

COMPREHENSIVE ANNUAL FINANCIAL REPORT

GRIFFIN-SPALDING COUNTY SCHOOL SYSTEM

GRIFFIN, GEORGIA

FISCAL YEAR ENDED JUNE 30, 2014

GRIFFIN-SPALDING COUNTY SCHOOL SYSTEM

Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2014

216 South Sixth Street
Griffin, Georgia 30224

Prepared by:
Finance Department,
Griffin-Spalding County School System

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BOARD MEMBERS
Mrs. Barbara Jo Cook
James A. "Pete" Graham
Zachery Holmes
Michael Kendall
James Westbury
CURTIS L. JONES, JR., Superintendent



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Accredited by SACS and GAC

October 24, 2014

To the Honorable Members of the Griffin-Spalding County Board of Education and Citizens of Spalding County

The Comprehensive Annual Financial Report of the Griffin-Spalding County School System (System) for the fiscal year ended June 30, 2014, is herewith submitted. The report was prepared by the Finance Department of the Griffin-Spalding County School System. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with management.

This report consists of management's representations concerning the finances of the System. To provide a reasonable basis for making these representations, management of the System has established a comprehensive internal control framework that is designed to protect the assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the financial statements in conformity with generally accepted accounting principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the System's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this report is complete and reliable in all material respects.

Designed to meet the needs of a broad spectrum of readers of financial statements, this comprehensive annual financial report (CAFR) is divided into four major sections:

- Introductory section – introduces the reader to the report and includes this transmittal letter, organizational chart of the System, and the list of elected and appointed officials.
- Financial section – consists of the independent auditor's report, management's discussion and analysis, the basic financial statements, and combining and fund statements and schedules.
- Statistical section – contains substantial financial information, but presents tables that differ from financial statements in that they present non-accounting data, cover several years, and are designed to reflect social and economic data and financial and fiscal trends as well as the fiscal capacity of the System.

- Single Audit section – contains auditor's reports on the internal control structure and compliance with applicable laws and regulations, schedule of expenditures of federal awards, and findings and questioned costs as required by the provisions of the Single Audit Act Amendments of 1996 and U.S. Office of Management and Budget Circular A-133, "*Audits of State, Local Governments, and Nonprofit Organizations*".

Independent Audit

In accordance with state law, an annual audit of the financial records, books of account, and financial affairs of the System has been made by an independent auditor. The goal of the independent audit was to provide reasonable assurance that the financial statements of the System for the year ended June 30, 2014, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The auditor's opinion, as prepared by Robinson, Grimes and Company, P.C., is included within the financial section of this report.

The independent audit of the financial statements of the System is part of a broader, federally mandated "Single Audit" process designed to meet the needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are included in the Single Audit section of this report.

Management's Discussion and Analysis

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial reports in the form of a management's discussion and analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The System's MD&A can be found immediately following the report of the independent auditors.

System Profile

The System was created pursuant to an amendment to the Constitution of the State of Georgia ratified in November 1952 and acts of the General Assembly of the State of Georgia. The System resulted from the consolidation of separate city and county school districts within the borders of Spalding County, Georgia. The System is a legally separate entity enjoying all rights and privileges accorded political subdivisions of the State of Georgia. The System is fiscally independent. Policymaking and legislative authority are vested in the Board of Education consisting of five members, each elected from single member districts. Board members, elected on a non-partisan basis, serve

four-year staggered terms with no more than three board members elected every two years. The Board of Education is responsible for, among other things, developing policy, adopting the budget, levying taxes, incurring bonded debt with voter approval, and hiring all System employees.

The primary purpose of the System is to provide public education for those who reside within the boundaries of Spalding County, Georgia. During the 2013-14 school year, the System serviced eleven elementary schools (pre-kindergarten through grade five), four middle schools (grades six through eight), and three high schools (grades nine through twelve). The third high school, A.Z. Kelsey Academy, opened in August, 2007, as an alternative setting for students in need of additional academic emphasis and greater organizational structure. In addition, the System operated a center for elementary school students qualifying for services under the gifted education program. The System also operated a center for middle and high school students with disciplinary issues.

The System served 10,626 students as of the student enrollment count taken in October 2013, an increase of 44 from the prior year. Total enrollment includes 495 students served in the pre-kindergarten program funded through proceeds of the State of Georgia's lottery for education program. System enrollment has remained fairly steady for the past few years. Current trends suggest that enrollment will remain constant for the foreseeable future in line with the slow, but steady, growth in county population.

System of Internal Controls

Management of the System is responsible for establishing and maintaining internal controls designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting records are maintained to allow for the preparation of financial statements in conformity with generally accepted accounting principles. Internal controls over major business functions are subject to periodic evaluation by management. Included therein are controls over data processing functions as well as the security of backup information in the event of catastrophic damage or loss to the primary records. Financial policies adopted by the Board of Education are a primary component of the internal control system and are subject to annual review in light of current conditions.

Budgetary Control

The System adopts an annual budget for its funds. This budget acts as the financial operating plan for the entire year. Revisions may be implemented during the year authorizing a larger appropriation of available resources with approval from the Board of Education. All annual appropriations lapse at year-end with the exception of those indicated as assignment of fund balance.

The System Superintendent submits an annual budget to the Board of Education in May prior to the commencement of the new fiscal year on July 1. The budget includes proposed expenditures as well as the means of financing them. Public hearings are held

on the budget after which the Board of Education adopts a budget for the year by resolution. In addition, under provisions of state law, public hearings must be held if the proposed property tax millage rate exceeds the rate of the prior year, or if the rate is not rolled back sufficiently to fully offset the effects of revaluation increases on the taxable value of property in the County.

Budgetary control is maintained at the aggregate level for each budgeted fund. For fiscal year 2014, budgets were adopted for the general fund, special revenue fund, debt service fund, and capital projects fund.

Major Initiatives

The Board of Education adopted a five year strategic plan in 2010 to guide our instructional program. Five primary strategic directions form the framework of the strategic plan.

- Student Achievement
  - Increase Content Mastery
  - Post School Readiness
  - Predictors of High School Readiness
- Student and Stakeholder Engagement
  - Partner with Students
  - Partner with Parents
  - Partner with the Community
- Teacher Effectiveness
  - Be a Professional Learning Community
  - Know Technology
  - Do Standards-based Classrooms
- Reliable Organization
  - Manage Processes and Projects
  - Manage Finances and Personnel
  - Manage Perceptions
  - Maintain a Safe Learning Environment
- Learning and Growth
  - Recruit and Train the Right People
  - Learn GSCS Values and Culture
  - Grow from Evaluations

Several instructional initiatives have been implemented to support these goals. Examples include the following programs.

- Infinite Campus – student information system
- Performance Matters – data analysis software
- Read 180
- Race to the Top – one of 26 Georgia school districts participating

- School Improvement Grant – Griffin High School
- Special Entities
    - Program Challenge Elementary Gifted Center
    - Elementary Science Enrichment Center
    - A. Z. Kelsey Academy
    - Partnership with Southern Crescent Technical College
    - Partnership with University of Georgia – Griffin campus
    - Partnership with Georgia Institute of Technology
    - Elementary After School Program
- Parent/Community Involvement
    - PTA/PTO
    - School Councils
    - Griffin-Spalding Partners in Education, Inc.

Economic Condition and Outlook

Spalding County, Georgia, has experienced modest economic growth over the past several years with a varied manufacturing and industrial base adding to the relative stability of the area. The county government continues work developing the infrastructure for a new industrial park. Within the past twelve months, two industrial concerns have announced plans to build and equip new plants within the industrial park and a third industrial concern has announced plans to utilize an existing building to expand its operations. Negotiations aimed at securing the new industries to Spalding County included abatements of school property taxes on real property at declining percentages for up to five years. In addition, agreements between city, county, state, and federal officials to build a new airport inside Spalding County, one large enough to accommodate approximately 95% of the current commercial fleet, have been concluded and provide an estimated timeframe of seven to eight years for completion.

The average annual unemployment rate in Spalding County dropped to 10.7% for calendar year 2013 from 11.3% the prior year. While some jobs have been created by small business and light industry, no prospects have been identified to make a more significant impact to the unemployment level. However, Southern Crescent Technical College and the University of Georgia – Griffin Campus have both experienced enrollment increases along with physical plant expansions designed to improve the level of preparedness of the available workforce.

Countywide population changes mirror those experienced within the school system. Total population in Spalding County is estimated to have remained virtually unchanged over the past twelve months. The major residential development showing signs of construction activity has been designated as an "active adult community" with no school-age children to impact local enrollment. Spalding County has also experienced a sizeable number of mortgage foreclosures which ultimately affects residential values reflected on the county property tax digest.

Long-term Financial Planning

Since 1997, SPLOST has been the primary funding vehicle available to school districts for the construction and renovation of school facilities and technology enhancement. Currently, school facilities have an average age of thirty-six years. However, this includes buildings placed in service within the past four years as well as others that are over eighty years old. Spalding County voters approved an extension of SPLOST for a three year period ending June 30, 2015, covering a project list which included facility expansion and renovation along with the purchase of new technology for classroom use. The issuance of bonds was not part of financial plans for the next three years; therefore, no bonds were issued meaning individual projects have been funded on a pay-as-you-go basis. Work continued in fiscal year 2014 on the project list with additional work scheduled for fiscal year 2015.

Planning is underway to request an extension of SPLOST for a five year period beginning July 1, 2015, and ending June 30, 2020. The project list is expected to include new construction and renovation on a system-owned site to establish a college and career academy for the Griffin region. In addition, construction and renovation at several existing school facility sites is under consideration as well as significant investments in the technology infrastructure of the school system. Due to the inclusion of new construction in the project list, the issuance of bonds, at some level, is expected with SPLOST being the vehicle to fund retirement of the debt.

The System continues to monitor budget related activity in the Georgia General Assembly. State revenues have risen modestly over the past year. While some state formula funding was restored in the fiscal 2015 state budget, significant state funding cuts remain and are expected to continue for the foreseeable future. The System is reviewing several aspects of operations to identify areas for cost reduction and improvement in efficiency including personnel allocation, employee benefits, student transportation services, and document production practices. Sustainability is becoming a key phrase when budget issues are discussed. Budget items proposed for inclusion or modification, such as the proposed regional college and career academy, are viewed in terms of the system's ability to sustain the item into the future. Adequate, available fund reserves are key to preserving the school system's ability to operate free of short-term borrowing to fund daily operations.

Relevant Financial Policies

During fiscal year 2014, financial policies related to purchasing and procurement continued to be important, particularly with the increase in federal funds coming to the school system. In particular, the establishment of procedures surrounding the purchase of computer hardware and software while maintaining compliance with applicable federal grant guidelines was significant. In addition, an annual review is conducted of all financial policies to determine the need for any additions or changes.

Awards

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the System for its Comprehensive Annual Financial Report for the year ended June 30, 2013. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement for Excellence, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year. This is the ninth consecutive year that the System has received this prestigious award. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we will be submitting it to GFOA to determine its eligibility for another certificate.

The System also received the Association of School Business Officials (ASBO) International's Certificate of Excellence in Financial Reporting for its Comprehensive Annual Financial Report for the year ended June 30, 2013.

The award certifies that the report substantially conforms to the principles and standards of financial reporting as recommended and adopted by the Association of School Business Officials International. The Certificate of Excellence is valid for a one year period. This is the ninth consecutive year the System has received this prestigious award. We believe our current report continues to conform to Certificate of Excellence program requirements, and we will be submitting it to ASBO to determine its eligibility for another certificate.

Acknowledgements

The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the entire staff of the Finance Department. We would like to express appreciation to all members of the department who assisted in the preparation of this report. We would also like to express our appreciation to the members of the Board of Education who continue to show their interest and support in conducting the financial affairs of the System in a responsible and progressive manner.

Respectfully submitted,

Curtis L. Jones, Jr., Ed.D.
Superintendent

James D. Smith, Ed.S., CPA
Deputy Superintendent/CFO

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Griffin-Spalding County School System, Georgia

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2013

Executive Director/CEO

Association of School Business Officials International

The Certificate of Excellence in Financial Reporting Award
is presented to

Griffin-Spalding County School System

For Its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 2013

The CAFR has been reviewed and met or exceeded
ASBO International's Certificate of Excellence standards

Terrie S. Simmons, RSBA, CSBO
President

John D. Musso, CAE, RSBA
Executive Director

GRIFFIN-SPALDING COUNTY SCHOOL SYSTEM
BOARD OF EDUCATION

FUNCTION AND COMPOSITION

The Griffin-Spalding County Board of Education governs all matters relating to education and operations in the Griffin-Spalding County School System, as provided by Georgia law.

The Board is responsible, through its oversight function, for maintaining a reasonable and uniform system of public schools serving students in grades pre-kindergarten through 12. With the advice of the Superintendent, the Board determines policies and prescribes rules and regulations for the management of the school system. This includes, but is not limited to, adopting system wide goals and objectives, developing a financial budget for the school year, and receiving regular reports on the progress of serving students and families through out the year.

The Board currently consists of five members elected from single member districts. The Board has independent taxing authority for the purpose of funding public education inside Spalding County, Georgia.

Regular meetings of the Board of Education are held on the first Tuesday of each month beginning at 6:00 p.m. in the Board meeting room of the main administration building located at 216 South Sixth Street, Griffin, Georgia. Special meetings may be called at other times by the Board Chairperson. At all meetings, a majority of the entire membership constitutes a quorum. All meetings are open to the public.

The Board elects a Chairperson and Vice-Chairperson annually from its members.

As of June 30, 2014, the members of the Board of Education and dates of expiration of their terms are as follows:

Name	Title	Term Expiration
Mr. James Westbury	Chairperson	12/31/16
Mr. James A. Graham	Vice-Chairperson	12/31/14
Mrs. Barbara Jo Cook	Member	12/31/16
Mr. Zachery B. Holmes	Member	12/31/14
Mr. Michael Kendall	Member	12/31/14

GRIFFIN-SPALDING COUNTY SCHOOL SYSTEM
ADMINISTRATIVE STAFF
As of June 30, 2014

EXECUTIVE ADMINISTRATION

Dr. Curtis L. Jones, Jr.	Superintendent of Schools
Joanie Mullins	Administrative Assistant to Superintendent

DIVISION OF TEACHING AND LEARNING

Sharlene Patterson	Assistant Superintendent
Ashley Crawford	Director of Curriculum
Sara Jones	Director of School Improvement
Shelia Mincey	Director of Program Evaluation and Assessment / Special Education
Ashley McLemore	Director of Federal Programs
Pearla Hodo	Director of Pre-Kindergarten/ELL

DIVISION OF ADMINISTRATIVE SERVICES

James D. Smith	Deputy Superintendent/CFO
Bruce Ballard	Director of Facilities and Construction
Ryan McLemore	Director of Accounting
Stephanie Dobbins	Director of Human Resources
Todd Harris	Director of Pupil Transportation
Laura Youmans	Director of Nutrition Services
Donna Parks	Director of Student Services
Lonny Harper	Director of Instructional Technology
Josh Griffis	Director of Administrative Technology

SCHOOL AND COMMUNITY SERVICES

Judy Parker	Director of School and Community Services

GRIFFIN-SPALDING COUNTY SCHOOL SYSTEM
ADMINISTRATIVE STAFF (continued)
As of June 30, 2014

SCHOOL PRINCIPALS

Evelyn Jones	Anne Street Elementary School
Aveory Allen	Atkinson Elementary School
Ken Bozeman	Beaverbrook Elementary School
Natalie Wood	Cowan Road Elementary School
Beth Gaff	Crescent Road Elementary School
Ben Steele	Futral Road Elementary School
Laura Jordan	Jackson Road Elementary School
Anthony Aikens	Jordan Hill Road Elementary School
Gloria Brown	Moore Elementary School
Stan Mangham	Moreland Road Elementary School
Dexter Martin	Orrs Elementary School
Tiffany Taylor	Carver Road Middle School
Rachelle Holloway	Cowan Road Middle School
Dexter Sands	Kennedy Road Middle School
Larry Jones	Taylor Street Middle School
Keith Simmons	Griffin High School
Lindy Pruitt	Spalding High School
Jamie Cassady	A.Z. Kelsey Academy

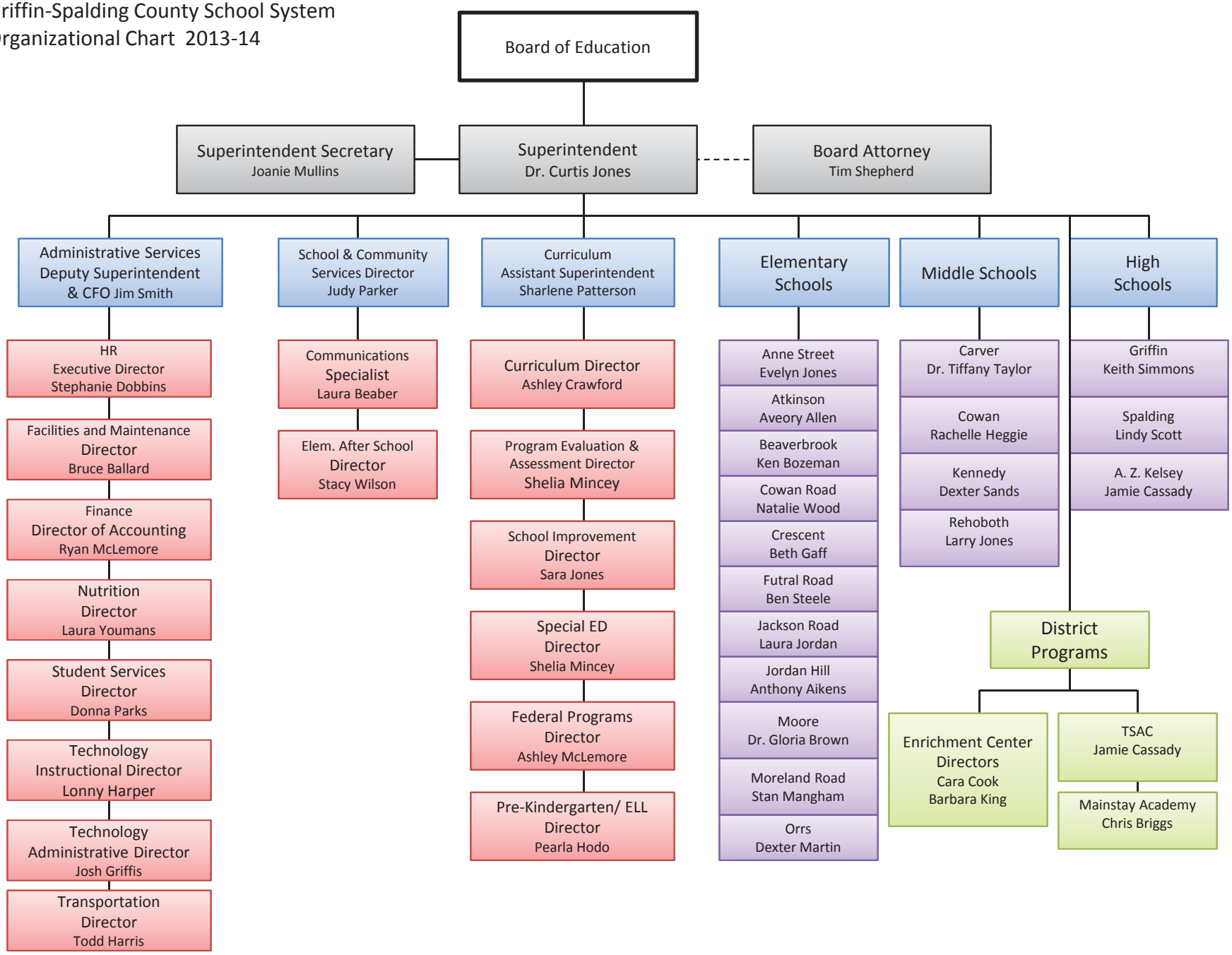
LEGAL COUNSEL

Timothy N. Shepherd, P.C.	Griffin, Georgia

INDEPENDENT AUDITORS

Robinson, Grimes & Company, P.C.	Columbus, Georgia

Griffin-Spalding County School System
Organizational Chart 2013-14



ROBINSON, GRIMES & COMPANY, P.C.
Certified Public Accountants & Consultants

Independent Auditor's Report

The Board of Education
Griffin-Spalding County School System
Griffin, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Griffin-Spalding County School System, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise Griffin-Spalding County School System's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Griffin-Spalding County School System, as of June 30, 2014, and the respective changes in financial position thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 14 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Griffin-Spalding County School System's basic financial statements. The introductory section, combining nonmajor fund financial statements and other schedules, statistical tables and the Schedule of Expenditures of Federal Awards, required by the U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining nonmajor fund financial statements and other schedules and the Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining nonmajor fund financial statements and other schedules and the Schedule of Expenditures of Federal Awards are fairly stated in all material respects in relation to the financial statements as a whole.

The introductory and statistical sections are presented for purposes of additional analysis has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated October 24, 2014 on our consideration of Griffin-Spalding County 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 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 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 Griffin-Spalding County School System's internal control over financial reporting and compliance.

Robinson, Grimes & Company, P.C.

Certified Public Accountants

Columbus, Georgia

October 24, 2014

The discussion and analysis of Griffin-Spalding County School System's (herein referred to as the "System") financial performance provides an overall review of the System's financial activities for the fiscal year ended June 30, 2014. The intent of this discussion and analysis is to look at the System's financial performance as a whole. Readers should also review the financial statements and notes to the financial statements to enhance their understanding of the System's financial performance.

Financial Highlights

- The assets of the System exceeded its liabilities at June 30, 2014, by $180,669,619. Of this amount, $17,349,349 (unrestricted net position) may be used to meet the System's ongoing obligations and operations as a public school district.

- Net position increased by a total of $5,431,532 from the beginning of the year. The increase is attributable, primarily, to Special Purpose Local Option Sales Tax (SPLOST) revenue which financed investments made in capital assets during the year.

- At June 30, 2014, the System's General Fund reported a fund balance of $12,892,085, an increase of $575,076, or 4.67 percent from the last fiscal year. Of this total, $444,070 has been committed to the risk management function in compliance with GASB 54. Unassigned fund balance totaled $12,448,015.

- SPLOST collections in fiscal year 2014 decreased 1.95% from collections in fiscal year 2013.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the System's basic financial statements. The basic financial statements comprise three components: 1) System-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

System-wide Financial Statements

The System-wide financial statements are designed to provide readers with a broad overview of the System's finances in a manner similar to a private-sector business.

The Statement of Net Position presents information on all of the System's assets and liabilities with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the System is improving or deteriorating. It is important to note that this statement consolidates the System's current financial resources (short-term) with capital assets and long-term liabilities.

The Statement of Activities presents information showing how the System's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g. uncollected taxes, etc.)

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The System, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the System can be divided into two categories: governmental funds and fiduciary funds

Governmental Funds

Most of the System's activities are reported in governmental funds focusing on how money flows in and out of those funds and the balances left at year-end available for spending in future periods. The governmental fund statements provide a detailed short-term view of the System's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or less financial resources that can be spent in the near future to finance educational programs.

Fiduciary Funds

The System is the trustee, or fiduciary, for assets that belong to others such as club and class funds and payroll withholding funds. The System is responsible for ensuring assets reported in these funds are used only for their intended purposes and by those to whom the assets belong.

Notes to Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the system-wide and fund financial statements.

System-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. As of June 30, 2014, System assets exceeded liabilities by $180,669,619.

