

(A component unit of the City of Rome, Georgia)

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS

For the Fiscal Year Ended June 30, 2024

	Special Revenue Funds							
	Title VIB Special Education	Vocational Education	*(Previously Major)* Title I	Education for Economic Security Act Title II	Title III	Title IV	ROTC	Principals
Revenues								
State funds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Federal funds	1,423,977	113,788	3,445,096	388,570	168,056	259,079	77,678	-
Local and other funds	-	-	-	-	-	-	-	808,532
Total revenues	1,423,977	113,788	3,445,096	388,570	168,056	259,079	77,678	808,532
Expenditures								
Current								
Instruction	1,101,079	95,000	1,975,616	-	164,625	-	232,755	913,205
Support services:								
Pupil services	232,587	-	522,113	-	2,624	-	-	-
Improvement of instructional services	72,456	17,610	1,678,720	1,400	63,870	-	-	-
School administration	-	1,178	-	-	-	-	-	-
General administration	29,599	-	-	-	-	-	-	-
Student transportation services	8,423	-	10,644	-	3,636	-	-	-
Other support services	-	-	-	-	-	-	-	-
Community services operations	-	-	-	-	-	-	-	-
Debt Service:								
Principal retirement	-	-	-	-	-	-	-	-
Interest and fees	-	-	-	-	-	-	-	-
Total expenditures	1,444,144	113,788	4,187,093	1,400	234,755	-	232,755	913,205
Excess (deficiency) of revenues over expenditures	(20,167)	-	(741,997)	387,170	(66,699)	259,079	(155,077)	(104,673)
Other financing sources (uses)								
Transfers in	20,167	-	683,856	-	66,699	-	155,077	-
Transfers out	-	-	-	(387,170)	-	(259,079)	-	-
Total other financing sources (uses)	20,167	-	683,856	(387,170)	66,699	(259,079)	155,077	-
Net change in fund balance	-	-	(58,141)	-	-	-	-	(104,673)
Fund balances, beginning of year	-	-	-	-	3,277	-	-	463,916
Adjustment - change within reporting entity	-	-	58,141	-	-	-	-	-
Fund balance, beginning of year, as adjusted	-	-	58,141	-	3,277	-	-	463,916
Fund balance, end of year	$ -	$ -	$ -	$ -	$ 3,277	$ -	$ -	$ 359,243

continued on next page

Rome City Schools

(A component unit of the City of Rome, Georgia)

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS

For the Fiscal Year Ended June 30, 2024

	Special Revenue Funds - Continued							
	JTPA	CIS Local Asst.	Lottery	Barron	School Building Authority	Principals Student	*(Previously Nonmajor)* State Stabilization	Total
Revenues								
State funds	$ -	$ -	$ 1,216,584	$ -	$ -	$ -	$ -	$ 1,216,584
Federal funds	60,449	-	-	-	-	-	-	5,936,693
Local and other funds	-	80,002	-	30,000	-	802,806	-	1,721,340
Total revenues	60,449	80,002	1,216,584	30,000	-	802,806	-	8,874,617
Expenditures								
Current								
Instruction	67,553	-	1,261,727	-	-	819,707	-	6,631,267
Support services:								
Pupil services	-	-	1,129	-	-	-	-	758,453
Improvement of instructional services	-	-	4,637	-	-	-	-	1,838,693
School administration	-	-	-	-	-	-	-	1,178
General administration	-	-	419	-	-	-	-	30,018
Student transportation services	-	-	-	-	-	-	-	22,703
Other support services	-	60,418	-	-	-	-	-	60,418
Community services operations	-	-	-	213,079	-	-	-	213,079
Debt Service:								
Principal Retirement	-	-	-	-	5,500,000	-	-	5,500,000
Interest and fees	-	-	-	-	425,500	-	-	425,500
Total expenditures	67,553	60,418	1,267,912	213,079	5,925,500	819,707	-	15,481,309
Excess (deficiency) of revenues over expenditures	(7,104)	19,584	(51,328)	(183,079)	(5,925,500)	(16,901)	-	(6,606,692)
Other financing sources (uses)								
Transfers in	19,495	26,244	97,546	209,310	5,925,500	-	-	7,203,894
Transfers out	-	-	-	-	-	-	-	(646,249)
Total other financing sources (uses)	19,495	26,244	97,546	209,310	5,925,500	-	-	6,557,645
Net change in fund balance	12,391	45,828	46,218	26,231	-	(16,901)	-	(49,047)
Fund balances, beginning of year	-	-	-	-	-	329,936	-	797,129
Adjustment - change within reporting entity	-	-	-	-	-	-	-	58,141
Fund balance, beginning of year, as adjusted	-	-	-	-	-	329,936	-	855,270
Fund balance, end of year	$ 12,391	$ 45,828	$ 46,218	$ 26,231	$ -	$ 313,035	$ -	$ 806,223

