

MAULDIN & JENKINS

CPAs & ADVISORS

TROUP COUNTY SCHOOL DISTRICT, GEORGIA

ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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I. FINANCIAL SECTION

MAULDIN & JENKINS
CPAs & ADVISORS

INDEPENDENT AUDITOR'S REPORT

To the Superintendent and Members of
the Troup County School District
LaGrange, Georgia

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the **Troup County Board of Education** (the "District") as of and for the fiscal year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Troup County Board of Education as of June 30, 2023, and the respective changes in financial position, and where applicable, cash flows thereof and the budgetary comparison for the General Fund and ESSER Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual nonmajor fund statements and schedules, The Schedule of Expenditures of Special Purpose Local Option Sales Tax proceeds, and the accompanying Schedule of Expenditures of Federal Awards, as required by *Title 2 U.S. Code of Federal Regulations Part 200*, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "supplementary information"), are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 6, 2024 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Atlanta, Georgia
March 6, 2024

TROUP COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023

The discussion and analysis of Troup County School District (the "School District" or "District")'s financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2023. The intent of this discussion and analysis is to look at the School District's financial performance as a whole. Readers should also review the basic financial statements and the notes to the financial statements to enhance their understanding of the School District's financial performance. All amounts, unless otherwise indicated, are expressed in millions of dollars.

FINANCIAL HIGHLIGHTS

- The liabilities and deferred inflows of resources of the School District were exceeded by its assets and deferred outflows of resources at the close of the fiscal year 2023, causing a net position of $64.8 million.
- The School District's total net position increased by $19.5 million (43.0%) during the current fiscal year.
- The Governmental Activities' increase was approximately $18.9 million (45.3%) and the Business-type Activities' increase was (16.7%) or $0.6 million. Total net position of Governmental Activities increased as the District received increased Federal funding from ESSER to help offset COVID related expenses and reduced expenditures. The net position for Business-type activities increased as a result of the Business-type Activities becoming more self-sufficient.
- Governmental activities general revenues accounted for $76.7 million or 41.7% of all revenues. Governmental activities program specific revenues in the form of charges for services, operating grants contributions and capital grants/contributions accounted for $107.3 million or 58.3% of total Governmental Activities' revenues of $184 million.
- The School District had $165.0 million of expenses related to Governmental Activities; only $107.3 million of these expenses were offset by program specific charges for services, grants or contributions. General revenues totaling approximately $76.7 million were able to more than cover the balance of expenses. General revenues were primarily derived from Property Taxes of $56.8 million and Special Local Option Sales Taxes of $17.9 million.
- Among the major funds, the General Fund had $136.1 million in revenues and $133 million in expenditures. The General Fund's fund balance increased by $2.7 million to approximately $33.9 million which represents 25.5% of total General Fund expenditures.
- Total net position for Business-type activities of a surplus $4,246,320 increased by $0.6 million.

USING THE BASIC FINANCIAL STATEMENTS

This annual report consists of a series of basic financial statements and notes to those statements. These statements are organized so the reader can understand the Troup County School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The Statement of Net Position and Statement of Activities provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School District's most significant funds with all other nonmajor funds presented in total in one column. In the case of Troup County School District, the General Fund is by far the most significant fund.

REPORTING THE SCHOOL DISTRICT AS A WHOLE

Statement of Net Position and the Statement of Activities

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2023?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets, deferred outflows and inflows of resources, and liabilities using the accrual basis of accounting similar to the accounting methods used by most private-sector companies. These bases of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the School District's net position and change in the net position. The change in net position is important because it tells the reader that, for the School District as a whole, the financial position of the School District has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Nonfinancial factors include the School District's property tax base, current property tax laws in Georgia impacting revenue growth, facility conditions, required educational programs, Georgia educational budget changes and other factors.

In the Statement of Net Position and the Statement of Activities, the School District is divided into two distinct kinds of activities:

- Governmental Activities – Most of the School District's programs and services are reported here including instruction, support services, operation and maintenance of plant, pupil transportation and extracurricular activities.
- Business-Type Activities – These services are provided on a charge for goods or services basis to recover all of the expenses of the goods of services provided. The School District's food service and after school programs are reported as business activities.

REPORTING THE SCHOOL DISTRICT'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

The analysis of the School District's major funds begins on page 13. Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's most significant funds. The School District's major governmental funds are the General Fund, ESSER Fund and the Capital Projects Fund.