By far, the largest portion the System's net position (76.6 percent) reflects its investment in capital assets (e.g. buildings, land, machinery and equipment, construction in progress) less any related debt used to acquire those assets that remain outstanding. The System uses the capital assets to provide services to our students, faculty, and community; consequently, these assets are not available for future spending.

The following chart details the major categories of assets, liabilities, and net position with a comparison to the prior fiscal year.

Griffin-Spalding County School System
Net Position – as of June 30, 2014 and 2013

	Governmental Activities	
	FY 2014	FY 2013
Current and other assets	$ 53,765,001	$ 49,994,471
Capital Assets	138,465,300	137,395,409
Total assets	192,230,301	187,389,880
Current and other liabilities	11,560,682	12,151,793
Long-term liabilities	0	0
Total liabilities	11,560,682	12,151,793
Net Position:		
Net investment in capital assets	138,465,300	137,395,409
Restricted	24,854,970	21,262,491
Unrestricted	17,349,349	16,580,187
Total net position	$ 180,669,619	$ 175,238,087

An additional portion of the System's total net position represents resources that are subject to external restrictions on how they may be used (13.8 %). Comprising the majority of restricted net position are assets being accumulated for use in capital projects accounting for 91.1% of total restricted net position. The remaining 8.9% of restricted net position represents non-expendable, permanent funds and funds set aside for the continuation of federal and other programs.

Unrestricted net position, 9.6% of total net position, may be used to meet ongoing obligations and operations of the System.

Changes in Net Position from Operating Results

Net position increased $5,431,532 from operating results in the fiscal year ended June 30, 2014, compared to an increase of $10,620,485 in the prior fiscal year. Key elements of this increase are as follows on the next page:

Griffin-Spalding County School System
Changes in Net Position from Operating Results

	Governmental Activities	
	FY 2014	FY 2013
Revenues		
Program revenues:		
Operating grants and contributions	$ 72,773,169	$ 71,892,094
Capital grants and contributions	0	2,119,430
Charges for services	932,368	957,185
General revenues:		
Property taxes	26,841,369	25,567,376
Special purpose local option sales tax	8,285,565	8,450,570
Other general revenues	52,053	897,987
Total revenues	108,884,524	109,884,642
Expenses		
Instruction	63,560,323	60,807,268
Pupil support services	2,459,659	2,367,075
Improvement of instructional services	3,804,161	4,288,607
Educational media services	1,568,570	1,524,908
General and school administration	8,338,418	8,068,277
Business administration	386,548	348,784
Maintenance and operation of plant	9,163,199	8,405,731
Student transportation services	4,712,870	4,394,079
Central support services	1,462,350	1,257,984
Other support services	1,209,923	1,181,099
Food service operations	6,388,230	6,125,485
Community services operations	128,120	126,811
Interest on long-term debt	0	123,280
Unallocated depreciation	270,621	244,769
Total expenses	103,452,992	99,264,157
Increase in net position	5,431,532	10,620,485
Net position, beginning of year	175,238,087	167,617,602
Net position, end of year	$ 180,669,619	$ 175,238,087

Financial Analysis of the System's Funds

General Fund Budgetary Highlights

The System's budget is prepared in accordance with Georgia law and is based on accounting for certain transactions on the modified accrual basis of accounting. The System uses site-based budgeting and the budgeting system is designed to tightly control site budgets but provide flexibility for site management.

The most significant budgeted fund is the general fund. The original fiscal year 2014 budget, as adopted, projected expenditures to exceed revenues by $400,693. Sufficient, available fund balance allowed the budget to be considered balanced under state law. Revenues were projected to be $76,509,773, down 0.32% from fiscal year 2013 actual revenues. Appropriated expenditures were projected to be $76,910,466, up 4.44% from fiscal year 2013 actual expenditures. Of significance, the state revenue budget was negatively impacted by a $6,784,397 "austerity reduction" equaling 13.46% of the System's earnings under the State's Quality Basic Education funding formula. Austerity reductions, imposed for the twelfth consecutive year, occur when the Georgia General Assembly fails to appropriate sufficient dollars in the state budget to fully fund formula earnings. However, the System benefited from a higher state equalization grant due to the System's drop in rankings comparing the relative property wealth per student among Georgia school districts. The net result was higher projected state revenues than the previous year. The Board of Education adopted a local property tax millage rate of 19.47, unchanged from the prior year.

As fiscal year 2014 progressed, the final amended general fund budget added $2,255,825 to revenues, an increase of 2.95% from the original budget for the year. One component of the change was the addition of $647,142 in state Quality Basic Education (QBE) formula earnings primarily due to higher student counts and shifting from lower earning programs into higher earning programs. During the amendment process, expected revenues were also increased to include the addition of several local grants and programs arising during the year. With changes to appropriated expenditures exceeding projected revenues, the amended budget for fiscal year 2014 reflected expenditures exceeding revenues by $373,115.

The original budget for fiscal year 2014 included appropriated expenditures of $76,910,466. Several cost reduction initiatives included in prior year budgets were reversed. The student school calendar was restored to a full 180 days of instruction, all employee work days were restored, and a locally-funded 1% cost of living adjustment was included on all salary schedules. Nine and a half teaching positions were eliminated from the initial budget, but three elementary counselor positions were added. Significant increases to the employer's share of health insurance cost were included in the budget. The employer's share of health insurance costs for classified employees rose 33.6%. The district continued using a schedule of staggered opening times for the various grade configurations in an effort to utilize existing student transportation vehicles in a more efficient manner.

As the year progressed, an amended budget appropriating a total of $79,138,713 was approved by the Board of Education, an increase of $2,228,247 in appropriated expenditures. The primary additions to expenditure categories were $808,500 to upgrade technology infrastructure in classrooms and $24,100 to place new cameras on school buses. In addition, expenditures related to several local grants and programs arising during the fiscal year were added to the general fund budget during the amendment process.

General Fund Operations

The general fund finished fiscal year 2014 with a fund balance of $12,892,085, an increase of $575,076, or 4.67%, from fiscal year 2013. $440,070 of the fund balance was committed to the risk management function in compliance with GASB 54. Actual revenues exceeded budget projections by $182,944 while actual expenditures were $767,912 lower than budgeted. Several important factors led to the actual results for the year.

First, state revenues were impacted positively by an increase in student count. The full time equivalent (FTE) student count used in the QBE formula to determine actual dollars earned by the local system increased from 10,145 in fiscal year 2013 to 10,218 in fiscal year 2014 generating additional revenue from the State and recognized in a mid-term adjustment. State revenues also benefitted from a shift in the recognition of student counts from lower-earning programs into higher-earning programs. In particular, operational changes within the System allowed an additional 43 FTEs to be recognized in the gifted program, an increase of 11.3% in the category.

Second, local revenue sources represented 34.78% of total general fund revenues for the year, down from 34.88% in the prior year. Local revenues exceeded budgeted projections by $136,489. Collections of local ad valorem property tax, the largest single piece of local revenue, exceeded budget expectations for the year due to a strong collection of delinquent taxes and the introduction of the Title Ad Valorem Tax (TAVT) in Georgia. TAVT, a one-time fee set at 6.5% of a vehicles value, is assessed at the time of purchase in lieu of sales tax and annual ad valorem tax payments. A portion of TAVT collections are remitted to the System as part of property tax collections; however, the underlying transaction is not part of the property tax digest itself. TAVT is recognized as additional property tax even though its impact cannot be fully projected at the beginning of the year. Interest income on short-term investments declined due to falling interest rates and lower cash balances available for investment. The System used the State's local government investment pool, Georgia Fund I, as its primary investment vehicle. The remainder of local revenues consisted of other taxes, tuitions and a few small local grants.

At year end, total expenditures were under budget by $767,912. Expenditures for direct classroom instruction (e.g. teacher salaries and benefits, textbooks, classroom supplies, etc.) accounted for 63.12% of total general fund expenditures, down slightly from the

prior fiscal year. While a 1% cost of living pay increase was applied to all salary schedules in fiscal year 2014, large increases in the employer's share of health insurance costs and pension costs led to expenditure increases involving every functional category. The employer's share of health insurance premiums for classified employees (those without teaching certificates) rose by 33.6% in fiscal year 2014 as part of a planned series of rate increases by the State Health Benefit Plan.

The following chart details the major components of revenues and expenditures by function for fiscal year 2014 as well as a comparison of changes with the previous fiscal year.

Griffin-Spalding County School System
General Fund – Revenue and Expenditure Comparison

	Amount	% of Total	Increase (Decrease) Over FY 2013
Revenues			
State	$ 51,380,415	64.87	$ 1,542,882
Federal	283,899	0.35	(22,287)
Local and other	27,530,900	34.78	687,392
Totals	$ 79,195,214	100.00	$ 2,207,987
Expenditures			
Instruction	$ 49,529,410	63.12	$ 1,906,749
Pupil support services	1,522,381	1.94	239,043
Instructional staff support	1,333,860	1.69	38,352
Media Services	1,483,960	1.89	43,028
General and school administration	7,367,102	9.38	260,003
Business administration	386,548	0.49	37,764
Maintenance and Operations	8,720,795	11.11	836,434
Student Transportation	5,322,915	6.78	1,156,873
Other support services	2,418,583	3.08	310,859
Community services	128,120	0.16	1,309
School Nutrition Services	69,278	0.08	69,278
Debt Service	0	0.00	(94,837)
Capital Outlay	184,471	0.28	124,911
Totals	$ 78,467,423	100.00	$ 4,929,766

Capital Projects Fund Operations

The capital projects fund is used to account for school construction and the purchase of large capital assets. Proceeds from the 2007 general obligation bond issue ($14,000,000)

have been fully expended leaving current capital construction costs to be paid directly from SPLOST collections. SPLOST collections in fiscal year 2014 decreased 1.95% compared to fiscal year 2013 with receipts of $8,285,565 and $8,450,570, respectively. The entire SPLOST collection for the year was recorded in the capital projects fund as all debt service requirements on the 2007 general obligation bond issue had been met.

Renovation work continued at Spalding High School and Griffin High School as part of the 2007 SPLOST project list. Work on both is expected to be completed in fiscal year 2015. Preliminary work on new construction and renovation projects planned at three existing school sites, Cowan Road Middle School, Futral Road Elementary School, and Jackson Road Elementary School, began during fiscal year 2014. Additionally, $1,710,034 was spent to purchase instructional technology equipment for various schools. Several additional school renovation projects are scheduled to commence in fiscal year 2015. The fund balance for the capital projects fund reflects amounts collected for use on projects not yet begun.

Debt Service Fund Operations

The debt service fund reflected no activity in fiscal year 2014. All bonded indebtedness was retired in the prior year and no new debt was issued. A small, residual cash balance, remaining after all debt service requirements were satisfied, was transferred to the capital projects fund.

Capital Assets and Debt Administration

Capital Assets

The System's investment in capital assets for its governmental activities as of June 30, 2014, totaled $138,465,300, net of accumulated depreciation. The investment in capital assets includes land, buildings, vehicles, and equipment used in providing services to our students and community as well as construction in progress on several building projects.

The majority of changes to the System's capital asset accounts came from the renovation of existing buildings. Renovation work at Spalding High School and Griffin High School constituted the majority of the year's activity. In addition, preliminary work on new construction and renovation projects planned at three other existing school sites began during the year. Note 5 to the basic financial statements provides additional information on the System's capital assets including a detailed breakdown of the types of capital assets included in the computation of depreciation charges. As of June 30, 2014, 24.85% of the cost basis of depreciable assets had been taken as a depreciation charge since the various assets were placed in service.

A summary of capital assets follows.

Griffin-Spalding County School System
Capital Assets, Net of Accumulated Depreciation

	Governmental Activities	
	FY 2014	FY 2013
Land	$ 3,347,052	$ 3,347,052
Construction in progress	353,519	12,027,700
Buildings	106,464,898	108,238,462
Building Improvements	22,912,567	9,261,140
Vehicles and Equipment	5,387,264	4,521,055
Total	$ 138,465,300	$ 137,395,409

Debt Administration

At June 30, 2014, the System had no outstanding general obligation bonds or long-term capital lease obligations. The current debt limitation for the System is $148,537,098 based on state law limiting the amount of general obligation debt a government entity may issue to ten (10) percent of the total assessed value of taxable property.

No new debt issues are planned for fiscal year 2015. The System maintains a rating of AA from Standard & Poor's for general obligation debt subject to the State intercept program.

Outlook for the Future

The System enjoys a strong financial position in light of current economic conditions affecting local revenues as well as the effect of state revenue pressures through austerity reductions to the QBE funding formula and new programmatic requirements. Austerity reductions will continue in fiscal year 2015. Current indications are that austerity reductions for fiscal year 2015 will equal approximately 8.5% of state formula earnings. Adjustments to school and staff work calendars along with other significant operational changes may be necessary. Looking out further, while state revenues improved during fiscal year 2014 and the first part of fiscal year 2015, expectations are that austerity reductions will continue in fiscal year 2016 and beyond at some undetermined level. However, the State is continuing a relaxation of class size requirements and is providing other waivers of rules and regulations as long as the budget crisis continues.

The assessed net value of the county property digest decreased approximately 3.52% in 2014, the fourth year of decline in the past five years. Little growth in terms of new taxable property was realized on the 2014 tax digest while exemptions from taxation increased 5.95%.

The Board of Education, while adopting the fiscal year 2015 general fund operating budget, set the millage rate at 19.47 mills, unchanged from the prior year. With the fiscal year 2014 M&O millage set at 19.47, the ability to raise additional local revenue through property taxes is limited given the constitutional limit which caps school millage rates at 20 mills. The Board of Education will continue to be careful in obligating funds for programs and uses that might be needed to cover expenses not funded through state appropriations.

As of June 30, 2014, the General Fund reflected a fund balance of $12,892,085 translating to 59 days of operation based on the fiscal year 2015 budget. Of this balance, $444,070 was committed for risk management purposes by the Board of Education. Through careful planning, the System has not been forced to resort to personnel layoffs or major delays in the purchase of classroom materials to maintain financial strength despite cuts in funding from the State. The fiscal year 2015 budget includes a full 180 day student calendar, no reduction in staff work calendars, step (longevity) increases for eligible staff, and an additional 1% cost of living increase on all salary schedules. Financial decisions focus on the sustainability of programs or costs as it is related to the System's ability to maintain adequate, available reserves minimizing needs for short-term borrowing to fund daily operations.

Of continuing concern is stagnant residential growth county-wide. The residential growth that is occurring is within an "active adult" community with no school age children. Therefore, we expect student enrollment to remain constant for the foreseeable future in line with slow growth in county population. However, in the past few months, two industrial prospects have announced plans to build plants inside the County's industrial park and a third industry has announced plans to expand operations using a previously vacant building elsewhere inside the county. Impacts on school funding and operations have yet to be determined.

Requests for Information

This financial report is designed to provide a general overview of Griffin-Spalding County School System's finances for those with an interest in the System's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to James D. Smith, CPA, Deputy Superintendent/CFO, Griffin-Spalding County School System, P.O. Drawer N, Griffin, Georgia 30224. Alternatively, you may send requests to the following e-mail address: jim.smith@gscs.org.

GRIFFIN-SPALDING COUNTY SCHOOL SYSTEM
GRIFFIN, GEORGIA
STATEMENT OF NET POSITION
JUNE 30, 2014

	ALL GOVERNMENTAL ACTIVITIES
ASSETS	
Cash and cash equivalents	$ 39,502,468
Property taxes receivable	3,135,866
Due from other governments	9,594,956
Other receivables	317,248
Note receivable	77,270
Investments	1,059,715
Inventories	27,016
Capital assets not depreciable	3,700,571
Capital assets, net of accumulated depreciation	134,764,729
Other assets	50,462
Total assets	192,230,301
LIABILITIES	
Accounts payable and other current liabilities	11,454,304
Unearned revenue	106,378
Total liabilities	11,560,682
NET POSITION	
Net investment in capital assets	138,465,300
Restricted for:	
Capital projects	22,637,265
Continuation of federal and other programs	1,061,959
Permanent funds - nonexpendable	1,155,746
Unrestricted	17,349,349
Total net position	$ 180,669,619

The Notes to the Basic Financial Statements are an Integral Part of this Statement.

GRIFFIN-SPALDING COUNTY SCHOOL SYSTEM
GRIFFIN, GEORGIA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2014

Functions/Programs	EXPENSES	PROGRAM REVENUES: CHARGES FOR SERVICES	PROGRAM REVENUES: OPERATING GRANTS AND CONTRIBUTIONS	NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION: ALL GOVERNMENTAL ACTIVITIES
Primary government:				
Governmental activities:				
Instruction	$ 63,560,323	$ 346,634	$ 43,354,096	$ (19,859,593)
Pupil support services	2,459,659		1,769,899	(689,760)
Improvement of instructional services	3,804,161		2,723,117	(1,081,044)
Educational media services	1,568,570		1,067,814	(500,756)
General and school administration	8,338,418		6,000,854	(2,337,564)
Business administration	386,548		278,149	(108,399)
Maintenance and operation of plant	9,163,199		6,292,886	(2,870,313)
Student transportation services	4,712,870		3,874,020	(838,850)
Central support services	1,462,350		1,059,734	(402,616)
Other support services	1,209,923		870,625	(339,298)
Food services operation	6,388,230	585,734	5,389,783	(412,713)
Community services operations	128,120		92,192	(35,928)
Unallocated depreciation (net of direct depreciation)	270,621			(270,621)
Total school system	$ 103,452,992	$ 932,368	$ 72,773,169	(29,747,455)
General revenues:				
Taxes:				
Property taxes, levied for general purposes				26,841,369
Special purpose local option sales tax				8,285,565
Investment earnings				22,898
Gain on sale of assets				29,155
Total general revenues				35,178,987
Change in net position				5,431,532
Net position, beginning				175,238,087
Net position, ending				$ 180,669,619

The Notes to the Basic Financial Statements are an Integral Part of this Statement.

GRIFFIN-SPALDING COUNTY SCHOOL SYSTEM
GRIFFIN, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2014

	GENERAL FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS					
Cash and cash equivalents	$ 13,842,699	$ 22,809,314	$ 605	$ 2,849,850	$ 39,502,468
Receivables					
Spalding County tax commissioner	3,135,866				3,135,866
State of Georgia, Department of Revenue		716,975			716,975
State of Georgia, Department of Education	6,290,765			2,587,216	8,877,981
Due from other funds	1,151,957	605			1,152,562
Other	159,840	9,950		147,458	317,248
Investments				1,059,715	1,059,715
Inventories				27,016	27,016
Other assets	43,207			7,255	50,462
Note receivable		77,270			77,270
Total assets	$ 24,624,334	$ 23,614,114	$ 605	$ 6,678,510	$ 54,917,563
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Accounts payable	$ 1,116,955	$ 99,061		$ 187,392	$ 1,403,408
Accrued salaries and benefits	8,070,184			1,980,712	10,050,896
Unearned revenue	8,687			97,691	106,378
Due to other funds			$ 605	1,151,957	1,152,562
Total liabilities	9,195,826	99,061	605	3,417,752	12,713,244
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	2,536,423				2,536,423
Unavailable revenue - installment sale		77,270			77,270
Total deferred inflows of resources	2,536,423	77,270	0	0	2,613,693
FUND BALANCES					
Nonspendable:					
Inventories				3,968	3,968
Prepaid assets					
Permanent funds				1,155,746	1,155,746
Resticted for:					
Capital projects		22,637,265			22,637,265
Special revenue funds				1,061,959	1,061,959
Committed to:					
Risk management	444,070				444,070
Special revenue funds				958,252	958,252
Assigned to:					
Permanent funds				80,833	80,833
Capital projects		800,518			800,518
Unassigned	12,448,015				12,448,015
Total fund balances	12,892,085	23,437,783	0	3,260,758	39,590,626
Total liabilities, deferred inflows of resources and fund balances	$ 24,624,334	$ 23,614,114	$ 605	$ 6,678,510	$ 54,917,563

The Notes to the Basic Financial Statements are an Integral Part of this Statement.

GRIFFIN-SPALDING COUNTY SCHOOL SYSTEM
GRIFFIN, GEORGIA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2014

Total fund balances - governmental funds		$ 39,590,626
Amounts reported for governmental activities in the statement of net assets are different because:		
Other long-term assets are not available to pay for current period expenditures:		
Property taxes reported as unavailable revenue in the funds	$ 2,536,423	
Note receivable reported as unavailable in the funds	77,270	2,613,693
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of the assets is $183,034,854 and the accumulated depreciation is $44,569,554		138,465,300
Total net position - governmental activities		$ 180,669,619

The Notes to the Basic Financial Statements are an Integral Part of this Statement.

GRIFFIN-SPALDING COUNTY SCHOOL SYSTEM
GRIFFIN, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2014

	GENERAL FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES					
Property taxes	$ 26,677,576				$ 26,677,576
Sales taxes		$ 8,285,565			8,285,565
Fees and charges	300,634			$ 631,734	932,368
State funds	51,380,415			5,135,809	56,516,224
Federal funds	283,899			13,708,810	13,992,709
Earnings on investments	(2,894)	23,170		2,622	22,898
Miscellaneous	555,584			1,783,974	2,339,558
Total revenues	79,195,214	8,308,735	$ 0	21,262,949	108,766,898
EXPENDITURES					
Current operating					
Instruction	49,529,410			10,720,518	60,249,928
Support services					
Pupil support services	1,522,381			937,278	2,459,659
Improvement of instructional services	1,333,860			2,450,502	3,784,362
Educational media services	1,483,960				1,483,960
General and school administration	7,367,102			972,387	8,339,489
Business administration	386,548				386,548
Maintenance and operation of plant	8,720,795			24,536	8,745,331
Student transportation services	5,322,915			60,877	5,383,792
Central support services	1,456,213			16,518	1,472,731
Other support services	962,370			247,553	1,209,923
School nutrition services	69,278			6,009,074	6,078,352
Community service operations	128,120				128,120
Capital outlay	184,471	4,732,584			4,917,055
Total expenditures	78,467,423	4,732,584	0	21,439,243	104,639,250
Excess (deficiency) of revenues over (under) expenditures	727,791	3,576,151	0	(176,294)	4,127,648
OTHER FINANCING SOURCES (USES)					
Proceeds from sale of assets		145,200			145,200
Transfers in		605		152,715	153,320
Transfers out	(152,715)		(605)		(153,320)
Total other financing sources (uses)	(152,715)	145,805	(605)	152,715	145,200
Net change in fund balances	575,076	3,721,956	(605)	(23,579)	4,272,848
Fund balances, beginning	12,317,009	19,715,827	605	3,284,337	35,317,778
Fund balances, ending	$ 12,892,085	$ 23,437,783	$ 0	$ 3,260,758	$ 39,590,626

The Notes to the Basic Financial Statements are an Integral Part of this Statement.

GRIFFIN-SPALDING COUNTY SCHOOL SYSTEM
GRIFFIN, GEORGIA
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2014

Total net change in fund balances - governmental funds		$ 4,272,848
Amounts reported for governmental activities in the statement of activities are different because:		
Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceed depreciation in the period.		
Capital outlays	$ 4,297,881	
Depreciation	(3,186,945)	
Net book value of disposed asset	(41,045)	1,069,891
Governmental funds do not present revenues that are not available to pay current obligations. In contrast, such revenues are reported in the Statement of Activities when earned:		
Property tax revenue	163,793	
Note receivable	(75,000)	88,793
Change in net position of governmental activities		$ 5,431,532

The Notes to the Basic Financial Statements are an Integral Part of this Statement.