Rome City Schools
(A component unit of the City of Rome, Georgia)

SCHEDULE OF SPECIAL PURPOSE LOCAL OPTION SALES TAX EXPENDITURES

For the Fiscal Year Ended June 30, 2024

	ORIGINAL ESTIMATED COST (1)	CURRENT ESTIMATED COSTS (2)	AMOUNT EXPENDED IN PRIOR YEARS (3)	AMOUNT EXPENDED IN CURRENT YEAR (3)	TOTAL
SPLOST V Projects					
Construct and equip the New Main Elementary. Renovate existing facilities to create a 6th grade academy and expansion of Rome High School. Acquire, construct and equip security improvements at all schools within the Rome School System. Acquire system-wide technology improvements and equipment. Construct, replace, add to, renovate, remove, repair, improve, and equip existing school buildings. Acquire school buses and other school-related vehicles and transportation facilities. Acquire the necessary property thereof, both real and personal. Legal and administrative costs.	$ 31,920,000	$ 37,770,753	$ 36,174,385	$ 1,596,368	$ 37,770,753
Total SPLOST V Projects	31,920,000	37,770,753	36,174,385	1,596,368	37,770,753
SPLOST VI Projects					
Construct and equip a new middle school. Add new classrooms and ancillary facilities where necessary. Construct, replace, add to, renovate, remove, repair, improve, and equip existing school buildings and other buildings and facilities maintenance center and the central office. Acquire system-wide technology improvements and equipment. Acquire, construct and equip security improvements at all schools within the Rome School System. Acquire school buses and school-related vehicles and transportation facilities. Acquire technology improvements and equipment. Update and acquire e-books and textbooks, and acquire the necessary property thereof, both real and personal, and to pay or reimburse the expenses of the Rome School System necessary to accomplish the foregoing.	54,730,000	54,730,000	-	18,001,392	18,001,392
Total SPLOST VI Projects	54,730,000	54,730,000	-	18,001,392	18,001,392
Total SPLOST Expenditures	$ 86,650,000	$ 92,500,753	$ 36,174,385	$ 19,597,760	$ 55,772,145

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

(2) The School District's current estimate of total cost for the project(s). This cost is the portion funded by SPLOST VI. The total estimated cost of the new Rome Middle School is $119,735,000.

(3) The voters of Floyd County approved the imposition of a 1% sales tax to fund the above project(s). 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).

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 City of Rome Board of Education
Rome, 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 Rome City Schools, a component unit of the City of Rome, Georgia (the "School System"), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the School System's basic financial statements, and have issued our report thereon dated April 30, 2025. Our report includes a reference to the change in accounting principle resulting from the implementation of Governmental Accounting Standards Board Statement No. 100, *Accounting Changes and Error Corrections*.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School System'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 System's internal control. Accordingly, we do not express an opinion of the effectiveness of the School System's internal control.

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Mauldin & Jenkins, LLC

Atlanta, Georgia
April 30, 2025

MAULDIN & JENKINS
CPAs & ADVISORS

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

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Rome City Schools', a component unit of the City of Rome, Georgia (the "School System"), 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 System's major federal programs for the year ended June 30, 2024. The School System'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 System 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 then 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 System 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 System'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 System's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the School System'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 System'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 System'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 System'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 System'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 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 Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

Mauldin & Jenkins, LLC

Atlanta, Georgia
April 30, 2025

Rome City Schools
(A component unit of the City of Rome, Georgia)

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Fiscal Year Ended June 30, 2024