GRIFFIN-SPALDING COUNTY SCHOOL SYSTEM
GRIFFIN, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2014

	BUDGETED AMOUNTS		ACTUAL	VARIANCE OVER
	ORIGINAL	FINAL	AMOUNTS	(UNDER)
REVENUES				
Property taxes	$ 25,283,461	$ 26,439,946	$ 26,677,576	$ 237,630
State funds	50,255,542	51,088,417	51,133,793	45,376
Federal funds	318,770	282,770	283,899	1,129
Other local funds	652,000	954,465	853,324	(101,141)
Total revenues	76,509,773	78,765,598	78,948,592	182,994
EXPENDITURES				
Current operating				
Instruction	49,096,758	49,786,977	49,529,410	(257,567)
Support services				
Pupil services	1,437,674	1,687,674	1,522,381	(165,293)
Improvement of instructional services	1,386,797	1,408,797	1,333,860	(74,937)
Educational media services	1,530,893	1,520,893	1,483,960	(36,933)
General and school administration	7,343,432	7,378,432	7,364,895	(13,537)
Business administration	397,728	397,728	378,726	(19,002)
Maintenance and operation of plant	8,297,045	8,780,473	8,635,652	(144,821)
Student transportation services	5,022,846	5,282,446	5,258,647	(23,799)
Other support services	1,747,293	2,365,293	2,400,679	35,386
Community service operations	0	130,000	128,120	(1,880)
Capital outlay	300,000	250,000	184,471	(65,529)
Total expenditures	76,560,466	78,988,713	78,220,801	(767,912)
Excess (deficiency) of revenues over (under) expenditures	(50,693)	(223,115)	727,791	950,906
OTHER FINANCING USES				
Transfers out	(350,000)	(150,000)	(152,715)	(2,715)
Total other financing uses	(350,000)	(150,000)	(152,715)	(2,715)
Net change in fund balances	(400,693)	(373,115)	575,076	948,191
Fund balances, beginning	12,317,009	12,317,009	12,317,009	0
Fund balances, ending	$ 11,916,316	$ 11,943,894	$ 12,892,085	$ 948,191

The Notes to the Basic Financial Statements are an Integral Part of this Statement.

GRIFFIN-SPALDING COUNTY SCHOOL SYSTEM
GRIFFIN, GEORGIA
AGENCY FUNDS - SCHOOL ACTIVITY FUNDS
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
JUNE 30, 2014

ASSETS		
Cash and cash equivalents	$	102,130
Total assets	$	102,130
LIABILITIES		
Accounts payable	$	4,110
Due to student and faculty groups		98,020
Total liabilities	$	102,130

The Notes to the Basic Financial Statements are an Integral Part of this Statement.

GRIFFIN-SPALDING COUNTY SCHOOL SYSTEM
GRIFFIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014

NOTE 1: Summary of Significant Accounting Policies

A. Reporting Entity

The Griffin-Spalding County School System (the "System") was established under the laws of the State of Georgia and operates under the guidance of a school board elected by the voters and a Superintendent appointed by the Board. The financial statements of the System have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The System's combined financial statements include the accounts of all System operations. The criteria for including organizations as component units within the System's reporting entity, as set forth in Financial Reporting Standards, include whether:

- The organization is legally separate
- The Board holds the corporate powers of the organization
- The Board appoints a voting majority of the organization's board
- The Board is able to impose its own will on the organization
- The organization has the potential to impose a financial benefit/burden on the System
- There is fiscal dependency by the organization on the System

Based on the aforementioned criteria, the System has no component units.

B. System-wide and fund financial statements

The system-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. However, interfund services provided and used are not eliminated in the process of consolidation. Normally, governmental activities are supported by taxes and intergovernmental revenues.

NOTE 1: Summary of Significant Accounting Policies (Continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is 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 and fiduciary funds, even though the latter are excluded from the district-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Measurement focus, basis of accounting, and financial statement presentation

The system-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting.* The fiduciary fund financial statements are also reported using the *accrual basis of accounting*; however, fiduciary funds have *no measurement focus*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The State of Georgia reimburses the School System for teachers' salaries and operating costs through the Quality Basic Education Formula Earnings program (QBE). 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 respective rules and regulations of the QBE program, the State of Georgia reimburses the School System over the same twelve month period in which teachers are paid. At June 30, the amount of teachers' salaries incurred but not paid until July and August of the subsequent year are accrued. Since the State of Georgia recognizes its QBE liability for the July and August salaries at June 30, the School System recognizes its portion of that reimbursement as a receivable and revenue, consistent with symmetrical recognition.

NOTE 1: Summary of Significant Accounting Policies (Continued)

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the System considers revenues to be available if they are collected within 60 days 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. Property taxes associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the System.

The System reports the following major governmental funds:

The *general fund* is the operating fund of the System. It is used to account for all financial resources except those required to be accounted for in another fund.

The *capital projects fund* is used to account for financial resources to be used for the acquisition or construction of major capital facilities.

The *debt service fund* is used to account for the accumulation of financial resources for the payment of principal, interest and related costs on general long-term debt.

Additionally, the School System reports the following funds:

The *special revenue funds* are used to account for federal and state funded grants. These grants are awarded to the System for the purpose of accomplishing specific educational tasks, which are defined in the grant agreements. These funds contain several locally funded programs whose expenditures are restricted to specific purposes. In addition, these funds are used to account for the school nutrition program whose revenues and expenditures are associated with the operations of the school cafeterias.

NOTE 1: Summary of Significant Accounting Policies (Continued)

Permanent funds are used to account for assets held by the System resulting from a trust arrangement in which the System is the beneficiary which include scholarships and endowments.

The *permanent funds* apply the current financial resources measurement focus and modified accrual basis of accounting. Nonexpendable permanent funds account for assets of which the principal may not be spent.

Agency funds are used to account for assets held on behalf of outside parties.

The *agency funds* are custodial in nature (assets equal liabilities) and do not present the results of operations nor have a measurement focus. Agency funds are accounted for using the accrual basis of accounting. These fiduciary funds are used to account for assets that the System holds on behalf of other funds of the System and are comprised primarily of amounts collected through fundraising efforts of individual school activity organizations.

Amounts reported as *program revenues* include 1) charges to customers or application for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, *general revenues* include all taxes.

When both restricted and unrestricted resources are available for use, it is the System's policy to use restricted resources first, then unrestricted resources as they are needed. As a general rule the effect of interfund activity has been eliminated from the system-wide financial statements.

D. Assets, liabilities, deferred outflows/inflows of resources, and net position/fund balance

Cash, Cash Equivalents and Investments

The System's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. Investments of the System are reported at fair value.

Statutes authorize the System to invest in obligations of the United States and of its agencies and instrumentalities; bonds or certificates of indebtedness of the state of Georgia and of its agencies and instrumentalities; certificates of deposit of banks insured by the F.D.I.C. to the extent that such investments are legal investments; repurchase agreements;

NOTE 1: Summary of Significant Accounting Policies (Continued)

and the Local Government Investment Pool, administered by the State of Georgia. Certificates of deposit must be collateralized to the extent they exceed $250,000.

Receivables

Property taxes were levied on October 1, 2013, based on property values assessed as of January 1, 2013, and were payable on or before December 20, 2013. Property taxes became an enforceable lien on January 13, 2014. Taxes levied in calendar year 2013 for operations were levied at 19.47 mills.

Receivables due but not available are deferred inflows from resources in the fund financial statements in accordance with the modified accrual basis, but not deferred in the government-wide financial statements in accordance with the accrual basis.

Total property tax revenues reported for the fiscal year amounted to $26.6 million, including $3.1 million reported as taxes receivable of which $2.5 million is reflected as deferred inflow of resources in the general fund.

The State of Georgia, Department of Revenue receivable represents Special Local Option Sales Tax (SPLOST) revenues earned in the prior year but received within 30 days after year-end from the State Department of Revenue. Amounts due from the State of Georgia, Department of Education reflect QBE allotments related to the State's reimbursement amount for its portion of general fund salaries and benefits, which totaled $6 million at June 30, 2014.

Other receivables consist of amounts due to the System from other grants, tuition, or other revenue sources. The System anticipates collection of all receivables within one year.

Inventories

Inventories consist of donated food commodities and purchased foods used in the preparation of meals. Inventories are stated at cost (principally first in, first-out), which is not in excess of market. The district utilizes the consumption method to recognize inventory usage. Under the consumption method, inventories are recorded as expenditures when used rather than when purchased. Reported inventories are reflected as nonspendable fund balance. The United States Department of Agriculture (USDA) commodity portion of the food services inventory consists of food donated by the USDA. It is valued at estimated market prices by the USDA. The amount of commodities on hand at year-end is reflected as unearned revenue.

NOTE 1: Summary of Significant Accounting Policies (Continued)

Capital Assets

Capital assets, which include property, plant and equipment, are reported in the district-wide financial statements. Capital assets are defined by the System as assets with an initial cost of more than $5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

Land and construction in progress are not depreciated. Depreciation of all other capital assets is charged as an expense against their operations in the Statement of Activities. Property, plant and equipment is depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Permanent buildings	40 - 80
Portable buildings	10
Building improvements	20
Vehicles	5 - 10
Office equipment	3 - 10
Computer equipment	3 - 10

Accrued Salaries and Benefits

Accrued salaries and benefits relate primarily to salaries of employees paid over a twelve-month period for contract services of ten months. The twelve-month pay period begins September 1 and ends August 31. Salaries payable in July and August along with the employee benefits relating to those salaries are accrued as of the end of the fiscal year.

Compensated Absences

It is the System's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the System does not have a policy to pay any amounts when employees separate from service with the System. Vacation pay is awarded on a fiscal year basis, with no provisions for carryover of unused days. Accordingly, as of June 30, there is no liability for accrued vacation pay.

NOTE 1: Summary of Significant Accounting Policies (Continued)

Deferred inflows of resources

In addition to liabilities, the financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. The government has one type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: property taxes and a note receivable. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Fund Balance

In accordance with the requirements of GASB 54 "Fund Balance Reporting and Governmental Fund Type Definitions", the following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Nonspendable fund balance- amounts that are not in a spendable form or are required to be maintained intact;
- Restricted fund balance- amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government, through constitutional provisions, or by enabling legislation);
- Committed fund balance- amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Education. The Board of Education is the System's highest level of decision-making authority, and the formal action that is required to be taken to establish, modify, or rescind a fund balance commitment is a resolution approved by the Board;
- Assigned fund balance- amounts the System intends to use for a specific purpose; but are neither restricted nor committed. The Board of Education may assign fund balance. In addition, the Board has authorized the Superintendent or Chief Financial Officer to assign amounts to be used for specific purposes;
- Unassigned fund balance- amounts that are available for any legal purpose.

The Board establishes (and modifies or rescinds) fund balance commitments through adoptions and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund (such as for special incentives). Assigned fund balance is established by the Board through adoption or amendment of the budget as intended for a specific purpose (such as the purchase of capital assets, construction, debt service, or for other purposes). When multiple categories of fund balance are available for expenditure, the System will start with the most restricted category and spend those funds first before moving down to the next category with available funds.

NOTE 1: Summary of Significant Accounting Policies (Continued)

E. Budgetary Information

General Budget Policies

The System has a legally authorized appropriated budget which is formally approved by the Board at the aggregate level for each budgeted fund. Budgets are prepared to provide a basis for funding operations. There is no legal prohibition regarding over expenditure of the aggregate budget as long as there is an adequate available fund balance. The budget process begins when the System's administration prepares a tentative aggregated budget for the Board's approval. After approval of this tentative budget by the Board, such budget is advertised at least once in a newspaper of general circulation in the locality. At the next regular meeting of the Board after advertisement, the Board receives comments on the tentative budget, makes revisions as necessary and adopts a final school budget. This final budget is then submitted, in accordance with provisions of the Quality Basic Education Act, OCGA Section 20-2-167, to the Georgia Department of Education. From time to time, the budget is amended by Board approval at the fund level.

The System prepares its budgets on the modified accrual basis, which is the same basis it presents its fund financial statements. In addition, certain on-behalf payments for retirement benefits are not included in the general fund budget. The actual results on page 20 have, accordingly, been restated for comparative purposes. The System legally adopts budgets for its general fund, special revenue (excluding “other funds”), capital projects and debt service funds.

Encumbrances

Encumbrances represent commitments related to unperformed contracts for goods and services. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of resources recorded in order to reserve that portion of the applicable appropriation, is utilized by the System. Encumbrances outstanding at year-end are reported as assignments of fund balance since they do not constitute actual expenditures or liabilities. They are reappropriated in the subsequent fiscal year since appropriations lapse at year-end.

NOTE 2: Deposits and Investments

The System maintains a cash and investment pool that is available for use by all governmental funds. Each fund type's portion of this pool is included in "Cash and cash equivalents". In addition, deposits are separately held by several of the System's funds.

The System has not adopted a formal investment policy. Most of the System's cash is invested in the State of Georgia Government Pool. Other investments consist of securities backed by Federal Government agencies and one-day repurchase agreements with local banks. The following pages will disclose deposit and investment risks that could affect the System's ability to provide services and meet its obligations as they become due.

Custodial Credit Risk – Deposits

The System's cash and cash equivalents are summarized below. All deposits are carried at cost plus accrued interest.

Depository Accounts	Bank Balance	Book Balance
Insured	$ 792,769	$ 792,769
Collateralized		
Collateral held by pledging bank's trust department in the System's name	20,111,432	17,478,726
Local government investment pool	22,290,688	22,290,688
Total Deposits	43,194,889	40,562,183
Less: Investments shown below	(1,059,715)	(1,059,715)
Net cash and cash equivalents	$ 42,135,174	$ 39,502,468

Agency funds had bank deposits totaling $102,130 as reported on the Statement of Fiduciary Assets and Liabilities.

The System's investment in the local government investment pool is comprised of Georgia Fund 1 and another local investment pool, which has not been categorized as to risk level because it is a pool managed by another government. Georgia Fund 1, which was created by the Official Code of Georgia Annotated (OCGA) 36-83-8, is a stable net asset value investment pool which follows Standard and Poor's criteria for AAA rated market funds. However, Georgia Fund 1 operates in a manner consistent with Rule 2a-7 of the Investment Company Act of 1940 and is considered to be a 2a-7 like pool. The pool is not registered with the Securities and Exchange Commission as an investment company.

NOTE 2: Deposits and Investments (Continued)

The pool's primary objectives are safety of capital, investment income liquidity and diversification while maintaining principal ($1.00 per share value). Net asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participant's shares sold and redeemed based on $1.00 per share. The Georgia State Department of Audits is the regulatory oversight agency of Georgia Fund 1.

Credit Risk, Concentration of Credit Risk, and Interest Rate Risk – Investments
The System follows state law for its choices of investments. The System has few investments and chooses to disclose its investments by specifically identifying each. As of June 30, 2014, the System's investments were as follows:

Investment	Maturities	Fair Value	%
First National Bank - Certificate of Deposit	7 months	$ 30,000	2.83%
First National Bank - Certificate of Deposit	8 months	20,000	1.89%
Treasury Money Market	n/a	30,848	2.91%
US Government Bonds	various	978,867	92.37%
Total		$ 1,059,715	100.00%

State law limits investments in commercial paper and corporate bonds to the top two ratings issued by nationally recognized statistical rating organizations. The System has no investment policy that would further limit its investment choices.

Interest Rate Risk - the System does not have a formal policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Concentration of Credit Risk - the System is not limited on the amount that may be invested in any one issuer.

NOTE 3: Note Receivable

The note receivable, which bears zero percent annual interest has annual principal payments of $75,000 and a balance payment of $77,270 due December 15, 2014, is the result of a sale of a land parcel to Southern Crescent Technical College.

NOTE 4: Interfund Receivables, Payables and Transfers

During the course of its operations, the School System makes transfers between funds to finance operations, provide services, acquire assets, and service debt. To the extent that certain transfers between funds have not been received as of year-end, balances of interfund amounts receivable or payable have been recorded. Outstanding balances between funds are reported as "due to/from other funds."

Interfund receivable and payable balances are as follows:

Receivable Fund	Payable Fund		Amount
General Fund	Nonmajor Governmental Funds	$	1,151,957
Capital Projects Fund	Debt Service Fund	$	605

The general fund was due $1,134,568 from other special revenue funds to be repaid upon receipt of grant revenues and $17,389 from School Nutrition Program for workers compensation expenditures. Funds remaining in the debt service fund will be transferred to the capital projects fund.

Transfers from/to other funds at June 30, 2014 are as follows:

Transfers to	Transfers from		Amount
Nonmajor Governmental Funds	General Fund	$	152,715
Capital Projects Fund	Debt Service Fund	$	605

These transfers are to cover overages from the operation of certain grants and to transfer amounts remaining in the debt service fund.

NOTE 5: Capital Assets

Governmental capital asset activity for the year ended June 30, 2014 was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Capital assets, not being depreciated:					
Land	$ 3,347,052	$ 0	$ 0	$ 0	$ 3,347,052
Construction in progress	12,027,700	2,449,827	0	(14,124,008)	353,519
Total capital assets, not being depreciated	15,374,752	2,449,827	0	(14,124,008)	3,700,571
Capital assets, being depreciated:					
Buildings	135,275,379	0	0	0	135,275,379
Building improvements	13,866,969	587,863	(290,005)	13,521,831	27,686,658
Vehicles and equipment	14,509,878	1,260,191	0	602,177	16,372,246
Total capital assets, being depreciated	163,652,226	1,848,054	(290,005)	14,124,008	179,334,283
Less accumulated depreciation for:					
Buildings	(27,036,917)	(1,773,564)	0	0	(28,810,481)
Building improvements	(4,605,829)	(417,222)	248,960	0	(4,774,091)
Vehicles and equipment	(9,988,823)	(996,159)	0	0	(10,984,982)
Total accumulated depreciation	(41,631,569)	(3,186,945)	248,960	0	(44,569,554)
Total capital assets, being depreciated, net	122,020,657	(1,338,891)	(41,045)	14,124,008	134,764,729
Capital assets, net	$ 137,395,409	$ 1,110,936	$ (41,045)	$ 0	$ 138,465,300

NOTE 5: Capital Assets (Continued)

Depreciation expense was charged to functions/ programs of the primary government as follows:

Instruction	$ 1,591,043
Improvement of instructional services	19,798
Media services	84,610
General and school administration	74,133
Maintenance and operations	542,808
Transporation	286,124
Central support services	7,930
School nutrition	309,878
Unallocated depreciation	270,621
Total depreciation expense	$ 3,186,945

NOTE 6: Non-Monetary Transactions and On-Behalf Payments

The System received from the United States Department of Agriculture through the Georgia Department of Education approximately $410,399 in donated food commodities for its lunchroom programs. The federally assigned value of these commodities is reflected as revenues and expenditures in the Other Governmental Funds.

The Georgia Department of Education paid $4,401,432 to the State Health Benefit Plan, $15,497 to the Teachers Retirement System, and $231,125 to the Public School Employee Retirement System on behalf of the System for the fiscal year ending June 30, 2014. These on-behalf payments were for health insurance and retirement contributions and were reported in the General Fund as both revenues and expenditures

NOTE 7: Special Purpose Local Option Sales Tax (SPLOST)

On March 20, 2007, the voters of Spalding County authorized the imposition of a Special Purpose Local Option Sales Tax (SPLOST) effective July 1, 2007. The sales tax was authorized for a maximum period of time not to exceed five years for the purpose of raising not more than $57,000,000, although the SPLOST only generated $42,407,828. Total expenditures of 2007 SPLOST proceeds incurred in 2014 were $2,798,689. The funds were used to fund new construction projects.

NOTE 7: Special Purpose Local Option Sales Tax (SPLOST) (Continued)

On March 6, 2012, the voters of Spalding County authorized the SPLOST to be reimposed effective July 1, 2012. The reimposed sales tax was authorized for a maximum period of time not to exceed three years for the purpose of raising not more than $30,000,000. The funds generated by the sales tax will be used to renovate, remove, repair, improve, and equip existing school facilities and acquire system-wide technology improvements.

The status of the 2012 SPLOST project is as follows:

Anticipated proceeds, as originally projected	$ 30,000,000
Amount not yet collected	(13,263,865)
Amount collected through June 30, 2014	$ 16,736,135
Amounts expended to date	$ 2,956,269

NOTE 8: Risk Management

The System is exposed to various risks of loss related to torts: theft of loss, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disaster. The System has established a limited risk management program for Workers' Compensation. Estimated claims are budgeted by management based on known claims and prior experience. An excess coverage insurance policy covers aggregate claims in excess of $500,000 up to $1,000,000.

Claims and associated expenses incurred during the fiscal years 2014, 2013 and 2012 are shown below. Outstanding year end liabilities are considered to be immaterial.

Year	Balance July 1, 2013	Current Year Claims Accrued	Current Year Claims Paid	Unpaid Balance June 30, 2014
2014	$ 0	$ 502,701	$ (502,701)	$ 0
2013	$ 0	$ 539,904	$ (539,904)	$ 0
2012	$ 0	$ 327,866	$ (327,866)	$ 0

NOTE 8: Risk Management (Continued)

The System participates in Georgia School Boards Association Risk Management Fund for property and liability insurance. Coverage for losses arising from certain liability and property risks to the System is provided through a group self-insurance plan. For accounting purposes this plan is considered to be a Risk Transfer Pool. Under this plan, the System is responsible for the first $5,000 of each property loss, $5,000 of each machinery breakdown loss, $1,000 of auto physical damage loss, and the first $10,000 of each liability claim. The plan assumes certain risks of the System in excess of state retentions up to certain customary coverage limits. The System is required to make a financial contribution to the plan each year in an amount determined on the basis of actuarial projections of losses.

Settled claims have not exceeded insurance coverage in any of the past three years.

NOTE 9: Contingencies and Commitments

The System is a defendant in various legal proceedings pertaining to matters incidental to the performance of routine System operations. It is the opinion of management and legal counsel that the System has adequate legal defenses or insurance coverage and these actions will not materially affect the System's results of operations or financial position.

At June 30, 2014, the System's future construction commitments consist of additions to various schools in the amount of approximately $753,000.

NOTE 10: Retirement Plans

TEACHERS RETIREMENT SYSTEM OF GEORGIA (TRS)

TRS PLAN DESCRIPTION
Substantially all teachers, administrative and clerical personnel employed by local school systems are covered by the Teachers Retirement System of Georgia (TRS), which is a cost-sharing multiple-employer public employee retirement system (PERS). TRS provides service retirement, disability retirement and survivor's benefits for its members. Title 47, Chapter 3 of the Official Code of Georgia Annotated, assigns the authority to establish and amend benefit provisions to the TRS Board of Trustees. A member is eligible for service retirement after 30 years of creditable service, regardless of age, or after 10 years of service and attainment of age 60. A member is eligible for early retirement after 25 years of creditable service and attainment of age 55, at a reduced benefit.

NOTE 10: Retirement Plans

Retirement benefits paid to members are equal to 2% of the average of the member's two consecutive highest paid years of service multiplied by the number of years of creditable service up to 40 years. The normal retirement pension is payable monthly for life. Options are available for distribution of the member's monthly pension at a reduced rate to a designated beneficiary on the member's death.

Retirement benefits also include death and disability benefits. A disabled member or surviving spouse is entitled to receive annually an amount equal to the member's service retirement benefit or disability retirement, whichever is greater. The death benefit is the amount that would be payable to the member's beneficiary had the member retired on the date of death on either a service retirement allowance or a disability retirement allowance, whichever is larger. The benefit is based on the member's creditable service (minimum of 10 years of service) and compensation up to the time of disability or death.

Members become fully vested after ten years of service. If a member terminates with less than ten years of service, no vesting of employer contributions occurs, but the member's contributions are refunded with interest.

TRS CONTRIBUTIONS REQUIRED AND MADE
Employees of the System who are covered by TRS are required to contribute 6% of their gross earnings. The System makes monthly employer contributions at rates adopted by the TRS Board of Trustees as advised by their independent actuary. For fiscal year 2014 that rate for employer contributions was 12.28% of its gross payroll from July through June.

Total contributions made during fiscal years 2014, 2013 and 2012 are as follows:

	Total Contributions	Contributions Made By The System	Employer Percentage Contributed	Contributions Made By Employees
2014	$9,168,402	$6,154,232 (or 12.28% of covered salaries)	100%	$3,014,170 (or 6.00% of covered salaries)
2013	$8,705,462	$5,699,685 (or 11.41% of covered salaries)	100%	$3,005,777 (or 6.00% of covered salaries)
2012	$8,330,375	$5,409,811 (or 10.28% of covered salaries)	100%	$2,920,564 (or 5.53% of covered salaries)

NOTE 10: Retirement Plans (Continued)

PUBLIC SCHOOL EMPLOYEES RETIREMENT SYSTEM OF GEORGIA (PSERS)

PSERS PLAN DESCRIPTION

Substantially all bus drivers, maintenance, custodial, and lunchroom personnel employed by local school systems are covered by the Public School Employees Retirement System of Georgia (PSERS), which is a cost-sharing multiple-employer PSERS. All employer contributions are made by the State of Georgia.

PSERS provides service retirement, disability retirement and survivor's benefits for its members. A member is eligible for normal service retirement after 10 years of service and attainment of age 65. A member applying for service retirement with 10 years of service and retiring between the ages of 60 and 65 receives a reduced benefit. Monthly retirement benefits paid to members are equal to $14.75 per month multiplied by the number of years of creditable service. Options are available for distribution of the member's monthly pension at a reduced rate to a designated beneficiary on the member's death.

Retirement provisions include death and disability benefits. Disability benefits are the same as if the employee had retired at age 65 as long as the employee has 15 or more years of creditable service. Death benefits are dependent upon the number of years of service. If there are less than ten years of service, a lump sum refund of the employee's contributions and interest are made to the beneficiary. If there are more than ten years of service, the beneficiary shall receive for life half of what the employee would have received upon retirement.

Members become fully vested after ten years of service. If a member terminates with less than ten years of service, no vesting of employer contributions occurs, but the member's contributions are refunded with interest.

PSERS CONTRIBUTIONS REQUIRED AND MADE

Covered employees are required by State statute to contribute $4.00 per month for the nine-month school year. Beginning in fiscal year 2013, required contributions for newly eligible employee are $10.00. Unlike TRS, the System makes no contribution to PSERS. The State of Georgia is required by statute to make employer contributions actuarially determined and approved and certified by the PSERS' Board of Trustees.

NOTE 10: Retirement Plans (Continued)

Total contributions made to PSERS by the employees during fiscal years 2014, 2013 and 2012, which equaled required contributions are as follows:

2014	$14,176
2013	$10,440
2012	$11,780

Ten-year historical trend information is presented in each plan's annual financial statement. This information is useful in assessing the pension plan's accumulation of sufficient assets to pay pension benefits as they become due. This information may be obtained by contacting TRS and PSERS directly at Two Northside 75, Suite 400, Atlanta, Georgia 30318 or on the internet at www.trsga.com and www.ersga.org.

NOTE 11: Post Employment Benefits

GEORGIA RETIREE HEALTH BENEFIT FUND

PLAN DESCRIPTION

The School District contributes to the Georgia Retiree Health Benefit Fund (GRHBF), a cost-sharing multiple-employer defined benefit postemployment healthcare plan administered by the Department of Community Health. GRHBF provides health insurance benefits to eligible retirees and their qualified beneficiaries. Pursuant to Title 45, Chapter 18 of the Official Code of Georgia Annotated, the authority to establish and amend the benefit provisions of the plan is assigned to the Board of Community Health. The Department of Community Health issues a publicly available financial report that includes financial statements and required supplementary information for GRHBF. That report may be obtained from the Department of Community Health at 2 Peachtree Street, Atlanta, Georgia 30303.

FUNDING POLICY

The contribution requirements of plan members and participating employers are established and may be amended by the Board of Community Health. Contributions of plan members or beneficiaries receiving benefits vary based on plan elections, dependent coverage, and Medicare eligibility and election. On average, plan members pay approximately twenty-five percent (25%) of the cost of health insurance coverage.

NOTE 11: Post Employment Benefits (Continued)

Participating employers are required by statute to contribute in accordance with the employer contribution rate established by the Board of Community Health. This contribution rate is established to fund both the active and retired employee health insurance plans based on projected pay-as-you-go financing requirements. The employer contribution rates for the combined active and retiree plans varied during the fiscal year ended June 30, 2014 as follows:

Teachers:	
July 2012 - February 2013	$912.34 per month
March 2013 - June 2013	$937.34 per month
July 2013 - June 2014	$945.00 per month

Non-Certificated Employees:	
July 2012-August 2013	$446.20 per month
September 2013 - June 2014	$596.20 per month

The School System's contribution to the State Health Benefit Plan for the fiscal years 2014, 2013 and 2012, which equaled the required contribution are as follows:

2014	$10,484,548
2013	$9,864,565
2012	$9,221,331

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Description

Special revenue funds are used to account for revenues received from other governmental agencies or locally generated revenues that are legally restricted to expenditures for specified purposes.

School Nutrition Program: This fund was established to provide accounting of the System's School Food Service operations.

Other Special Revenue Funds:

Title I: This fund used to account for federal categorical grant funds flowing through the Department of Education, State of Georgia, for the purpose of providing remedial education in the areas of reading and math.

Title VIB: This fund was established to provide accounting of federal categorical grant funds flowing through the Department of Education, State of Georgia, for the purpose of providing special education programs for handicapped students.

Perkins CTAE: This fund was established to provide accounting of federal categorical grant funds flowing through the Department of Education, State of Georgia, for the purpose of developing career, technical, vocation, and academic skills of students.

Title IIA & Title IID: This fund was established to provide accounting of federal categorical grant funds flowing through the Department of Education, State of Georgia, for the purpose of improving teacher and principal quality and ensuring that all teachers are highly qualified.

Race to the Top: This fund was established to provide accounting of federal categorical grant funds flowing through the Department of Education, State of Georgia, for the purpose of closing achievement gaps, improving high school graduation rates and ensuring student preparation for success in college careers.

Title III (LEP & Immigrant): This fund was established to provide accounting of federal categorical grant funds flowing through the Department of Education, State of Georgia, for the purpose of improving the education of limited English proficient (LEP) and immigrant students by helping them learn English and meet student academic achievement standards.

Title IV (Drug Free Schools): This fund was established to provide accounting of federal categorical grant funds flowing through the Department of Education, State of Georgia, for the purpose supporting programs that prevent the illegal use of alcohol, tobacco, and drugs.

Other Special Revenue Funds: (Continued)

School Activity Accounts: Consistent with the philosophy of financial independence of the schools, this fund was established to provide accounting for the accounts maintained at the school level.

Mainstay Psycho Ed: This fund was established to provide accounting of state and federal grant funds flowing through the Georgia Network for Educational and Therapeutic Support (GNETS), State of Georgia, for the purpose of providing specialized educational treatment for emotionally disturbed students.

Pre-K: This fund was established to provide accounting of state lottery funds flowing through the Georgia Department of Early Care and Learning, for the purpose of providing early care and education programs for pre-kindergarten students.

Nursing Grant: This fund was established to provide accounting of funds donated by the Hospital Authority, a local foundation, for the purpose of providing nurses in each school.

Other Funds: This fund was established to provide accounting for certain special programs that are typically one-time monies awarded for distinct program objectives.

PERMANENT FUNDS

Description

The permanent funds are used to account for assets held by the System resulting from a trust arrangement in which the System is the beneficiary which include scholarships and endowments.

GRIFFIN-SPALDING COUNTY SCHOOL SYSTEM
GRIFFIN, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2014

	SPECIAL REVENUE FUNDS				
	SCHOOL NUTRITION PROGRAM	OTHER SPECIAL REVENUE FUNDS	TOTAL SPECIAL REVENUE FUNDS	PERMANENT FUNDS	TOTAL NONMAJOR GOVERNMENTAL FUNDS
ASSETS					
Cash and cash equivalents	$ 1,356,389	$ 1,280,483	$ 2,636,872	$ 212,978	$ 2,849,850
Receivables					
State of Georgia, Department of Education	121,062	2,466,154	2,587,216		2,587,216
Other	24,638	110,332	134,970	12,488	147,458
Investments				1,059,715	1,059,715
Inventories	27,016		27,016		27,016
Other assets		5,895	5,895	1,360	7,255
Total assets	$ 1,529,105	$ 3,862,864	$ 5,391,969	$ 1,286,541	$ 6,678,510
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts payable	$ 44,614	$ 92,816	$ 137,430	$ 49,962	$ 187,392
Accrued salaries and benefits	398,583	1,582,129	1,980,712		1,980,712
Unearned revenue	55,123	42,568	97,691		97,691
Due to other funds	17,389	1,134,568	1,151,957		1,151,957
Total liabilities	515,709	2,852,081	3,367,790	49,962	3,417,752
FUND BALANCES					
Nonspendable:					
Inventories	3,968		3,968		3,968
Permanent funds				1,155,746	1,155,746
Restricted for:					
Special revenue funds	1,009,428	52,531	1,061,959		1,061,959
Committed to:					
Special revenue funds		958,252	958,252		958,252
Assigned to:					
Permanent funds				80,833	80,833
Total fund balances	1,013,396	1,010,783	2,024,179	1,236,579	3,260,758
Total liabilities and fund balances	$ 1,529,105	$ 3,862,864	$ 5,391,969	$ 1,286,541	$ 6,678,510

See Independent Auditor's Report.

GRIFFIN-SPALDING COUNTY SCHOOL SYSTEM
GRIFFIN, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2014

	SPECIAL REVENUE FUNDS				
	SCHOOL NUTRITION PROGRAM	OTHER SPECIAL REVENUE FUNDS	TOTAL SPECIAL REVENUE FUNDS	PERMANENT FUNDS	TOTAL NONMAJOR GOVERNMENTAL FUNDS
REVENUES					
Property taxes					
Sales taxes					
Fees and charges	$ 585,734	$ 46,000	$ 631,734		$ 631,734
State funds	159,308	4,976,501	5,135,809		5,135,809
Federal funds	5,230,475	8,478,335	13,708,810		13,708,810
Earnings on investments	149	330	479	$ 2,143	2,622
Miscellaneous	12	1,756,399	1,756,411	27,563	1,783,974
Total revenues	5,975,678	15,257,565	21,233,243	29,706	21,262,949
EXPENDITURES					
Current operating					
Instruction		10,706,459	10,706,459	14,059	10,720,518
Support services					
Pupil support services		937,278	937,278		937,278
Improvement of instructional services		2,450,502	2,450,502		2,450,502
Educational media services					
General and school administration		972,387	972,387		972,387
Business administration					
Maintenance and operation of plant		24,536	24,536		24,536
Student transportation services		60,877	60,877		60,877
Central support services		16,518	16,518		16,518
Other support services		216,026	216,026	31,527	247,553
School nutrition services	5,948,424	60,650	6,009,074		6,009,074
Total expenditures	5,948,424	15,445,233	21,393,657	45,586	21,439,243
Excess (deficiency) of revenues over (under) expenditures	27,254	(187,668)	(160,414)	(15,880)	(176,294)
OTHER FINANCING SOURCES					
Transfers in		152,715	152,715		152,715
Total other financing sources	0	152,715	152,715	0	152,715
Net change in fund balances	27,254	(34,953)	(7,699)	(15,880)	(23,579)
Fund balances, beginning	986,142	1,045,736	2,031,878	1,252,459	3,284,337
Fund balances, ending	$ 1,013,396	$ 1,010,783	$ 2,024,179	$ 1,236,579	$ 3,260,758

See Independent Auditor's Report.

GRIFFIN-SPALDING COUNTY SCHOOL SYSTEM
GRIFFIN, GEORGIA
COMBINING BALANCE SHEET
OTHER SPECIAL REVENUE FUNDS
JUNE 30, 2014

	TITLE I	TITLE VI-B (IDEA)	PERKINS CTAE	TITLE II A & TITLE II D	RACE TO THE TOP	TITLE III (LEP & IMMIGRANT)
ASSETS						
Cash and cash equivalents	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Receivables						
State of Georgia, Department of Education	998,028	323,743	17,058	90,407	149,652	5,743
Other	362			4,525	997	
Other assets	0	645	5,250	0	0	0
Total assets	$ 998,390	$ 324,388	$ 22,308	$ 94,932	$ 150,649	$ 5,743
LIABILITIES AND FUND BALANCES						
LIABILITIES						
Accounts payable	31,950	20,024	3,785	14,675	212	1,001
Accrued salaries and benefits	272,024	261,746		23,790	90,481	3,360
Unearned revenue	10,718				12,740	
Due to other funds	638,759	42,584	18,523	56,467	47,216	1,382
Total liabilities	953,451	324,354	22,308	94,932	150,649	5,743
FUND BALANCES						
Restricted for:						
Special revenue funds	44,939	34				
Committed to:						
Special revenue funds						
Total fund balances	44,939	34	0	0	0	0
Total liabilities and fund balances	$ 998,390	$ 324,388	$ 22,308	$ 94,932	$ 150,649	$ 5,743

See Independent Auditor's Report.

GRIFFIN-SPALDING COUNTY SCHOOL SYSTEM
GRIFFIN, GEORGIA
COMBINING BALANCE SHEET
OTHER SPECIAL REVENUE FUNDS (CONTINUED)
JUNE 30, 2014

	SCHOOL ACTIVITY ACCOUNTS	MAINSTAY PSYCHO ED	PRE-K	NURSING GRANT	OTHER FUNDS	TOTAL OTHER SPECIAL REVENUE FUNDS
ASSETS						
Cash and cash equivalents	$ 486,602	$ 0	$ 309,908	$ 41,464	$ 442,509	$ 1,280,483
Receivables						
State of Georgia, Department of Education		866,428			15,095	2,466,154
Other			115	58,333	46,000	110,332
Other assets	0	0	0	0	0	5,895
Total assets	$ 486,602	$ 866,428	$ 310,023	$ 99,797	$ 503,604	$ 3,862,864
LIABILITIES AND FUND BALANCES						
LIABILITIES						
Accounts payable	4,382	6,527	6,522		3,738	92,816
Accrued salaries and benefits		526,563	299,644	98,508	6,013	1,582,129
Unearned revenue				1,289	17,821	42,568
Due to other funds		329,637				1,134,568
Total liabilities	4,382	862,727	306,166	99,797	27,572	2,852,081
FUND BALANCES						
Restricted for:						
Special revenue funds		3,701	3,857			52,531
Committed to:						
Special revenue funds	482,220				476,032	958,252
Total fund balances	482,220	3,701	3,857	0	476,032	1,010,783
Total liabilities and fund balances	$ 486,602	$ 866,428	$ 310,023	$ 99,797	$ 503,604	$ 3,862,864

See Independent Auditor's Report.

GRIFFIN-SPALDING COUNTY SCHOOL SYSTEM
GRIFFIN, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
OTHER SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2014

	TITLE I	TITLE VI-B (IDEA)	PERKINS CTAE	TITLE II A & TITLE II D	RACE TO THE TOP	TITLE III (LEP & IMMIGRANT)
REVENUES						
Fees and charges						
State funds						
Federal funds	$ 4,411,112	$ 2,016,739	$ 85,861	$ 491,501	$ 1,093,945	$ 16,537
Earnings on investments						
Miscellaneous						
Total revenues	4,411,112	2,016,739	85,861	491,501	1,093,945	16,537
EXPENDITURES						
Current operating						
Instruction	2,724,710	1,635,615	74,883	111,735	335,434	4,226
Support services						
Pupil support services		83,441				5,315
Improvement of instructional services	1,171,599	271,344	10,098	364,375	618,088	6,331
General and school administration	277,126	377	880	7,675	126,217	257
Maintenance and operation of plant						
Student transportation services	28,034	25,962			6,506	
Central support services				7,716	7,700	
Other support services	209,643					408
School nutrition services						
Total expenditures	4,411,112	2,016,739	85,861	491,501	1,093,945	16,537
Excess (deficiency) of revenues over (under) expenditures	0	0	0	0	0	0
OTHER FINANCING SOURCES						
Transfers in						
Total other financing sources	0	0	0	0	0	0
Net change in fund balances	0	0	0	0	0	0
Fund balances, beginning	44,939	34	0	0	0	0
Fund balances, ending	$ 44,939	$ 34	$ 0	$ 0	$ 0	$ 0

See Independent Auditor's Report.

GRIFFIN-SPALDING COUNTY SCHOOL SYSTEM
GRIFFIN, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
OTHER SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2014

	SCHOOL ACTIVITY ACCOUNTS	MAINSTAY PSYCHO ED	PRE-K	NURSING GRANT	OTHER FUNDS	TOTAL OTHER SPECIAL REVENUE FUNDS
REVENUES						
Fees and charges					$ 46,000	$ 46,000
State funds		$ 3,221,736	$ 1,754,765			4,976,501
Federal funds		297,026			65,614	8,478,335
Earnings on investments	$ 330					330
Miscellaneous	1,370,540			$ 350,000	35,859	1,756,399
Total revenues	1,370,870	3,518,762	1,754,765	350,000	147,473	15,257,565
EXPENDITURES						
Current operating						
Instruction	1,420,834	2,587,959	1,805,105		5,958	10,706,459
Support services						
Pupil support services		498,522		350,000		937,278
Improvement of instructional services			5,612		3,055	2,450,502
General and school administration		431,414	96,231		32,210	972,387
Maintenance and operation of plant		867			23,669	24,536
Student transportation services					375	60,877
Central support services					1,102	16,518
Other support services			257		5,718	216,026
School nutrition services					60,650	60,650
Total expenditures	1,420,834	3,518,762	1,907,205	350,000	132,737	15,445,233
Excess (deficiency) of revenues over (under) expenditures	(49,964)	0	(152,440)	0	14,736	(187,668)
OTHER FINANCING SOURCES						
Transfers in			152,440		275	152,715
Total other financing sources	0	0	152,440	0	275	152,715
Net change in fund balances	(49,964)	0	0	0	15,011	(34,953)
Fund balances, beginning	532,184	3,701	3,857	0	461,021	1,045,736
Fund balances, ending	$ 482,220	$ 3,701	$ 3,857	$ 0	$ 476,032	$ 1,010,783

See Independent Auditor's Report.

GRIFFIN-SPALDING COUNTY SCHOOL SYSTEM
GRIFFIN, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - CAPITAL PROJECTS FUND
FOR THE YEAR ENDED JUNE 30, 2014

	BUDGET	ACTUAL AMOUNTS	VARIANCE OVER (UNDER)
REVENUES			
Sales taxes	$ 8,480,000	8,285,565	$ (194,435)
Earnings on Investments	0	23,170	23,170
Total revenues	8,480,000	8,308,735	(171,265)
EXPENDITURES			
Capital outlay *	17,112,000	4,732,584	(12,379,416)
Total expenditures	17,112,000	4,732,584	(12,379,416)
Excess (deficiency) of revenues over (under) expenditures	(8,632,000)	3,576,151	12,208,151
OTHER FINANCING SOURCES			
Proceeds from sale of assets	0	145,200	145,200
Transfers in	0	605	605
Total other financing uses	0	145,805	145,805
Net change in fund balances	(8,632,000)	3,721,956	12,353,956
Fund balances, beginning	19,715,827	19,715,827	0
Fund balances, ending	$ 11,083,827	$ 23,437,783	$ 12,353,956

* Capital outlay for budget purposes reflects the entire project; but actual amount reflects expenditures incurred during the fiscal year.

See Independent Auditor's Report.

GRIFFIN-SPALDING COUNTY SCHOOL SYSTEM
GRIFFIN, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - DEBT SERVICE FUND
FOR THE YEAR ENDED JUNE 30, 2014

	BUDGET	ACTUAL AMOUNTS	VARIANCE OVER (UNDER)
REVENUES			
Other local funds	$ 10	$ 0	$ (10)
Total revenues	10	0	(10)
OTHER FINANCING USES			
Transfers out	0	(605)	(605)
Total other financing uses	0	(605)	(605)
Net change in fund balances	10	(605)	(615)
Fund balances, beginning	605	605	0
Fund balances, ending	$ 615	$ 0	$ (615)

See Independent Auditor's Report.

GRIFFIN-SPALDING COUNTY SCHOOL SYSTEM
GRIFFIN, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - SCHOOL NUTRITION PROGRAM
FOR THE YEAR ENDED JUNE 30, 2014

	BUDGET	ACTUAL AMOUNTS	VARIANCE OVER (UNDER)
REVENUES			
State funds	$ 142,920	$ 159,308	$ 16,388
Federal funds	5,198,122	5,230,475	32,353
Other local funds	508,152	585,895	77,743
Total revenues	5,849,194	5,975,678	126,484
EXPENDITURES			
Current operating			
School nutrition services	6,071,060	5,948,424	(122,636)
Net change in fund balances	(221,866)	27,254	249,120
Fund balances, beginning	986,142	986,142	0
Fund balances, ending	$ 764,276	$ 1,013,396	$ 249,120

See Independent Auditor's Report.

GRIFFIN-SPALDING COUNTY SCHOOL SYSTEM
GRIFFIN, GEORGIA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - OTHER SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2014

	NURSING GRANT			TITLE I		
	BUDGET	ACTUAL AMOUNTS	VARIANCE OVER (UNDER)	BUDGET	ACTUAL AMOUNTS	VARIANCE OVER (UNDER)
REVENUES						
Federal funds	$ 0	$ 0	$ 0	$ 4,475,861	$ 4,411,112	$ (64,749)
Other local funds	350,000	350,000	0	0	0	0
Total revenues	350,000	350,000	0	4,475,861	4,411,112	(64,749)
EXPENDITURES						
Current operating						
Instruction	0	0	0	3,859,791	2,724,710	(1,135,081)
Support services						
Pupil services	350,000	350,000	0	0	0	0
Improvement of instructional services	0	0	0	201,130	1,171,599	970,469
General and school administration	0	0	0	313,969	277,126	(36,843)
Maintenance and operation of plant	0	0	0	0	0	0
Student transportation services	0	0	0	0	28,034	28,034
Other support services	0	0	0	100,971	209,643	108,672
School nutrition services	0	0	0	0	0	0
Total expenditures	350,000	350,000	0	4,475,861	4,411,112	(64,749)
Excess (deficiency) of revenues over (under) expenditures	0	0	0	0	0	0
Fund balances, beginning	0	0	0	44,939	44,939	0
Fund balances, ending	$ 0	$ 0	$ 0	$ 44,939	$ 44,939	$ 0

See Independent Auditors' Report.