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Total Expenditures
U.S. DEPARTMENT OF AGRICULTURE:			
Passed Through Georgia Department of Education:			
Child Nutrition Cluster			
School Breakfast Program - Cash Assistance	10.553	235GA324N1099	$ 1,350,041
National School Lunch Program:			
Non-Cash Assistance - Commodities (1)	10.555	235GA324N1100	321,559
Cash Assistance	10.555	235GA324N1100	2,948,890
School Snack Program	10.555	235GA324N1100	45,011
COVID-19 - Supply Chain Assistance Grant	10.555	235GA324N1100	209,704
Total Child Nutrition Cluster			4,875,205
State Administrative Expenses for Child Nutrition	10.560	235GA904N2533	42,604
Total U.S. Department of Agriculture			4,917,809
U.S. FEDERAL COMMUNICATIONS COMMISSION:			
Schools and Libraries Universal Service Support Program	32.004	N/A	183,846
Total U.S. Federal Communications Commission			183,846
U.S. DEPARTMENT OF LABOR:			
Passed Through Georgia Department of Education:			
National Dislocated Worker Grants	17.277	N/A	60,449
Total U.S. Department of Labor			60,449
U.S. DEPARTMENT OF EDUCATION:			
Passed Through the Georgia Department of Education:			
Title I, Part A Programs			
Title I Programs - Local Education Agency	84.010	S010A230010	3,445,097
Total Title I, Part A Programs			3,445,097
Title II-A - Improving Teacher Quality	84.367	S367A230001	388,570
Title III Programs			
Title III - Part A	84.365	S365A230010	3,813
Title III - English Limited Proficient	84.365	S365A230010	164,243
Total Title III Programs			168,056
Title IV Programs			
Title IV-B, Part A, Student Support and Academic Enrichment	84.424A	S424A230011	259,079
Title IV-A - Stronger Connections Grant	84.424	S424A230011	199,495
Total Title IV Programs			458,574

(Continued)

Rome City Schools
(A component unit of the City of Rome, Georgia)
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2024

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Total Expenditures
U.S. DEPARTMENT OF EDUCATION (Continued):			
Passed Through Georgia Department of Education (continued):			
Vocational Education - Program Improvement	84.048	V048A230010	87,764
Vocational Education - Perkins Plus Reserve	84.048	V048A230010	19,858
Vocational Education - Perkins Carryover	84.048	V048A230010	6,166
Total Vocational Education Programs			113,788
Special Educational Cluster (IDEA)			
COVID-19 Supplemental Relief	84.173X	H173A230081	31,621
Title VI-B Flowthrough	84.027	H027A230073	1,372,798
COVID-19 Supplemental Relief	84.027X	H027X230073	19,557
Total Special Education Cluster (IDEA)			1,423,976
Education Stabilization Fund			
COVID-19 - Elementary and Secondary Education Act	84.425U	S425U230012	15,002,731
COVID-19 - Elementary and Secondary Education Act	84.425W	S425W230011	105,943
Total Education Stabilization Fund			15,108,674
Total Passed Through Georgia Department of Education			21,106,735
Total U.S. Department of Education			21,106,735
U.S. DEPARTMENT OF DEFENSE:			
Passed Through Georgia Department of Education:			
JR ROTC	12.U01	N/A	77,678
Total U.S. Department of Defense			77,678
Total Expenditures of Federal Awards			$ 26,346,517

See notes to the Schedule of Expenditures of Federal Awards

ROME CITY SCHOOLS
(A Component Unit of the City of Rome, Georgia)
NOTES TO THE 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 Rome City Schools and is presented on the modified accrual basis of accounting.

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

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

NOTE 2 FOOD DONATION (COMMODITIES) PROGRAM

The amounts shown for the Food Donation Program (Non-cash assistance commodities) on the Schedule of Expenditures of Federal Awards represent the Federally assigned value of nonmonetary assistance for donated commodities received and/or consumed by the School System during the current fiscal year.

ROME CITY SCHOOLS
(A Component Unit of the City of Rome, Georgia)
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Section I – Summary of Auditor's Results

Financial Statements

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

Federal Awards

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

Identification of major federal programs:

Federal Assistance Listing Number	Name of Federal Program or Cluster
84.425U and 84.425W	Education Stabilization Fund

Dollar threshold used to distinguish between Type A and Type B programs:	$790,396
Auditee qualified as low-risk auditee?	_____ yes __X__ no

Section II – Financial Statement Findings and Responses

None reported.

Section III – Federal Award Findings and Questioned Costs

None reported.

Section IV – Status of Prior Audit Findings

2023-001 Revenue Recognition

Condition: For the fiscal year ended June 30, 2023, a material audit adjustment was required to properly report revenue and its related receivable.

Context/Cause: During our testing of SPLOST Fund and General Fund revenues, it was noted that the School System did not properly reconcile and report a State of Georgia, intergovernmental revenue and receivable, which resulted in an overstatement of revenue in the General Fund and an overstatement of receivables in the SPLOST Fund. The receivable and related revenue was recorded in the SPLOST Fund in the prior year, however the cash was collected during fiscal year 2023 and reported as revenue within the General Fund.

Current Status: The finding was resolved in fiscal year 2024.