GRIFFIN-SPALDING COUNTY SCHOOL SYSTEM
GRIFFIN, GEORGIA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - OTHER SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2014

	TITLE VI-B (IDEA)			PERKINS CTAE		
	BUDGET	ACTUAL AMOUNTS	VARIANCE OVER (UNDER)	BUDGET	ACTUAL AMOUNTS	VARIANCE OVER (UNDER)
REVENUES						
Federal funds	$ 2,065,592	$ 2,016,739	$ (48,853)	$ 100,361	$ 85,861	$ (14,500)
Total revenues	2,065,592	2,016,739	(48,853)	100,361	85,861	(14,500)
EXPENDITURES						
Current operating						
Instruction	1,505,978	1,635,615	129,637	78,596	74,883	(3,713)
Support services						
Pupil services	380,707	83,441	(297,266)	18,560	0	(18,560)
Improvement of instructional services	176,907	271,344	94,437	0	10,098	10,098
General and school administration	0	377	377	3,205	880	(2,325)
Maintenance and operation of plant	0	0	0	0	0	0
Student transportation services	2,000	25,962	23,962	0	0	0
Other support services	0	0	0	0	0	0
Total expenditures	2,065,592	2,016,739	(48,853)	100,361	85,861	(14,500)
Excess (deficiency) of revenues over (under) expenditures	0	0	0	0	0	0
Fund balances, beginning	34	34	0	0	0	0
Fund balances, ending	$ 34	$ 34	$ 0	$ 0	$ 0	$ 0

See Independent Auditor's Report.

GRIFFIN-SPALDING COUNTY SCHOOL SYSTEM
GRIFFIN, GEORGIA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - OTHER SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2014

	TITLE IIA & TITLE IID			RACE TO THE TOP		
	BUDGET	ACTUAL AMOUNTS	VARIANCE OVER (UNDER)	BUDGET	ACTUAL AMOUNTS	VARIANCE OVER (UNDER)
REVENUES						
Federal funds	$ 552,963	$ 491,501	$ (61,462)	$ 1,503,080	$ 1,093,945	$ (409,135)
Total revenues	552,963	491,501	(61,462)	1,503,080	1,093,945	(409,135)
EXPENDITURES						
Current operating						
Instruction	0	111,735	111,735	535,851	335,434	(200,417)
Support services						
Improvement of instructional services	532,914	364,375	(168,539)	769,977	618,088	(151,889)
General and school administration	9,799	7,675	(2,124)	166,325	126,217	(40,108)
Maintenance and operation of plant	0	0	0	0	0	0
Student transportation services	0	0	0	23,227	6,506	(16,721)
Central support services	0	7,716	7,716	0	0	0
Other support services	10,250	0	(10,250)	7,700	7,700	0
School nutrition services	0	0	0	0	0	0
Total expenditures	552,963	491,501	(61,462)	1,503,080	1,093,945	(409,135)
Excess (deficiency) of revenues over (under) expenditures	0	0	0	0	0	0
Fund balances, beginning	0	0	0	0	0	0
Fund balances, ending	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0

See Independent Auditor's Report.

GRIFFIN-SPALDING COUNTY SCHOOL SYSTEM
GRIFFIN, GEORGIA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - OTHER SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2014

	TITLE III (LEP & IMMIGRANT)			SCHOOL ACTIVITY ACCOUNTS		
	BUDGET	ACTUAL AMOUNTS	VARIANCE OVER (UNDER)	BUDGET	ACTUAL AMOUNTS	VARIANCE OVER (UNDER)
REVENUES						
Federal funds	$ 38,191	$ 16,537	$ (21,654)	$ 0	$ 0	$ 0
Other local funds	0	0	0	1,900,000	1,370,870	(529,130)
Total revenues	38,191	16,537	(21,654)	1,900,000	1,370,870	(529,130)
EXPENDITURES						
Current operating						
Instruction	17,588	4,226	(13,362)	1,900,000	1,420,834	(479,166)
Support services						
Pupil services	6,338	5,315	(1,023)	0	0	0
Improvement of instructional services	9,724	6,331	(3,393)	0	0	0
General and school administration	450	257	(193)	0	0	0
Business administration	1,191	0	(1,191)	0	0	0
Maintenance and operation of plant	0	0	0	0	0	0
Other support services	2,900	408	(2,492)	0	0	0
School nutrition services	0	0	0	0	0	0
Total expenditures	38,191	16,537	(21,654)	1,900,000	1,420,834	(479,166)
Excess (deficiency) of revenues over (under) expenditures	0	0	0	0	(49,964)	(49,964)
Fund balances, beginning	0	0	0	532,184	532,184	0
Fund balances, ending	$ 0	$ 0	$ 0	$ 532,184	$ 482,220	$ (49,964)

See Independent Auditor's Report.

GRIFFIN-SPALDING COUNTY SCHOOL SYSTEM
GRIFFIN, GEORGIA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - OTHER SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2014

	MAINSTAY PSYCHO ED			PRE-K		
	BUDGET	ACTUAL AMOUNTS	VARIANCE OVER (UNDER)	BUDGET	ACTUAL AMOUNTS	VARIANCE OVER (UNDER)
REVENUES						
State funds	$ 3,346,139	$ 3,221,736	$ (124,403)	$ 1,746,661	$ 1,754,765	$ 8,104
Federal funds	278,643	297,026	18,383	0	0	0
Other local funds	1,077	0	(1,077)	0	0	0
Total revenues	3,625,859	3,518,762	(107,097)	1,746,661	1,754,765	8,104
EXPENDITURES						
Current operating						
Instruction	2,677,306	2,587,959	(89,347)	1,896,661	1,805,105	(91,556)
Support services						
Pupil services	535,504	498,522	(36,982)	0	0	0
Improvement of instructional services	1,079	0	(1,079)	0	5,612	5,612
General and school administration	405,970	431,414	25,444	0	96,231	96,231
Maintenance and operation of plant	6,000	867	(5,133)	0	0	0
Other support services	0	0	0	0	257	257
Total expenditures	3,625,859	3,518,762	(107,097)	1,896,661	1,907,205	10,544
Excess (deficiency) of revenues over (under) expenditures	0	0	0	(150,000)	(152,440)	(2,440)
OTHER FINANCING SOURCES						
Transfers in	0	0	0	0	152,440	152,440
Total other financing sources	0	0	0	0	152,440	152,440
Net change in fund balances	0	0	0	(150,000)	0	150,000
Fund balances, beginning	3,701	3,701	0	3,857	3,857	0
Fund balances, ending	$ 3,701	$ 3,701	$ 0	$ (146,143)	$ 3,857	$ 150,000

See Independent Auditor's Report.

GRIFFIN-SPALDING COUNTY SCHOOL SYSTEM
GRIFFIN, GEORGIA
AGENCY FUNDS - SCHOOL ACTIVITY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2014

	Balance July 1, 2013	Additions	Deductions	Balance June 30, 2014
ASSETS				
Cash and cash equivalents	$ 126,900	$ 347,026	$ 371,796	$ 102,130
Total assets	$ 126,900	$ 347,026	$ 371,796	$ 102,130
LIABILITIES				
Accounts payable	$ 0	$ 4,110	$ 0	$ 4,110
Due to student and faculty groups	126,900	342,916	371,796	98,020
Total liabilities	$ 126,900	$ 347,026	$ 371,796	$ 102,130

See Independent Auditor's Report.

GRIFFIN-SPALDING COUNTY BOARD OF EDUCATION
GRIFFIN, GEORGIA
SCHEDULE OF ALLOTMENTS AND EXPENDITURES - BY PROGRAM
GENERAL FUND - QUALITY BASIC EDUCATION PROGRAMS
FOR THE YEAR ENDED JUNE 30, 2014

	ALLOTMENTS FROM DEPARTMENT OF EDUCATIO	DIRECT INSTRUCTIONAL EXPENDITURES AMOUNT REPORTED TO DEPARTMENT OF EDUCATION		
	AMOUNT	SALARIES	OPERATIONS	TOTAL
GENERAL AND CAREER EDUCATION PROGRAMS				
Kindergarten	$ 2,849,369	$ 4,126,514	$ 41,088	$ 4,167,602
Kindergarten EIP	2,226,954	119,730	4,578	124,308
Grades 1 – 3	7,206,178	10,121,789	190,973	10,312,762
Grades 1 – 3 EIP	4,556,801	105,926	11,725	117,651
Sub-Total - K-3	16,839,302	14,473,959	248,364	14,722,323
Grades 4 - 5	3,258,310	6,103,231	158,819	6,262,050
Grades 4 - 5 EIP	2,495,033	317,434	5,216	322,650
Middle School (6 - 8)	6,866,842	6,867,625	169,471	7,037,096
Grades 9 - 12	5,810,950	7,354,922	359,932	7,714,854
Vocational Education Laboratories	1,410,881	696,921	96,306	793,227
Total General and Career Education Programs	36,681,318	35,814,092	1,038,108	36,852,200
SPECIAL EDUCATION PROGRAMS				
Regular Programs				
Category I	343,549	0	7,451	7,451
Category II	938,520	905,601	5,017	910,618
Category III	3,652,024	3,915,727	20,768	3,936,495
Category IV	1,202,663	236,349	9,168	245,517
Category V	451,074	0	8,645	8,645
Sub-Total – Regular	6,587,830	5,057,677	51,049	5,108,726
Category VI (Gifted)	2,292,614	522,409	18,122	540,531
Total Special Education Programs	8,880,444	5,580,086	69,171	5,649,257
REMEDIAL EDUCATION PROGRAM	690,211	157,242	2,798	160,040
ALTERNATIVE EDUCATION PROGRAMS	468,953	389,469	0	389,469
ENGLISH FOR SPEAKERS OF OTHER LANGUAGES	255,165	212,188	0	212,188
SPECIAL EDUCATION ITINERANT	5,796	0	0	0
SPECIAL EDUCATION SUPPLEMENTAL SPEECH	20,027	0	0	0
Direct Instruction Total	47,001,914	42,153,077	1,110,077	43,263,154
TWENTY DAYS ADDITIONAL INSTRUCTION	385,628	0	0	0
Twenty Days Additional Instruction Total	385,628	0	0	0
MEDIA CENTER PROGRAMS	1,274,808	1,373,185	107,876	1,481,061
Media Center Total	1,274,808	1,373,185	107,876	1,481,061
PROFESSIONAL DEVELOPMENT PROGRAMS	251,079	0	0	0
Professional Development Total	262,168	0	59,938	59,938
Grand Total	$ 48,924,518	$ 43,526,262	$ 1,277,891	$ 44,804,153

See Independent Auditor's Report.

STATISTICAL SECTION

This part of the System's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, notes, and required supplementary information says about the System's overall financial health.

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Financial Trends *These schedules contain trend information to help the reader understand how the System's financial performance and well-being have changed over time.*	61
Revenue Capacity *These schedules contain information to help the reader assess the System's most significant local revenue source, the property tax.*	66
Debt Capacity *These schedules present information to help the reader assess the affordability of the System's current levels of outstanding debt and the System's ability to issue additional debt in the future.*	74
Demographic and Economic Information *These schedules offer demographic and economic indicators to help the reader understand the environment within which the System's financial activities take place.*	79
Operating Information *These schedules contain service and infrastructure data to help the reader understand how the information in the System's financial report relates to the services the System provides and the activities it performs.*	85

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

Griffin-Spalding County School System
Comparative Statement of Net Position, Last Ten Fiscal Years

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Assets:										
Cash and cash equivalents	$29,939,764	$29,783,929	$31,737,875	$32,840,302	$37,161,880	$40,383,138	$33,498,312	$32,831,774	$35,266,312	$39,502,468
Property taxes receivable	253,164	611,822	516,847	438,372	2,127,120	2,150,347	2,780,354	2,564,245	2,969,255	3,135,866
Due from other governments	7,030,653	7,681,176	8,270,564	9,064,167	6,866,538	6,856,779	9,675,630	11,195,238	10,191,867	9,594,956
Other receivables	121,659	220,345	148,211	362,433	203,080	593,176	983,744	250,087	308,194	317,248
Note receivable						332,270	272,270	212,270	152,270	77,270
Investments	6,750,589	1,130,000	15,152,151	9,518,481	1,050,000	1,050,000	1,050,000	1,050,000	1,075,483	1,059,715
Inventories	115,319	123,419	107,369	65,052	88,389	65,202	51,577	126,169	13,029	27,016
Prepaid assets							52,000		6,135	
Capital assets not depreciable	12,781,695	17,238,316	16,491,980	11,269,135	23,453,521	9,104,843	13,792,646	10,866,707	15,374,752	3,700,571
Capital assets, net of accumulated depreciation	77,020,335	82,696,494	93,863,856	105,258,172	102,974,193	120,065,795	117,476,627	124,186,955	122,020,657	134,764,729
Other assets (net of accumulated amortization)	109,956	37,498	205,786	155,148	118,961	82,776	46,591	10,407	11,926	50,462
Total assets	134,123,134	139,522,999	166,494,639	168,971,262	174,043,682	180,684,326	179,679,751	183,293,852	187,389,880	192,230,301
Liabilities:										
Accounts payable and other current liabilities	12,584,051	13,773,866	13,967,372	14,081,769	14,495,698	14,655,769	12,561,257	13,557,279	12,093,085	11,454,304
Unearned revenue	132,041	144,006	142,021	401,983	284,447	265,894	276,968	176,484	58,708	106,378
Long-term liabilities:										
Capitalized lease obligations - due within one year	270,628	257,681	176,469	233,311	298,515	192,021	201,084	88,838		
Capitalized lease obligations - due in more than one year	362,455	535,371	358,902	550,247	481,942	289,922	88,837			
Bond Premium			286,623	232,028	177,433	122,838	68,243	13,649		
Bonds payable - due within one year	5,265,000	5,680,000	6,005,000			4,495,000	4,665,000	4,840,000		
Bonds payable - due in more then one year	11,685,000	6,005,000	14,000,000	14,000,000	14,000,000	9,505,000	4,840,000			
Total liabilities	30,299,175	26,395,924	34,936,387	29,499,338	29,738,035	29,526,444	22,701,389	18,676,250	12,151,793	11,560,682
Net Position:										
Net investment in capital assets	85,447,310	90,449,417	104,268,507	109,607,847	111,587,425	114,565,857	121,406,109	130,111,176	137,395,409	138,465,300
Restricted for:										
Capital projects	1,496,830	847,587	869,081	7,037,643	10,415,093	13,605,759	15,239,012	14,516,860	19,060,913	22,637,265
Debt service	5,927,359	9,367,080	12,146,215	9,079,722	8,679,188	8,092,803	3,832,266	4,954,100	605	
Other purposes	1,859,162	1,909,836	2,040,762	1,496,779	1,520,779	1,356,314	2,269,853	2,186,850	2,200,973	2,217,705
Unrestricted	9,093,298	10,553,155	12,233,687	12,249,933	12,103,162 *	13,537,149	14,231,122	12,848,616	16,580,187	17,349,349
Total net assets	$103,823,959	$113,127,075	$131,558,252	$139,471,924	$144,305,647	$151,157,882	$156,978,362	$164,617,602	$175,238,087	$180,669,619

Griffin-Spalding County School System
Net Position by Component, Last Ten Fiscal Years

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Governmental activities:										
Current and other assets	$44,321,104	$39,588,189	$56,138,803	$52,443,955	$47,615,968	$51,513,688	$48,358,478	$48,240,190	$49,994,471	$53,765,001
Capital assets	89,802,030	99,934,810	110,355,836	116,527,307	126,427,714	129,170,638	131,269,273	135,053,662	137,395,409	138,465,300
Total assets	134,123,134	139,522,999	166,494,639	168,971,262	174,043,682	180,684,326	179,627,751	183,293,852	187,389,880	192,230,301
Current and other liabilities	12,716,092	13,917,872	14,109,393	14,483,752	14,780,145	14,921,663	12,838,225	13,733,763	12,151,793	11,560,682
Long-term liabilities outstanding	17,583,083	12,478,052	20,826,994	15,015,586	14,957,890	14,604,781	9,863,164	4,942,487	0	0
Total liabilities	30,299,175	26,395,924	34,936,387	29,499,338	29,738,035	29,526,444	22,701,389	18,676,250	12,151,793	11,560,682
Net position:										
Net investment in capital assets	85,447,310	90,449,417	104,268,507	109,607,847	111,587,425	114,565,857	121,406,109	130,111,176	137,395,409	138,465,300
Restricted	9,283,351	12,124,503	15,056,058	17,614,144	20,615,060	23,054,876	21,341,131	21,657,810	21,262,491	24,854,970
Unrestricted	9,093,298	10,553,155	12,233,687	12,249,933	12,103,162	13,537,149	14,231,122	12,848,616	16,580,187	17,349,349
Total governmental activities net position	$103,823,959	$113,127,075	$131,558,252	$139,471,924	$144,305,647	$151,157,882	$156,978,362	$164,617,602	$175,238,087	$180,669,619

Griffin-Spalding County School System
Changes in Net Position, Last Ten Fiscal Years

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Expenses										
Governmental activities:										
Instruction	$57,086,694	$61,429,085	$65,253,840	$66,961,194	$65,503,742	$65,038,443	$63,217,366	$62,865,938	$60,807,268	$63,560,323
Pupil support services	2,226,000	2,649,631	2,535,688	2,850,621	3,010,602	3,041,075	3,155,458	2,650,382	2,367,075	2,459,659
Improvement of instructional services	3,163,754	3,873,778	3,993,270	4,035,198	3,928,254	3,649,259	4,540,524	4,875,165	4,288,607	3,804,161
Educational media services	1,872,780	1,887,315	2,060,554	2,056,494	1,960,650	1,974,281	1,928,462	1,752,187	1,524,908	1,568,570
General and school administration	6,318,858	6,880,586	7,566,244	8,409,899	8,524,664	8,022,284	8,175,375	8,250,954	8,068,277	8,338,418
Business administration	405,392	436,328	448,203	455,536	470,007	421,419	330,052	335,644	348,784	386,548
Maintenance and plant operations	7,146,007	7,706,961	8,013,536	8,517,290	8,622,179	8,999,351	8,507,364	8,235,705	8,405,731	9,163,199
Student transportation services	3,026,230	2,713,375	3,423,768	3,269,753	3,775,162	3,680,349	3,799,576	4,040,572	4,394,079	4,712,870
Central support services	1,201,547	1,241,578	1,346,868	1,713,408	1,336,515	1,167,341	1,154,965	1,173,057	1,257,984	1,462,350
Other support services	1,001,223	970,095	1,194,036	903,268	1,318,394	1,247,689	1,309,216	1,011,001	1,181,099	1,209,923
Food service operations	5,034,110	5,074,743	5,359,583	5,464,577	5,621,521	5,470,823	5,619,731	5,940,725	6,125,485	6,388,230
Community services operations	124,642	138,354	137,175	147,285	161,947	152,963	149,722	132,624	126,811	128,120
Interest on long-term debt	955,154	565,396	401,996	668,075	644,019	644,738	535,173	337,402	123,280	
Unallocated depreciation and other expenses	479,986	1,530,280	985,141	1,788,753	301,107	266,318	228,752	232,792	244,769	270,621
Total governmental activities expenses	90,042,377	97,097,505	102,719,902	107,241,351	105,178,763	103,776,333	102,651,736	101,834,148	99,264,157	103,452,992
Program Revenues										
Governmental activities:										
Charges for services:										
Instruction	543,700	626,630	577,487	531,783	503,645	391,364	377,149	334,172	293,976	346,634
Food service operations	1,326,664	1,270,449	1,173,971	1,102,205	952,409	894,109	786,979	749,548	663,209	585,734
Operating grants and contributions	61,572,748	67,792,353	73,216,823	74,066,266	70,672,931	72,330,693	72,127,662	69,263,558	71,892,094	72,773,169
Capital grants and contributions	21,212	293,706	8,842,505	982,501				3,093,618	2,119,430	
Total governmental activities program revenues	63,464,324	69,983,138	83,810,786	76,682,755	72,128,985	73,616,166	73,291,790	73,440,896	74,968,709	73,705,537
Net (Expense) Revenue										
Governmental activities	(26,578,053)	(27,114,367)	(18,909,116)	(30,558,596)	(33,049,778)	(30,160,167)	(29,359,946)	(28,393,252)	(24,295,448)	(29,747,455)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes:										
Property taxes, levied for general purposes	24,774,532	25,556,558	26,364,301	26,890,762	27,063,701	27,434,435	26,111,674	26,660,363	25,567,376	26,841,369
Special Purpose Local Option Sales Taxes	8,491,952	9,222,616	9,101,483	9,447,388	7,910,893	8,479,090	8,243,365	8,706,803	8,450,570	8,285,565
Investment earnings	777,321	1,460,331	1,706,358	1,861,304	520,363	117,706	72,348	31,392	7,457	22,898
Gain on sale of fixed assets						613,986	21,138	159,823	283,113	29,155
Miscellaneous	359,326	177,978	168,151	272,814	820,844	367,185	731,901	474,111	607,417	
Total general revenues and other changes in net position - governmental activities	34,403,131	36,417,483	37,340,293	38,472,268	36,315,801	37,012,402	35,180,426	36,032,492	34,915,933	35,178,987
Change in Net Position	$7,825,078	$9,303,116	$18,431,177	$7,913,672	$3,266,023 *	$6,852,235	$5,820,480	$7,639,240	$10,620,485	$5,431,532

Griffin-Spalding County School System
Fund Balances, Governmental Funds
Last Ten Fiscal Years

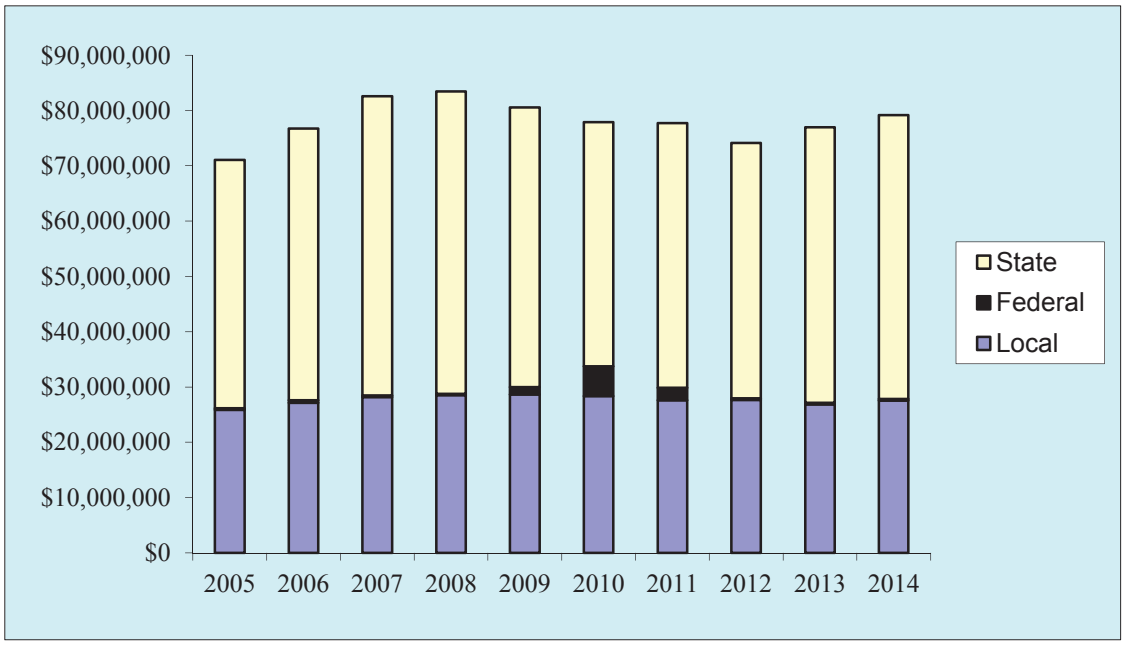
	2005	2006	2007	2008	2009	2010	2011 [1]	2012	2013	2014
General Fund										
Reserved			$559,813							
Unreserved	$8,042,919	$9,431,328	$10,870,654	$10,668,058	$8,992,617	$9,223,538				
Committed to:										
Risk Management							$366,497	$409,223	$428,995	$444,070
Assigned to:										
Subsequent period expenditures							$3,125,760		$400,693	
Unassigned							$6,630,770	$8,222,547	$11,487,321	$12,448,015
Total general fund	$8,042,919	$9,431,328	$11,430,467	$10,668,058	$8,992,617	$9,223,538	$10,123,027	$8,631,770	$12,317,009	$12,892,085
All Other Governmental Funds										
Reserved	$22,453,894	$15,081,024	$29,031,485	$25,556,483	$20,615,060	$23,120,078				
Unreserved, reported in:										
Debt service funds										
Capital projects funds										
Special revenue funds	1,050,379	1,121,827	1,363,033	1,581,875	1,539,589	1,924,775				
Nonspendable							1,358,704	1,264,789	1,183,886	1,159,714
Restricted for:										
Debt service funds							3,832,266	4,954,100	605	
Capital projects funds							15,239,012	14,516,860	19,060,913	22,637,265
Special revenue funds							1,021,787	978,601	1,027,880	1,061,959
Committed to:										
Special revenue funds							905,857	943,830	993,205	958,252
Assigned to:										
Permanent funds							86,126	88,606	79,366	80,833
Capital projects funds							662,008	737,514	654,914	800,518
Unassigned							(7,061)			
Total all other governmental funds	$23,504,273	$16,202,851	$30,394,518	$27,138,358	$22,154,649	$25,044,853	$23,098,699	$23,484,300	$23,000,769	$26,698,541

[1] First year of implementation of GASB Statement No. 54.

Griffin-Spalding County School System
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Revenues										
State Funds	$49,174,851	$54,226,164	$68,229,616	$61,403,329	$56,051,777	$49,449,766	$53,242,210	$54,158,030	$57,015,876	$56,516,224
Federal Funds	10,361,161	11,720,805	11,525,217	11,468,651	12,387,424	20,640,398	16,691,914	16,165,493	14,609,040	13,992,709
Local and Other Funds	38,134,873	40,453,651	41,390,774	42,283,043	40,002,330	40,015,559	38,846,616	39,167,672	37,875,737	38,257,965
Total Revenues	97,670,885	106,400,620	121,145,607	115,155,023	108,441,531	110,105,723	108,780,740	109,491,195	109,500,653	108,766,898
Expenditures										
Current operating										
Instruction	56,206,364	60,454,077	64,194,862	65,827,975	63,930,654	63,487,687	61,224,513	61,049,695	58,259,041	60,249,928
Support Services										
Pupil Services	2,226,000	2,649,631	2,535,688	2,850,621	3,010,605	3,041,075	3,155,458	2,650,382	2,367,075	2,459,659
Improvement of Instructional Services	3,180,953	3,868,496	3,988,732	4,056,132	3,918,482	3,641,134	4,583,898	4,878,330	4,259,348	3,784,362
Educational Media Services	1,818,599	1,829,886	1,997,469	1,987,827	1,889,175	1,899,632	1,850,640	1,671,982	1,442,319	1,483,960
General and School Administration	6,276,213	6,834,487	7,517,259	8,354,596	8,466,181	8,159,136	8,320,708	8,287,053	8,095,367	8,339,489
Business Administration	393,917	424,745	442,411	455,536	470,007	421,419	330,052	335,644	348,784	386,548
Maintenance and Operations of Plant	7,139,743	7,647,568	7,968,967	8,402,192	8,340,576	8,575,642	7,997,423	7,757,671	7,976,520	8,745,331
Student Transportation Services	2,618,276	2,869,103	3,444,101	3,401,255	3,358,858	3,352,294	3,530,820	4,180,543	4,342,653	5,383,792
Central Support Services	1,203,346	1,240,705	1,375,379	1,696,278	1,318,323	1,146,642	1,158,270	1,171,163	1,250,969	1,472,731
Other Support Services	980,158	970,095	1,194,036	903,268	1,318,393	1,247,689	1,309,216	1,011,001	1,181,099	1,209,923
Food Services Operations	4,871,933	4,909,600	5,197,001	5,278,862	5,434,491	5,554,164	5,652,494	6,033,570	5,830,828	6,078,352
Community Services Operations	124,642	138,354	137,175	147,285	161,947	152,963	149,722	132,624	126,811	128,120
Other Operations of Non-Instructional Services										
Debt Service										
Principal Retirement	13,210,501	5,655,533	5,937,681	6,300,671	296,560	298,515	4,687,021	4,866,084	4,928,832	
Interest and Fiscal Charges	955,154	565,396	401,996	668,075	644,019	644,738	535,173	337,402	123,280	
Capital Outlay	4,175,845	12,806,457	12,914,140	9,386,875	12,835,870	5,643,587	5,423,135	6,467,491	6,109,132	4,917,055
Total Expenditures	105,381,644	112,864,133	119,246,897	119,717,448	115,394,141	107,266,317	109,908,543	110,830,635	106,642,058	104,639,250
Excess (Deficiency) of Revenues over (under) expenditures	(7,710,759)	(6,463,513)	1,898,710	(4,562,425)	(6,952,610)	2,839,406	(1,127,803)	(1,339,440)	2,858,595	4,127,648
Other Financing Sources (Uses)										
Sale of Bonds			14,000,000							
Premium on issuance of bonds			286,623							
Capital Leases		550,500		543,856	293,460					
Proceeds from sale of assets	272,571		5,473			281,719	81,138	233,784	343,113	145,200
Operating Transfers In	415,215	702,478	1,014,676	6,369,874	4,144	25,210		8,698	47,444	153,320
Operating Transfers Out	(415,215)	(702,478)	(1,014,676)	(6,369,874)	(4,144)	(25,210)		(8,698)	(47,444)	(153,320)
Total Other Financing Sources (Uses)	272,571	550,500	14,292,096	543,856	293,460	281,719	81,138	233,784	343,113	145,200
Net change in fund balance	($7,438,188)	($5,913,013)	$16,190,806	($4,018,569)	($6,659,150)	$3,121,125	($1,046,665)	($1,105,656)	$3,201,708	$4,272,848
Debt service as a percentage of noncapital expenditures	14.00%	6.22%	5.96%	6.32%	0.92%	0.93%	5.00%	4.99%	5.03%	0.00%

Griffin-Spalding County School System
Revenues by Source, Last Ten Fiscal Years
General Fund



Year Ended June 30	Local & Other Funds	State Funds	Federal Funds	Total Revenues
2005	25,879,240	44,915,927	287,973	71,083,140
2006	27,118,925	49,148,707	468,614	76,736,246
2007	28,196,293	54,101,688	297,488	82,595,469
2008	28,496,743	54,736,244	243,312	83,476,299
2009	28,645,732	50,576,790	1,342,194	80,564,716
2010	28,373,970	44,123,199	5,379,059	77,876,228
2011	27,608,225	47,914,514	2,232,918	77,755,657
2012	27,673,947	46,155,540	300,250	74,129,737
2013	26,843,508	49,837,533	306,186	76,987,227
2014	27,530,900	51,380,415	283,899	79,195,214

Griffin-Spalding County School System
Percentage Change in Revenues by Source, Last Ten Fiscal Years
General Fund

Total Dollars

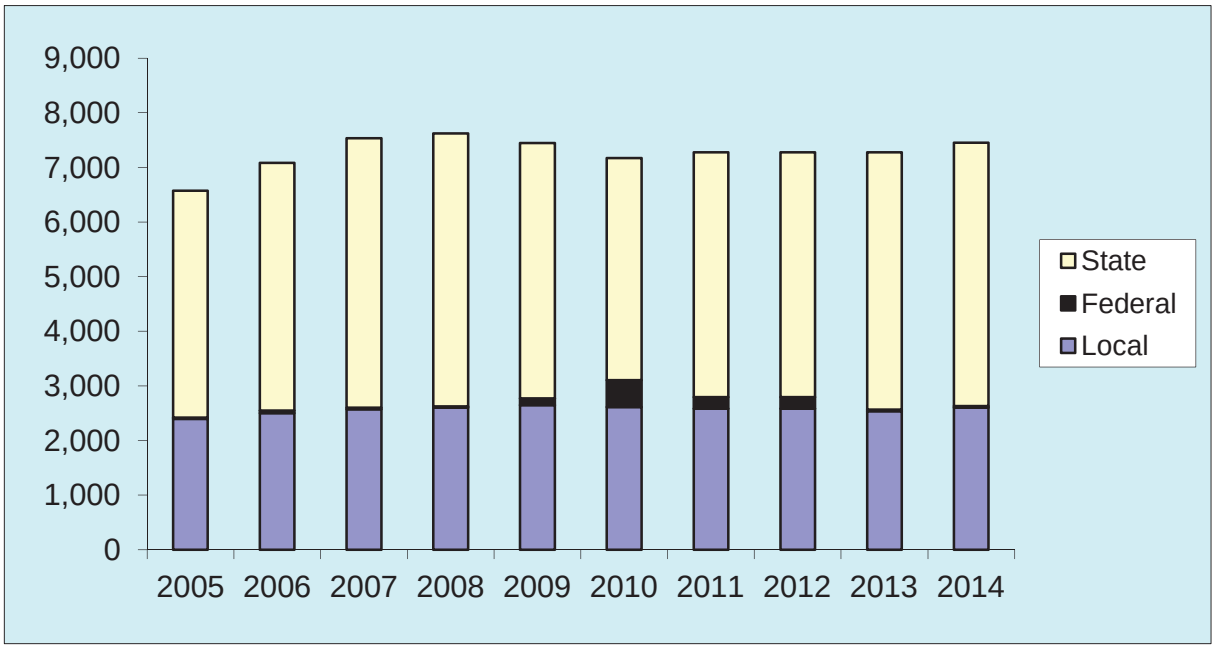
Year Ended June 30	Local & Other Funds	State Funds	Federal Funds	Total Revenues
2005	25,879,240	44,915,927	287,973	71,083,140
2006	27,118,925	49,148,707	468,614	76,736,246
2007	28,196,293	54,101,688	297,488	82,595,469
2008	28,496,743	54,736,244	243,312	83,476,299
2009	28,645,732	50,576,790	1,342,194	80,564,716
2010	28,373,970	44,123,199	5,379,059	77,876,228
2011	27,608,225	47,914,514	2,232,918	77,755,657
2012	27,673,947	46,155,540	300,250	74,129,737
2013	26,843,508	49,837,533	306,186	76,987,227
2014	27,530,900	51,380,415	283,899	79,195,214
Percentage Change [1]	**6.4%**	**14.4%**	**-1.4%**	**11.4%**

Percentage of Dollars

Year Ended June 30	Local & Other Funds	State Funds	Federal Funds	Total Revenues
2005	36.41%	63.19%	0.41%	100.0%
2006	35.34%	64.05%	0.61%	100.0%
2007	34.13%	65.50%	0.36%	100.0%
2008	34.14%	65.57%	0.29%	100.0%
2009	35.56%	62.78%	1.67%	100.0%
2010	36.43%	56.66%	6.91%	100.0%
2011	35.50%	61.62%	2.87%	100.0%
2012	37.33%	62.26%	0.41%	100.0%
2013	34.87%	64.73%	0.40%	100.0%
2014	34.76%	64.88%	0.36%	100.0%

[1]Percentage change computed by using the following formula:
(2014 revenue/2005 revenue)-1 = percentage change

Griffin-Spalding County School System
Per Pupil Revenues by Source, Last Ten Fiscal Years
General Fund



Year Ended June 30	Total Revenues	Student Enrollment [1]	Per Pupil Local & Other Funds	Per Pupil State Funds	Per Pupil Federal Funds	Per Pupil Total Revenues [2]
2005	71,083,140	10,813	2,394	4,153	27	6,574
2006	76,736,246	10,833	2,503	4,538	43	7,084
2007	82,595,469	10,967	2,571	4,933	27	7,531
2008	83,476,319	10,953	2,602	4,997	22	7,621
2009	80,564,716	10,823	2,647	4,673	124	7,444
2010	77,876,228	10,860	2,612	4,063	496	7,171
2011	77,755,657	10,685	2,584	4,484	209	7,277
2012	74,129,737	10,614	2,584	4,484	209	6,984
2013	76,987,227	10,582	2,537	4,709	29	7,275
2014	79,195,214	10,626	2,599	4,824	30	7,453
Percentage Change [3]	11.4%	-1.7%	8.6%	16.2%	10.6%	13.4%

[1] Student enrollment figures are taken from fall enrollment (October 1) reports.

[2] Revenues restated on a per pupil basis by using the following formula:

Revenue/current enrollment = per pupil revenue

[3] Percentage change computed by using the following formula:

(2013 revenue/2004 revenue)-1 = percentage change

Griffin-Spalding County School System
Assessed Value and Actual Value of Taxable Property,
Last Ten Calendar Years

Set forth below is information concerning the assessed (40% of fair market value) and estimated actual (fair market) value of taxable property within the District for the last ten years.

		Assessed Values									
Calendar Year	Millage Rate	Real & Personal Property	Public Utilities	Motor Vehicles	Mobile Homes	Gross Tax Digest	Bond Exemptions	General Obligation Bonds Tax Digest[1]	Maintenance & Operation Exemptions	Maintenance & Operation Tax Digest[2]	Estimated Actual Value
2004	18.90	1,317,688,511	30,259,036	126,439,230	2,638,235	1,477,025,012	112,557,304	1,364,467,708	163,098,749	1,313,926,263	3,692,562,530
2005	18.85	1,394,393,295	27,673,443	121,472,640	2,467,090	1,546,006,468	145,630,674	1,400,375,794	196,850,642	1,349,155,826	3,865,016,170
2006	18.82	1,423,109,722	29,564,396	116,185,470	2,282,951	1,571,142,539	123,840,983	1,447,301,556	174,886,694	1,396,255,845	3,927,856,348
2007	18.81	1,505,681,286	30,847,807	125,665,010	2,286,459	1,664,480,562	157,845,895	1,506,634,667	211,020,027	1,453,460,535	4,161,201,405
2008	18.80	1,536,597,246	28,045,755	128,525,790	2,165,173	1,695,333,964	149,990,795	1,545,343,169	203,265,241	1,492,068,723	4,238,334,910
2009	18.80	1,535,803,959	30,632,259	133,827,370	2,091,994	1,702,355,582	157,180,465	1,545,175,117	213,342,187	1,331,832,930	4,255,888,955
2010	18.80	1,535,823,213	26,487,026	115,267,630	1,945,727	1,679,523,596	122,376,559	1,557,147,037	216,690,191	1,340,456,846	4,198,808,990
2011	19.06	1,511,231,094	31,294,800	113,708,460	1,831,893	1,658,066,247	147,310,052	1,510,756,195	246,727,800	1,264,028,395	4,145,165,618
2012	19.47	1,462,533,127	34,640,971	119,331,500	1,737,824	1,618,243,422	149,965,965	1,468,277,457	248,484,241	1,369,759,181	4,045,608,555
2013	19.47	1,445,747,006	34,269,621	124,174,530	1,645,629	1,605,836,786	120,465,804	1,485,370,982	223,127,568	1,382,709,218	4,014,591,965

[1]Total assessed value, after deducting exemptions, for purposes of levying tax for the System's general obligation bonds.

[2]Total assessed value, after deducting exemptions, for purposes of levying tax for the support and maintenance of the System's school system.

Source: State of Georgia Department of Revenue, Property Tax Division

Griffin-Spalding County School System
Millage Rates of the District
Last Ten Calendar Years

Set forth below is information concerting the rate of levy of property taxes per $1,000 of assessed value, or millage rates, of the School System and all overlapping governments for the last ten calendar years.

	School System										
Calendar Year	Support and Maintenance	Legal Limit	Debt Service	Total	Spalding County [1]	Fire District	State of Georgia	County-wide Total	City of Griffin	City of Orchard Hill	City of Sunny-Side
2004	18.90	20.00	0	18.90	13.46	3.07	0.25	35.68	8.85	5.00	4.36
2005	18.85	20.00	0	18.85	13.41	3.05	0.25	35.56	8.65	4.99	4.36
2006	18.82	20.00	0	18.82	13.39	3.04	0.25	35.50	8.63	4.95	4.36
2007	18.81	20.00	0	18.81	13.89	3.04	0.25	35.99	8.60	4.95	4.36
2008	18.80	20.00	0	18.80	13.88	3.03	0.25	35.96	8.60	4.95	4.36
2009	18.80	20.00	0	18.80	14.88	3.23	0.25	37.16	8.60	4.95	4.36
2010	18.80	20.00	0	18.80	14.81	4.17	0.25	38.03	8.64	4.95	4.29
2011	19.06	20.00	0	19.06	15.01	4.17	0.25	38.49	8.64	4.95	4.29
2012	19.47	20.00	0	19.47	15.01	4.17	0.20	38.85	8.64	4.95	4.08
2013	19.47	20.00	0	19.47	16.01	4.17	0.15	39.80	8.61	6.31	5.00

[1] Represents the millage rate for the unincoporated areas of Spalding County. The millage rate for the incorporated areas of Spalding County for calendar year 2013 was 16.01.

Source: Spalding County Tax Commissioner

Griffin-Spalding County School System
Principal Property Tax Payers,
Current Year and Ten Years Ago

	2014 [1]			2005		
	Taxes Levied	Rank	Percentage of Total Tax Levy [2]	Taxes Levied	Rank	Percentage of Total Tax Levy [3]
Caterpillar Inc.	$496,237	1	1.84%	$443,610	2	1.79%
Tenet Healthcare Corp.	330,194	2	1.23%	207,842	4	0.84%
Pulte Home Corporation	191,467	3	0.71%			
Walmart Stores	173,014	4	0.64%	167,045	6	0.67%
Sumika Polymer	160,973	5	0.60%			
AEP Industries, Inc.	146,517	6	0.54%	149,719	7	0.60%
Central GA EMC	136,753	7	0.51%			
International Paper	126,431	8	0.47%			
Kroger	120,384	9	0.45%			
Hoshizaki	120,156	10	0.45%			
NACOM Corporation				715,160	1	2.88%
Springs Industries, Inc.				379,181	3	1.53%
BellSouth				182,360	5	0.73%
Cooper-Standard Automotive				144,957	8	0.58%
Halpern Enterprises				135,533	9	0.55%
Bandag, Inc.				127,078	10	0.51%
Totals	$2,002,126		7.44%	$2,652,485		10.69%

[1] Represents calendar year 2013 assessed values before bond and maintenance and operation exemptions

[2] Calendar year 2013 total tax levy was $26,921,348

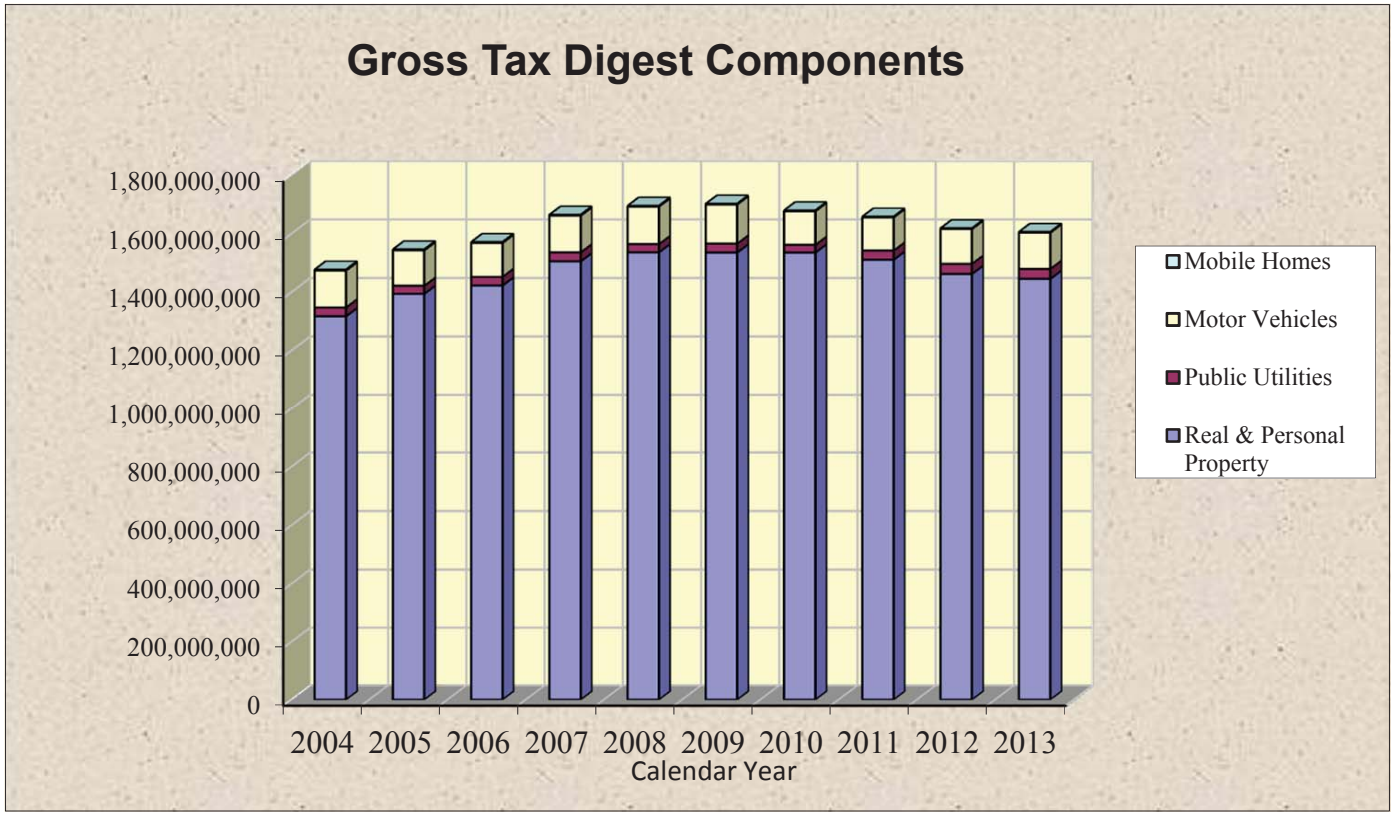
[3] Calendar year 2004 total tax levy was $24,833,206

Source: Spalding County Tax Commissioner

Griffin-Spalding County School System
Property Tax Levies and Collections,
Last Ten Fiscal Years

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2005	24,833,206	23,982,191	96.57%	832,212	24,814,403	99.92%
2006	25,431,587	24,493,881	96.31%	907,321	25,401,202	99.88%
2007	26,277,535	25,627,196	97.53%	575,094	26,202,290	99.71%
2008	27,339,592	26,202,872	95.84%	1,008,150	27,211,022	99.53%
2009	28,050,892	26,195,291	93.38%	1,609,632	27,804,923	99.12%
2010	27,993,452	25,873,304	92.43%	1,497,382	27,370,686	97.78%
2011	27,501,268	25,073,703	91.17%	1,333,867	26,407,570	96.02%
2012	26,900,111	25,073,703	93.21%	1,067,702	26,141,405	97.18%
2013	26,669,211	24,609,215	92.28%	1,712,306	26,321,521	98.70%
2014	26,921,348	25,417,368	94.41%		25,417,368	94.41%

Source: Spalding County Tax Commissioner


Gross Tax Digest Components
1,800,000,000
1,600,000,000
1,400,000,000
1,200,000,000
1,000,000,000
800,000,000
600,000,000
400,000,000
200,000,000
0
2004 2005 2006 2007 2008 2009 2010 2011 2012 2013
Calendar Year
Mobile Homes
Motor Vehicles
Public Utilities
Real & Personal Property

Griffin-Spalding County School System
Ratio of Annual Debt Service to Total Governmental Fund Expenditures
Last Ten Fiscal Years

Year Ended June 30	Principal	Interest	Total Debt Service	Total Governmental Fund Expenditures	Ratio of Debt Service to Governmental Fund Expenditures
2005	13,210,501	955,154	14,165,655	105,381,644	13.44%
2006	5,655,533	565,396	6,220,929	112,864,133	5.51%
2007	5,937,681	401,996	6,339,677	119,246,897	5.32%
2008	6,300,671	668,075	6,968,746	119,717,448	5.82%
2009	296,560	644,019	940,579	115,394,141	0.82%
2010	298,515	644,738	943,253	107,266,317	0.88%
2011	4,687,021	535,173	5,222,194	109,908,542	4.75%
2012	4,866,084	337,402	5,203,486	110,830,635	4.69%
2013	4,928,832	123,280	5,052,112	106,642,058	4.74%
2014	0	0	0	104,639,250	0.00%

Griffin-Spalding County School System
Ratio of Net Bonded Debt to Estimated Actual Value
and General Bonded Debt Per Capita
Last Ten Fiscal Years

Fiscal Year Ended June 30	Estimated Population[1]	Estimated Actual Value	General Bonded Debt	Less Debt Service Funds	Net Bonded Debt	Ratio of Net Bonded Debt to Estimated Actual Value	Net Bonded Debt Per Capita
2005	60,744	3,692,562,530	16,950,000	5,927,359	11,022,641	0.30%	181.46
2006	61,278	3,865,016,170	11,685,000	9,367,080	2,317,920	0.06%	37.83
2007	62,232	3,927,856,348	20,005,000	12,146,215	7,858,785	0.20%	126.28
2008	63,056	4,161,201,405	14,232,028	9,079,722	5,152,306	0.12%	81.71
2009	63,651	4,238,334,910	14,177,433	8,679,188	5,498,245	0.13%	86.38
2010	64,135	4,255,888,955	14,122,838	8,092,803	6,030,035	0.14%	94.02
2011	64,073	4,198,808,990	9,573,243	3,832,266	5,740,977	0.14%	89.60
2012	64,033	4,145,165,593	4,853,649	4,954,100	-100,451	0.00%	(1.57)
2013	63,865	4,045,608,555	0	605	-605	0.00%	(0.01)
2014	63,829	4,014,591,965	0	0	0	0.00%	0

[1] *Source: Bureau of Economic Analysis (Revised) and US Census Bureau*

Griffin-Spalding County School System
Outstanding Debt, By Type
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Governmental Activities		Total Primary Government	Percentage of Personal Income[1]	Per Capita[1]
	General Obligation Bonds	Capital Lease Obligations			
2005	16,950,000	633,083	17,583,083	1.13%	289.46
2006	11,685,000	793,052	12,478,052	0.77%	203.63
2007	20,005,000	535,371	20,540,371	1.22%	330.06
2008	14,000,000	783,558	14,783,558	0.84%	234.45
2009	14,000,000	780,457	14,780,457	0.82%	232.21
2010	14,000,000	481,943	14,481,943	0.81%	225.80
2011	9,505,000	289,922	9,794,922	0.54%	152.87
2012	4,840,000	88,838	4,928,838	0.28%	76.97
2013	0	0	0	0.00%	0.00
2014	0	0	0	0.00%	0.00

Note: Details regarding the System's outstanding debt can be found in the notes to the financial statements.

[1]See the Schedule of Demographic and Economic Statistics for personal income and population data. The Bureau of Economic Analysis revised estimates for years 2000-2010 in April 2011.

Griffin-Spalding County School System
Direct and Overlapping Governmental Activities Debt
As of June 30, 2014

Governmental Unit	
Debt repaid with property taxes:	
Spalding County:	
General obligation bonds	$3,300,000
Certificates of participation	5,061,580
Capital leases	1,585,114
City of Griffin:	
Capital leases	3,627,781
Sub-total, overlapping debt	$13,574,475
Direct:	
Griffin-Spalding County School System:	
General obligation bonds	$0
Capital leases	0
Sub-total, direct debt	$0
Total, overlapping and direct debt	$13,574,475

Percentage of Overlapping Debt Applicable to the School District is 100%

Notes:
In addition to the System's debt obligations, property owners in the System are responsible for certain debt obligations of other taxing entities in the proportion to which the jurisdiction of the System overlaps such entities. Set forth below is the estimated overlapping general obligation debt and estimated overlapping property tax supported or guaranteed revenue debt of the System as of June 30, 2014. The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the municipality/authority's taxable assessed value that is within the School System's boundaries and dividing it by the municipality/authority's total taxable assessed value. Although the System has attempted to obtain accurate information as to the outstanding overlapping debt, it does not warrant its completeness or accuracy, as there is no central reporting entity which has this information available, and the amounts are based on information supplied by others.

Source: Spalding County, GA and City of Griffin, GA

Griffin-Spalding County School System
Legal Debt Margin
Last Ten Fiscal Years

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Assessed Value of Taxable Property	$1,364,467,708	$1,400,375,794	$1,447,301,556	$1,506,634,667	$1,545,343,169	$1,545,175,117	$1,524,221,716	$1,510,756,185	$1,468,277,457	$1,485,370,982
Debt Limit (10% of Assessed Value)	$136,446,771	$140,037,579	$144,730,156	$150,663,467	$154,534,317	$154,517,512	$152,422,172	$151,075,619	$146,827,746	$148,537,098
Amount of Debt Applicable To Debt Limit	16,950,000	11,685,000	20,005,000	14,000,000	14,000,000	14,000,000	9,505,000	4,840,000	0	0
Legal Debt Margin	$119,496,771	$128,352,579	$124,725,156	$136,663,467	$140,534,317	$140,517,512	$142,917,172	$146,235,619	$146,827,746	$148,537,098
Legal Debt Margin/ Limit Ratio	87.58%	91.66%	86.18%	90.71%	90.94%	90.94%	93.76%	96.80%	100.00%	100.00%

Notes:
The Constitution of the State of Georgia provides that the System may not incur long-term obligations payable out of general property taxes without the approval of a majority of the qualified voters of the System voting at an election called to approve the obligations. In addition, under the Constitution of the State of Georgia, the System may not incur long-term obligations payable out of general property taxes in excess of 10 percent of the assessed vaule of all taxable property within the System.

Source: Spalding County Tax Commissioner

Griffin-Spalding County School System
Demographics - Population
Latest Census Data

Population	Spalding County
Population, 2013 est.	63,829
Population, 2010	64,073
Population, percent change, 2010 to 2013	-0.4%
Population, 2000	58,417
Population, percent change, 2000 to 2010	9.7%
Population, percent change, 1990 to 2000	7.3%
Persons under 5 years old, percent, 2013	6.8%
Persons under 18 years old, percent, 2013	24.4%
Persons 65 years old and over, percent, 2013	15.5%
Female persons, percent, 2013	51.5%
White persons, percent, 2013 (a)	63.5%
Black or African American persons, percent, 2013 (a)	33.3%
American Indian and Alaska Native persons, percent, 2013 (a)	0.4%
Asian persons, percent, 2013 (a)	1.0%
Native Hawaiian and Other Pacific Islander, percent, 2013 (a)	0.1%
Persons reporting two or more races, percent, 2013	1.7%
White persons, not of Hispanic/Latino origin, percent, 2013	60.1%
Persons of Hispanic or Latino origin, percent, 2013 (b)	4.2%
Living in same house 1 year & over, 2008-2012	81.3%
Foreign born persons, percent, 2008-2012	3.2%
Language other than English spoken at home, pct age 5+, 2008-2012	4.9%
High school graduates, percent of persons age 25+, 2008-2012	76.1%
Bachelor's degree or higher, pct of persons age 25+, 2008-2012	15.6%
Veterans, 2008-2012	5,376
Mean travel time to work (minutes), workers age 16+, 2008-2012	28.5

Griffin-Spalding County School System
Demographics - Housing, Business & Industry, and Geography
Latest Census Data (Continued)

Housing

Housing units, 2013	26,843
Homeownership rate, 2008-2012	62.5%
Housing units in multi-unit structures, percent, 2008-2012	16.0%
Median value of owner-occupied housing units, 2008-2012	$119,200
Households, 2008-2012	23,073
Persons per household, 2008-2012	2.73
Median household income, 2008-2012	$40,655
Persons below poverty, percent, 2008-2012	21.6%

Business & Industry

Unemployment rate, 2013 annual average	10.7%
Private nonfarm establishments, 2012	1,141
Private nonfarm employment, 2012	17,459
Private nonfarm employment, percent change 2011-2012	3.0%
Nonemployer establishments, 2012	4,526
Manufacturers shipments, 2007 ($1000)	2,285,175
Retail sales, 2007 ($1000)	661,569
Retail sales per capita, 2007	$10,492
Women-owned firms, percent of total, 2007	36.9%
Building permits, 2012	92

Geography

Land area, 2010 (square miles)	196.47
Persons per square mile, 2010	326.1
FIPS Code	255
Metropolitan or Micropolitan Statistical Area	Atlanta, GA Metro Area

(a) Includes persons reporting only one race.

(b) Hispanics may be of any race, so also are included in applicable race categories.

Z: Value greater than zero but less than half unit of measure shown

Source: US Census Bureau State & County QuickFacts
Source: Griffin-Spalding Chamber of Commerce
Source: Bureau of Labor Statistics

Griffin-Spalding County School System
Demographics - Income Statistics
Latest Three Years Available

Income	2010	2011	2012
Personal income ($000)	$1,760,360	$1,852,834	$1,897,560
Net earnings	955,976	979,749	1,000,502
Personal current transfer receipts	527,460	547,198	553,742
Income maintenance	90,159	97,397	92,367
Unemployment insurance compensation	25,863	19,481	14,345
Retirement and other	411,438	430,320	447,030
Dividends, interest, and rent	276,924	325,887	343,316
Population (persons) [1]	64,111	64,131	63,865
Per capita personal income	27,458	28,891	29,712
Per capita net earnings	14,911	15,277	15,666
Per capita personal current transfer receipts	8,227	8,533	8,671
Per capita income maintenance	1,406	1,519	1,446
Per capita unemployment insurance benefits	403	304	225
Per capita retirement and other	6,418	6,710	7,000
Per capita dividends, interest, and rent	4,319	5,082	5,376
Earnings by place of work ($000)	998,992	1,043,278	1,078,082
Wage and salary disbursements	715,054	750,051	772,585
Supplements to wages and salaries	195,313	203,788	206,315
Employer contributions for employee pension and insurance funds	144,292	149,537	149,372
Employer contributions for government social insurance	51,021	54,251	56,943
Proprietors' income	88,625	89,439	99,182
Nonfarm proprietors' income	90,535	91,942	99,852
Farm proprietors' income	-1,910	-2,503	-670
Total full-time and part-time employment	28,938	30,141	30,378
Wage and salary jobs	22,097	22,361	22,398
Number of proprietors	6,841	7,780	7,980
Number of nonfarm proprietors	6,543	7,485	7,685
Number of farm proprietors	298	295	295
Average earnings per job (dollars)	34,522	34,613	35,489
Average wage and salary disbursements	32,360	33,543	34,493
Average nonfarm proprietors' income	13,837	12,284	12,993

[1] Population estimates used by the Bureau of Economic Analysis (BEA) are different from the estimates used by the Census. BEA population data is as of March 2013.

Source: Regional Economic Information System, Bureau of Economic Analysis, U.S. Department of Commerce - Table CA30
The Bureau of Economic Analysis revised estimates for years 2000-2012 in May 2014. The amounts reflected in this table are the revised numbers. The figures provided are the latest available.

Griffin-Spalding County School System
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	Population[1]	Personal Income[1]	Per Capita Personal Income[1]	School Enrollment[2]	Unemployment Rate[3]
2005	60,744	1,572,074	25,880	10,813	8.20%
2006	61,278	1,633,520	26,658	10,833	6.80%
2007	62,232	1,714,942	27,557	10,967	6.30%
2008	63,056	1,786,808	28,337	10,953	5.40%
2009	63,651	1,794,214	28,188	10,823	5.80%
2010	64,135	1,757,198	27,398	10,860	8.50%
2011	64,073	1,760,360	27,474	10,685	13.00%
2012	64,033	1,852,934	28,937	10,614	12.80%
2013	63,865	1,897,560	29,712	10,582	11.30%
2014	63,829	N/A	N/A	10,626	10.70%

Data Sources:

(1) Bureau of Economic Analysis: Regional Economic Accounts and U.S. Census Bureau - May 2013 Revision

(2) Spalding County Board of Education

(3) U.S. Bureau of Labor Statistics

Griffin-Spalding County School System
Principal Employers
Current Year and Seven Years Ago

		2014			2006 [1]		
Employer	Industry	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Griffin-Spalding County School System[2]	Education	1,419	1	7.02 %	1,650	1	5.86 %
Caterpillar, Inc.	Automotive generators	900	2	4.45			
Spalding Regional Medical Center	Healthcare	900	3	4.45	900	2	3.20
Spalding County	Government	541	4	2.68	469	6	1.67
City of Griffin	Government	472	5	2.34	480	5	1.71
University of Georgia Griffin Campus	Agricultural research	405	8	2.00	250	9	0.89
1888 Mills/Southern Terry	Terry cloth towels	375	6	1.86	350	8	1.24
Southern Crescent Technical College	Education	360	7	1.78	365	7	1.30
Norcom	School supplies	280	9	1.39			
AEP Industries, Inc.	Packaging film	250	10	1.24	240	10	0.85
NACOM Corporation	Automotive electronics				850	3	3.02
Springs Industries	Finished cotton goods				850	4	3.02
		5,902		29.19 %	6,404		22.76 %

[1] Years 2000-2005 not available, used closest data available

Source: Griffin-Spalding Development Authority

Griffin-Spalding County School System
Employees of the District
Last Ten Fiscal Years

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Classroom Teachers	748	792	806	804	806	749	749	717	673	657
Media Specialists,Counselors Psychologists, and Social Worker	47	50	52	53	54	52	50	53	49	51
Administrators and Supervisors	65	66	64	65	66	64	64	62	55	55
Professional/Technical Support	41	42	42	51	51	51	51	51	51	43
Paraprofessionals, Clerical, Other	291	301	317	321	321	316	310	270	277	268
Maintenance, Transportation, Custodians, and School Food Service	399	372	373	385	387	376	352	359	350	345
	1,591	1,623	1,654	1,679	1,685	1,608	1,576	1,512	1,455	1,419

Source: Griffin-Spalding County School System

Griffin-Spalding County School System
General Fund Operating Statistics, Pupil/Teacher Ratio
Last Ten Fiscal Years

Fiscal Year	Expenses	Enrollment	Cost Per Pupil	Percentage Change	Teaching Staff	Pupil/ Teacher Ratio	Student Attendance Percentage
2005	69,822,204	10,813	6,457	3.05%	748	14.46	94.64
2006	74,885,981	10,833	6,913	7.05%	792	13.68	94.86
2007	80,861,258	10,967	7,373	6.66%	806	13.61	94.82
2008	84,233,224	10,953	7,690	4.30%	804	13.62	95.05
2009	82,236,013	10,823	7,598	(1.20%)	806	13.43	95.40
2010	77,701,816	10,860	7,155	(5.84%)	749	14.50	95.50
2011	76,877,306	10,685	7,195	0.56%	749	14.27	96.38
2012	75,770,980	10,614	7,139	(.78%)	717	14.80	95.39
2013	73,537,657	10,582	6,949	(2.65%)	673	15.72	97.46
2014	78,467,423	10,626	7,384	6.26%	657	16.17	95.36

Source: Griffin-Spalding County School System

Griffin-Spalding County School System
School Building Information
Last Ten Fiscal Years

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Anne Street Elementary (1948)										
Square Feet	40,113	40,113	40,113	40,113	40,113	40,113	40,113	40,113	40,113	40,113
Capacity (students)	450	450	450	450	450	450	450	450	450	450
Enrollment	409	413	452	426	445	442	428	458	447	487
Percentage of Capacity used	90.9%	91.8%	100.4%	94.7%	98.9%	98.2%	95.1%	101.8%	99.3%	108.2%
Atkinson Elementary (1964)										
Square Feet	53,936	53,936	53,936	53,936	53,936	53,936	53,936	53,936	53,936	53,936
Capacity (students)	450	450	450	450	450	450	450	450	450	450
Enrollment	400	411	476	445	455	446	459	465	448	427
Percentage of Capacity used	88.9%	91.3%	105.8%	98.9%	101.1%	99.1%	102.0%	103.3%	99.6%	94.9%
Beaverbrook Elementary (1964)										
Square Feet	55,222	55,222	55,222	55,222	55,222	55,222	55,222	55,222	55,222	55,222
Capacity (students)	450	450	450	450	450	450	450	450	450	450
Enrollment	649	500	502	463	457	458	466	426	429	464
Percentage of Capacity used	144.2%	111.1%	111.6%	102.9%	101.6%	101.8%	103.6%	94.7%	95.3%	103.1%
Cowan Road Elementary (1991)										
Square Feet	76,986	76,986	76,986	76,986	76,986	76,986	76,986	76,986	76,986	76,986
Capacity (students)	650	650	650	650	650	650	650	650	650	650
Enrollment	695	630	656	698	672	663	663	584	627	631
Percentage of Capacity used	106.9%	96.9%	100.9%	107.4%	103.4%	102.0%	102.0%	89.8%	96.5%	97.1%
Crescent Elementary (1955)										
Square Feet	48,696	48,696	48,696	48,696	48,696	48,696	48,696	48,696	48,696	48,696
Capacity (students)	450	450	450	450	450	450	450	450	450	450
Enrollment	505	431	421	421	412	404	424	415	441	442
Percentage of Capacity used	112.2%	95.8%	93.6%	93.6%	91.6%	89.8%	94.2%	92.2%	98.0%	98.2%

Source: Griffin-Spalding County School System

Griffin-Spalding County School System
School Building Information
Last Ten Fiscal Years (Continued)

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Futral Road Elementary (1998)										
Square Feet	67,000	67,000	67,000	67,000	67,000	67,000	67,000	67,000	67,000	67,000
Capacity (students)	525	525	525	525	525	525	525	525	525	525
Enrollment	574	566	634	696	672	708	695	725	635	644
Percentage of Capacity used	109.3%	107.8%	120.8%	132.6%	128.0%	134.9%	132.4%	138.1%	121.0%	122.7%
Jackson Road Elementary (1970)										
Square Feet	58,729	58,729	58,729	58,729	58,729	58,729	58,729	58,729	58,729	58,729
Capacity (students)	450	450	450	450	450	450	450	450	450	450
Enrollment	446	460	476	525	500	507	474	464	456	467
Percentage of Capacity used	99.1%	102.2%	105.8%	116.7%	111.1%	112.7%	105.3%	103.1%	101.3%	103.8%
Jordan Hill Elementary (1994)										
Square Feet	76,986	76,986	76,986	76,986	76,986	76,986	76,986	76,986	76,986	76,986
Capacity (students)	650	650	650	650	650	650	650	650	650	650
Enrollment	527	542	437	437	443	480	446	442	455	470
Percentage of Capacity used	81.1%	83.4%	67.2%	67.2%	68.2%	73.8%	68.6%	68.0%	70.0%	72.3%
Moore Elementary (1950)										
Square Feet	47,190	47,190	47,190	47,190	47,190	47,190	47,190	47,190	47,190	47,190
Capacity (students)	450	450	450	450	450	450	450	450	450	450
Enrollment	390	366	364	395	368	395	363	354	375	367
Percentage of Capacity used	86.7%	81.3%	80.9%	87.8%	81.8%	87.8%	80.7%	78.7%	83.3%	81.6%
Moreland Road Elementary (2006)										
Square Feet	-	67,852	67,852	67,852	67,852	67,852	67,852	67,852	67,852	67,852
Capacity (students)	-	550	550	550	550	550	550	550	550	550
Enrollment	-	460	496	561	567	537	558	558	560	541
Percentage of Capacity used		83.6%	90.2%	102.0%	103.1%	97.6%	101.5%	101.5%	101.8%	98.4%

Source: Griffin-Spalding County School System

Griffin-Spalding County School System
School Building Information
Last Ten Fiscal Years (Continued)

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Orrs Elementary (1962)										
Square Feet	63,117	63,117	63,117	63,117	63,117	63,117	63,117	63,117	63,117	63,117
Capacity (students)	675	675	675	675	675	675	675	675	675	675
Enrollment	682	586	610	622	615	638	637	647	664	661
Percentage of Capacity used	101.0%	86.8%	90.4%	92.1%	91.1%	94.5%	94.4%	95.9%	98.4%	97.9%
Cowan Road Middle School (2000)										
Square Feet	96,500	96,500	96,500	96,500	96,500	96,500	96,500	96,500	96,500	96,500
Capacity (students)	685	685	685	685	685	685	685	685	685	685
Enrollment	735	738	689	612	611	564	568	600	612	598
Percentage of Capacity used	107.3%	107.7%	100.6%	89.3%	89.2%	82.3%	82.9%	87.6%	89.3%	87.3%
Flynt Street Middle School (1925)										
Square Feet	95,972	95,972	95,972	-	-	-	-	-	-	-
Capacity (students)	650	650	650	-	-	-	-	-	-	-
Enrollment	597	543	458	-	-	-	-	-	-	-
Percentage of Capacity used	91.8%	83.5%	70.5%							
Carver Road Middle School (2007)										
Square Feet	-	-	-	104,024	104,024	104,024	104,024	104,024	104,024	104,024
Capacity (students)	-	-	-	725	725	725	725	725	725	725
Enrollment	-	-	-	450	480	492	475	544	482	523
Percentage of Capacity used				62.1%	66.2%	67.9%	65.5%	75.0%	66.5%	72.1%
A.Z. Kelsey Middle School (1955)										
Square Feet	71,403	71,403	-	-	-	-	-	-	-	-
Capacity (students)	625	625	-	-	-	-	-	-	-	-
Enrollment	392	416	-	-	-	-	-	-	-	-
Percentage of Capacity used	62.7%	66.6%								

Source: Griffin-Spalding County School System

Griffin-Spalding County School System
School Building Information
Last Ten Fiscal Years (Continued)

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Kennedy Road Middle School (2006)										
Square Feet	-	-	104,024	104,024	104,024	104,024	104,024	104,024	104,024	104,024
Capacity (students)	-	-	725	725	725	725	725	725	725	725
Enrollment	-	-	565	558	595	564	564	546	532	505
Percentage of Capacity used			77.9%	77.0%	82.1%	77.8%	77.8%	75.3%	73.4%	69.7%
Taylor Street Middle School (1949)										
Square Feet	111,884	111,884	111,884	111,884	111,884	-	-	-	-	-
Capacity (students)	805	805	805	805	805	-	-	-	-	-
Enrollment	848	762	693	609	579	-	-	-	-	-
Percentage of Capacity used	105.3%	94.7%	86.1%	75.7%	71.9%					
Rehoboth Road Middle School (2009)										
Square Feet	-	-	-	-	-	104,024	104,024	104,024	104,024	104,024
Capacity (students)	-	-	-	-	-	725	725	725	725	725
Enrollment	-	-	-	-	-	638	703	715	726	725
Percentage of Capacity used						88.0%	97.0%	98.6%	100.1%	100.0%
A.Z. Kelsey Academy (2007)										
Square Feet	-	-	-	71,403	71,403	71,403	71,403	71,403	71,403	71,403
Capacity (students)	-	-	-	625	625	625	625	625	625	625
Enrollment	-	-	-	72	82	112	104	119	90	80
Percentage of Capacity used				11.5%	13.1%	17.9%	16.6%	19.0%	14.4%	12.8%
Griffin High School (1986)										
Square Feet	309,989	309,989	309,989	309,989	309,989	309,989	309,989	309,989	309,989	309,989
Capacity (students)	1,950	1,950	1,950	1,950	1,950	1,950	1,950	1,950	1,950	1,950
Enrollment	1,668	1,662	1,705	1,596	1,526	1,437	1,372	1,304	1,342	1,356
Percentage of Capacity used	85.5%	85.2%	87.4%	81.8%	78.3%	73.7%	70.4%	66.9%	68.8%	69.5%

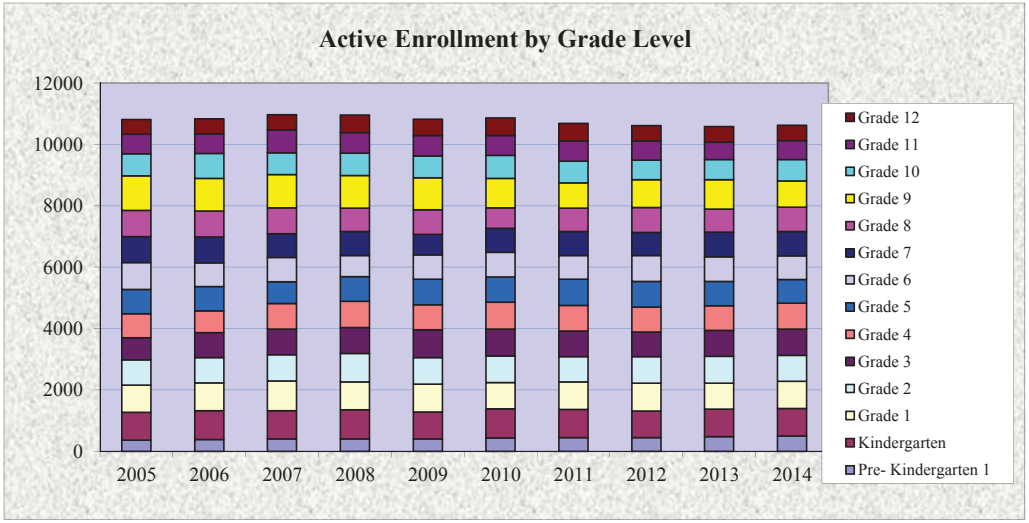
Source: Griffin-Spalding County School System

Griffin-Spalding County School System
School Building Information
Last Ten Fiscal Years (Continued)

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Spalding High School (2000)										
Square Feet	175,000	175,000	175,000	175,000	175,000	205,904	205,904	205,904	205,904	205,904
Capacity (students)	1,150	1,150	1,150	1,150	1,150	1,600	1,600	1,600	1,600	1,600
Enrollment	1,296	1,347	1,333	1,367	1,344	1,375	1,286	1,248	1,261	1,238
Percentage of Capacity used	112.7%	117.1%	115.9%	118.9%	116.9%	85.9%	80.4%	78.0%	78.8%	77.4%
Central Administration Complex (1970)										
Square Feet	11,051	11,051	11,051	11,051	11,051	11,051	11,051	11,051	11,051	11,051
Central Warehouse (2003)										
Square Feet	47,400	47,400	47,400	47,400	47,400	47,400	47,400	47,400	47,400	47,400
Transportation Garage/Warehouse (1964)										
Square Feet	11,600	11,600	11,600	11,600	11,600	11,600	11,600	11,600	11,600	11,600
Other Special Purpose Instructional Facilities										
Square Feet	80,729	80,729	80,729	80,729	80,729	80,729	80,729	80,729	80,729	80,729

Source: Griffin-Spalding County School System

Griffin-Spalding County School System
Enrollment Statistics
Last Ten Fiscal Years



Fiscal Year	Pre-Kindergarten [1]	Kindergarten	Grade 1	Grade 2	Grade 3	Grade 4	Grade 5	Grade 6	Grade 7	Grade 8	Grade 9	Grade 10	Grade 11	Grade 12	Total	Spec. Ed. [2]
2005	359	911	886	829	718	784	790	878	845	849	1,124	725	630	485	10,813	1,629
2006	386	939	904	826	814	703	793	772	850	837	1,073	810	636	490	10,833	1,542
2007	406	912	974	852	841	831	708	794	767	844	1,090	704	739	505	10,967	1,540
2008	410	943	904	933	847	851	801	690	786	753	1,071	726	664	574	10,953	1,425
2009	406	879	904	867	901	822	827	796	668	801	1,039	714	667	532	10,823	1,227
2010	441	940	856	873	871	878	819	810	783	665	956	748	652	568	10,860	1,126
2011	443	920	894	823	839	834	860	765	783	762	823	711	656	572	10,685	1,052
2012	443	865	911	862	810	814	833	839	753	813	911	630	625	505	10,614	993
2013	478	894	851	870	852	797	795	796	805	751	961	655	562	515	10,582	990
2014	495	898	889	848	856	837	778	764	796	791	854	701	619	500	10,626	969

[1] Griffin-Spalding County School System established the Pre-Kindergarten in FY1998 using proceeds from the state lottery.

[2] The System includes Special Education students in the appropriate grade level. The "Spec. Ed" column reflects the total number of Special Education sutdents by year for comparative purposes only.

Source: Griffin-Spalding County School System

Griffin-Spalding County School System
Expenditures by Function, Last Ten Fiscal Years
General Fund

	Fiscal Year										Percentage
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	Change [1]
Instruction	$47,155,871	$50,685,740	$54,388,787	$55,932,032	$54,254,887	$50,747,372	$50,219,269	$49,373,663	$47,622,661	$49,529,410	5.0%
Pupil Services	1,064,334	914,777	1,041,854	1,350,856	1,396,454	1,218,061	1,323,470	1,323,090	1,283,338	1,522,381	43.0%
Improvement of Instructional Services	1,507,186	1,748,744	1,677,996	1,899,284	2,296,995	1,743,197	1,719,713	1,432,357	1,295,508	1,333,860	-11.5%
Educational Media Services	1,794,138	1,806,250	1,988,019	1,985,864	1,888,718	1,894,322	1,845,301	1,656,079	1,440,932	1,483,960	-17.3%
General and School Administration	5,842,840	6,305,318	6,944,711	7,731,609	7,715,544	7,430,511	7,555,194	7,563,984	7,107,099	7,367,102	26.1%
Business Administration	389,917	424,745	442,411	455,536	456,337	421,419	330,052	335,644	348,784	386,548	-0.9%
Maintenance and Operations of Plant	7,094,242	7,610,256	7,929,293	8,370,016	8,311,817	8,566,760	7,966,957	7,726,705	7,884,361	8,720,795	22.9%
Student Transportation Services	2,537,090	2,776,339	3,317,560	3,283,421	3,241,466	3,211,466	3,420,009	4,092,737	4,166,042	5,322,915	109.8%
Central Support Services	1,166,246	1,232,775	1,352,029	1,623,060	1,262,604	1,137,619	1,104,120	1,139,419	1,219,241	1,456,213	24.9%
Other Support Services	368,949	361,187	810,808	599,275	908,779	715,919	899,754	743,246	888,483	962,370	160.8%
Food Service Operations	0	0	0	0	0	0	0	0	0	69,278	100.0%
Community Services Operations	124,642	138,354	137,175	147,285	161,947	152,963	149,722	132,624	126,811	128,120	2.8%
Capital Outlay	316,796	461,836	536,880	535,074	5,886	127,629	129,707	37,394	59,560	184,471	-41.8%
Debt Service	459,953	419,660	293,735	319,912	334,579	334,578	214,038	214,038	94,837	0	-100.0%
	$69,822,204	$74,885,981	$80,861,258	$84,233,224	$82,236,013	$77,701,816	$76,877,306	$75,770,980	$73,537,657	$78,467,423	12.4%

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Instruction	67.5%	67.7%	67.3%	66.4%	66.0%	65.3%	65.3%	65.2%	64.8%	63.1%
Pupil Services	1.5%	1.2%	1.3%	1.6%	1.7%	1.6%	1.7%	1.7%	1.7%	1.9%
Improvement of Instructional Services	2.2%	2.3%	2.1%	2.3%	2.8%	2.2%	2.2%	1.9%	1.8%	1.7%
Educational Media Services	2.6%	2.4%	2.5%	2.4%	2.3%	2.4%	2.4%	2.2%	2.0%	1.9%
General and School Administration	8.4%	8.4%	8.6%	9.2%	9.4%	9.6%	9.8%	10.0%	9.7%	9.4%
Business Administration	0.6%	0.6%	0.5%	0.5%	0.6%	0.5%	0.4%	0.4%	0.5%	0.5%
Maintenance and Operations of Plant	10.2%	10.2%	9.8%	9.9%	10.1%	11.0%	10.4%	10.2%	10.7%	11.1%
Student Transportation Services	3.6%	3.7%	4.1%	3.9%	3.9%	4.1%	4.4%	5.4%	5.7%	6.8%
Central Support Services	1.7%	1.6%	1.7%	1.9%	1.5%	1.5%	1.4%	1.5%	1.7%	1.9%
Other Support Services	0.5%	0.5%	1.0%	0.7%	1.1%	0.9%	1.2%	1.0%	1.2%	1.2%
Food Service Operations	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%
Community Services Operations	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%
Capital Outlay	0.5%	0.6%	0.7%	0.6%	0.0%	0.2%	0.2%	0.0%	0.1%	0.2%
Debt Service	0.7%	0.6%	0.4%	0.4%	0.4%	0.4%	0.3%	0.3%	0.1%	0.0%
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

[1]Percentage change computed by using the following formula:
(2014 expenditure/2005 expenditure)-1 = percentage change

Source: Griffin-Spalding County School System

Griffin-Spalding County School System
Per Pupil Expenditures by Function, Last Ten Fiscal Years
General Fund

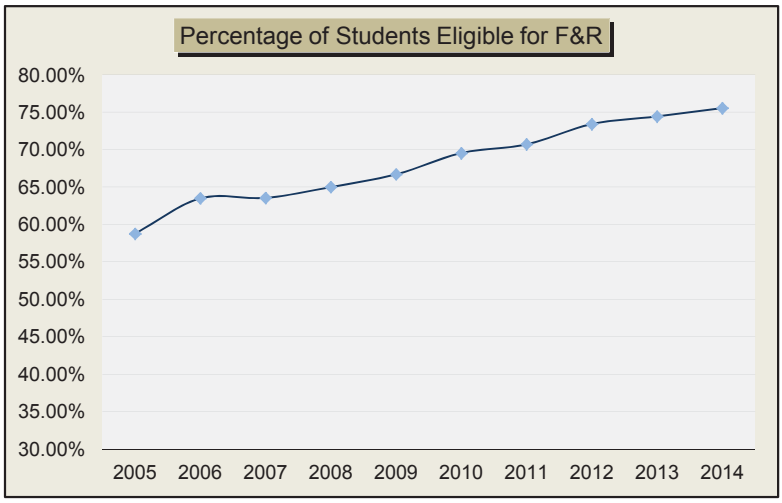
	Fiscal Year										Percentage
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	Change [1]
Instruction	$4,360	$4,678	$4,958	$5,107	$5,013	$4,673	$4,700	$4,652	$4,501	$4,661	6.9%
Pupil Services	98	84	95	123	129	112	124	125	121	143	45.6%
Improvement of Instructional Services	139	161	153	173	212	161	161	135	122	126	-9.9%
Educational Media Services	166	167	181	181	175	174	173	156	136	140	-15.8%
General and School Administration	540	582	633	706	713	684	707	713	672	693	28.3%
Business Administration	36	39	40	42	42	39	31	32	33	36	0.9%
Maintenance and Operations of Plant	656	702	723	764	768	789	746	728	745	821	25.1%
Student Transportation Services	235	256	302	300	299	296	320	386	394	501	113.5%
Central Support Services	108	114	123	148	117	105	103	107	115	137	27.1%
Other Support Services	34	33	74	55	84	66	84	70	84	91	165.5%
Food Service Operations	0	0	0	0	0	0	0	0	0	7	100.0%
Community Services Operations	12	13	13	13	15	14	14	12	12	12	4.6%
Capital Outlay	29	43	49	49	1	12	12	4	6	17	-40.7%
Debt Service	43	0	0	29	31	31	20	20	9	0	-100.0%
Total Expenditures [2]	$6,456	$6,912	$7,371	$7,690	$7,598	$7,155	$7,195	$7,139	$6,950	$7,384	14.4%
Student Enrollment [3]	10,813	10,833	10,967	10,953	10,823	10,860	10,685	10,614	10,582	10,626	-1.7%

[1]Percentage change computed by using the following formula:
(2014 revenue/2005 revenue)-1 = percentage change

[2]Expenditures restated on a per pupil basis by using the following formula:
Revenue/current enrollment = per pupil revenue

[3]Student enrollment figures are taken from fall enrollment (October 1) reports.

Griffin-Spalding County School System
Free and Reduced Lunch
Last Ten Fiscal Years



	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Lunch Meals Served										
Free	816,635	899,088	943,268	946,445	958,939	1,027,745	1,046,085	1,086,381	1,042,616	1,046,355
Reduced	141,938	123,020	133,834	138,010	147,242	125,258	96,503	110,639	105,123	110,333
Paid	431,408	429,198	419,568	405,947	353,113	315,738	296,584	259,927	216,889	177,353
Total	1,389,981	1,451,306	1,496,670	1,490,402	1,459,294	1,468,741	1,439,172	1,456,947	1,364,628	1,334,041
Breakfast Meals Served										
Free	446,257	500,982	532,152	553,078	571,647	623,310	621,661	651,752	630,562	637,061
Reduced	55,594	45,473	51,548	55,343	60,345	48,705	42,375	46,295	43,356	46,232
Paid	70,486	72,745	77,416	83,821	76,021	74,907	65,660	57,029	49,963	42,031
Total	572,337	619,200	661,116	692,242	708,013	746,922	729,696	755,076	723,881	725,324
Adult & Non-reimbursable										
Paid - Breakfast	9,001	10,641	7,992	7,825	8,866	7,247	5,804	7,892	2,631	1,913
Paid - Lunch	62,009	62,470	57,109	54,432	49,569	39,590	36,228	42,557	29,805	23,767
Other - Breakfast	12,909	14,989	15,366	16,646	19,179	16,965	21,200	17,096	15,655	15,493
Other - Lunch	37,248	41,577	39,419	38,465	41,791	38,435	49,010	41,424	35,826	35,744
Total	121,167	129,677	119,886	117,368	119,405	102,237	112,242	108,969	83,917	76,917
Total Meals Served										
Free	1,262,892	1,400,070	1,475,420	1,499,523	1,530,586	1,651,055	1,667,746	1,738,133	1,673,178	1,683,416
Reduced	197,532	168,493	185,382	193,353	207,587	173,963	138,878	156,934	148,479	156,565
Paid	572,904	575,054	562,085	552,025	487,569	437,482	404,276	367,405	299,288	245,064
Other	50,157	56,566	54,785	55,111	60,970	55,400	70,210	58,520	51,481	51,237
Total	2,083,485	2,200,183	2,277,672	2,300,012	2,286,712	2,317,900	2,281,110	2,320,992	2,172,426	2,136,282
% Eligible for Free and Reduced	58.80%	63.51%	63.58%	65.02%	66.72%	69.57%	70.73%	73.44%	74.46%	75.58%

Source: Griffin-Spalding County School System

Griffin-Spalding County School System
Insurance Coverage

Insurance coverage of the System is summarized below.

Type	Amount in Force
Property	$304,236,142
Boiler & Machinery	25,000,000
Fidelity Bond	100,000
Superintendent Bond	100,000

	Limits of Liability	
Type	Each Occurance	Aggregate
General Liability	$1,000,000	$2,000,000
School Board Errors and Omissions	1,000,000	1,000,000
Automobile Liability	1,000,000	1,000,000
Excess Workers' Compensation	Statutory	Statutory

Notes:
The System is partially self-insured for workers compensation claims through a self-insurance program that is periodically reviewed for actuarial soundess by an actuary. Refer to Note 11 and MD&A of the System's financial statements for a discussion of the System's risk management program. The System requires payment and performance surety bonds and builders' risk insurance of all contractors and subcontractors involved in construction related to the System's facilities.

ROBINSON, GRIMES & COMPANY, P.C.
Certified Public Accountants & Consultants

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

The Board of Education
Griffin-Spalding County School System
Griffin, Georgia

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Griffin-Spalding County School System as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise Griffin-Spalding County School System's basic financial statements, and have issued our report thereon dated October 24, 2014.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Griffin-Spalding County School System's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Griffin-Spalding County School System's internal control. Accordingly, we do not express an opinion on the effectiveness of Griffin-Spalding County 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 government'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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Griffin-Spalding County 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

We noted certain matters that we reported to management of the System in a separate letter dated October 24, 2014.

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 government'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.

Robinson, Grimes & Company, P.C.

Certified Public Accountants

October 24, 2014

ROBINSON, GRIMES & COMPANY, P.C.
Certified Public Accountants & Consultants

Independent Auditor's Report on Compliance for Each
Major Federal Program and Report on Internal Control over
Compliance in Accordance with OMB Circular A-133

The Board of Education
Griffin-Spalding County School System
Griffin, Georgia

Report on Compliance for Each Major Federal Program

We have audited Griffin-Spalding County School System's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget Circular A-133 Compliance Supplement that could have a direct and material effect on each of Griffin-Spalding County School System's major federal programs for the year ended June 30, 2014. Griffin-Spalding County 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.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Griffin-Spalding County School System's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and Circular A-133 require that we plan and perform the compliance audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Griffin-Spalding County School System's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination on Griffin-Spalding County School System's compliance.

Opinion on Each Major Federal Program

In our opinion, Griffin-Spalding County School System complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2014.

Report on Internal Control over Compliance

Management of Griffin-Spalding County School System is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Griffin-Spalding County School System's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program as a basis for designing auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Griffin-Spalding County School System 's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Robinson, Grimes & Company, P.C.

Certified Public Accountants

October 24, 2014

GRIFFIN-SPALDING COUNTY BOARD OF EDUCATION
GRIFFIN, GEORGIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2014

FUNDING AGENCY PROGRAM/GRANT	FEDERAL CFDA NUMBER	FEDERAL EXPENDITURES IN PERIOD
Agriculture, U. S. Department of		
Child Nutrition Cluster		
Pass-Through From Georgia Department of Education		
Food Services		
School Breakfast Program	10.553	$ 1,289,322
National School Lunch Program		
Cash Assistance	10.555	3,501,339
Noncash Assistance	10.550	410,399
After School Snacks	10.555	29,415
Total Child Nutrition Cluster		5,230,475
Other Programs		
Pass-Through From Georgia Department of Education		
Fresh Fruit and Vegetable Program	10.582	65,615
Total U.S. Department of Agriculture		5,296,090
Education, U. S. Department of		
Title I, Part A Cluster		
Pass-Through From Georgia Department of Education		
Grants to Local Educational Agencies		
Flowthrough Regular	84.010	3,971,070
School Improvement	84.010	149,392
Total Title I, Part A Cluster		4,120,462
School Improvement Grants Cluster		
Pass-Through From Georgia Department of Education		
ARRA - School Improvement Grants	84.388	290,650
Total School Improvement Grants Cluster		290,650
Special Education Cluster		
Pass-Through From Georgia Department of Education		
Individuals with Disabilities Education Act		
Flowthrough Regular	84.027	1,964,534
Special Projects	84.027	297,026
Preschool Regular	84.173	52,205
Total Special Education Cluster		2,313,765
Other Programs		
Pass-Through From Georgia Department of Education		
Career and Technical Education- Basic Grants to States	84.048	85,861
Improving Teacher Quality State Grants	84.367	491,501
English Language Acquisition Grants	84.365	16,537
Race to the Top (ARRA)	84.395	1,093,945
Total U. S. Department of Education		8,412,721
Defense, U. S. Department of		
Direct		
Department of the Army		
R.O.T.C. Program	N/A	282,573
Total Federal Financial Assistance		$ 13,991,384

See Independent Auditor's Report and Notes to Schedule of Expenditures of Federal Awards.

GRIFFIN-SPALDING COUNTY SCHOOL SYSTEM
GRIFFIN, GEORGIA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2014

NOTE 1: Summary of Significant Accounting Policies

Basis of Accounting - The schedule of expenditures of federal awards has been prepared utilizing the modified accrual basis of accounting. Under this method, revenues are recognized when they become measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities for the current period. Expenditures are recognized when the liability is incurred.

GRIFFIN-SPALDING COUNTY SCHOOL SYSTEM
GRIFFIN, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2014

SUMMARY OF AUDITOR'S RESULTS

1. An unmodified opinion, dated October 24, 2014, was issued on the financial statements for the year ended June 30, 2014.

2. The "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" dated October 24, 2014 disclosed no significant deficiencies for the year ended June 30, 2014.

3. The "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" dated October 24, 2014 disclosed no instances of noncompliance for the year ended June 30, 2014.

4. The "Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance in Accordance with OMB Circular A-133," dated October 24, 2014, disclosed no significant deficiencies or material weaknesses in internal control over major programs for the year ended June 30, 2014.

5. An unmodified opinion, dated October 24, 2014, was issued on the System's compliance with its major federal programs in the "Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance in Accordance with OMB Circular A-133," for the year ended June 30, 2014.

6. No audit findings were disclosed as required under OMB Circular A-133 paragraph .510(a) for the year ended June 30, 2014.

7. The major programs for Griffin-Spalding County School System for the year ended June 30, 2014 were:

   Title I, Part A Cluster
   - Flowthrough Regular, CFDA No. 84.010
   - School Improvement Grants, CFDA No. 84.010

   Improving Teacher Quality State Grants, CFDA No. 84.367

GRIFFIN-SPALDING COUNTY SCHOOL SYSTEM
GRIFFIN, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2014

SUMMARY OF AUDITOR'S RESULTS (Continued)

8. The dollar threshold used to distinguish between Type A and Type B programs was $419,742, as described in paragraph .520(b) of OMB Circular A-133.

9. Under OMB Circular A-133, paragraph .530, Griffin-Spalding County School System did qualify as a low-risk auditee for the year ended June 30, 2014.

FINDINGS RELATING TO THE FINANCIAL STATEMENTS

The "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" dated October 24, 2014, disclosed no findings required to be reported in accordance with GAGAS for the year ended June 30, 2014.

FINDINGS AND QUESTIONED COSTS FOR MAJOR FEDERAL AWARD PROGRAMS

The "Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance in Accordance with OMB Circular A-133" dated October 24, 2014, disclosed no findings or questioned costs for Federal awards as defined in paragraph .510 (a) of OMB Circular A-133, for the year ended June 30, 2014.