Governmental Funds – Most of the School District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at fiscal year end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provided a detailed short-term view of the School District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between Governmental Activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements See pages 15 through 20.

Proprietary Funds – Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match. Proprietary financial statements may be viewed on pages 21 through 23.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the School District's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. These funds generally include school clubs and organizations within the principal's accounts. Fiduciary fund statements may be viewed on pages 24 and 25.

NOTES TO THE FINANCIAL STATEMENTS

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. Notes to the financial statements may be viewed on pages 26 through 58.

THE SCHOOL DISTRICT AS A WHOLE

Recall that the Statement of Net Position provides the perspective of the School District as a whole.

Table 1 provides a summary of the School District's net position for 2023 compared to 2022:

Table 1
Troup County School District's Net Position
In Millions

	Governmental Activities		Business-type Activities		Total Net Position		Total % Change
	2022	**2023**	**2022**	**2023**	**2022**	**2023**	**2022-23**
Current and Other Assets	$ 89.1	$ 106.6	$ 2.9	$ 3.6	$ 92.0	$ 110.2	19.8%
Capital Assets	197.0	205.7	2.3	2.4	199.3	208.1	-4.4%
Total Assets	**286.1**	**312.3**	**5.2**	**6.0**	**291.3**	**318.3**	**9.3%**
Deferred outflows of Resources	53.1	98.3	0.3	0.7	53.4	99.0	85.4%
	53.1	**98.3**	**0.3**	**0.7**	**53.4**	**99.0**	**85.4%**
Other Liabilities	18.9	30.4	0.8	0.8	19.7	31.2	-58.4%
Long Term Liabilities	162.9	270.3	0.5	1.7	163.4	272.0	66.5%
Total Liabilities	**181.8**	**300.7**	**1.3**	**2.5**	**183.1**	**303.2**	**65.6%**
Deferred Inflows of Resources	115.7	49.3	0.6	0.0	116.3	49.3	57.6%
	115.7	**49.3**	**0.6**	**0.0**	**116.3**	**49.3**	**57.6%**
Net Position:							
Net Investment in Capital Assets	196.2	215.6	1.9	2.1	198.1	217.7	-9.9%
Restricted	3.0	2.9	-	-	3.0	2.9	3.3%
Unrestricted	(157.5)	(157.9)	1.7	2.1	(155.8)	(155.8)	0.0%
Total Net Position	**$ 41.7**	**$ 60.6**	**$ 3.6**	**$ 4.2**	**$ 45.3**	**$ 64.8**	**-43.0%**

Total net position increased $19.5 million. Current and Other Assets increased $18.2 million due to increased funding. Capital Assets increased by $8.8 million due to increased purchases with ESSER funds. The overall long-term liabilities increased based upon the School District's share of the Teachers Retirement System Net Pension Liability.

Table 2 shows the changes in net position for fiscal year 2023 compared to fiscal year 2022:

Table 2
Change in Troup County School District's Net Position
In Millions

	Governmental Activities		Business-type Activities		Total Net Position		Total % Change
	2022	2023	2022	2023	2022	2023	2022-23
Revenues							
Program Revenues							
Charges for Services	$ 3.9	$ 4.9	$ 0.8	$ 1.2	$ 4.7	$ 6.1	29.8%
Federal Grants	98.5	102.4	9.6	8.5	108.1	110.9	2.6%
Other	1.9	-	-	-	1.9	-	-100.0%
General Revenues							
Property Taxes	54.2	56.8	-	-	54.2	56.8	4.8%
Sales Taxes	16.5	17.9	-	-	16.5	17.9	8.5%
Other	1.2	2.0	-	-	1.2	2.0	66.7%
Total Revenues	**176.2**	**184.0**	**10.4**	**9.7**	**186.6**	**193.7**	**3.8%**
Expenses							
Instruction	75.0	96.9	-	-	75.0	96.9	29.2%
Pupil Support Services	12.9	13.5	-	-	12.9	13.5	4.7%
Improvement of Instructional Services	5.2	7.0	-	-	5.2	7.0	34.6%
Educational Media	2.0	2.0	-	-	2.0	2.0	0.0%
Federal Grant administration	0.2	0.2	-	-	0.2	0.2	0.0%
General Administration	2.3	2.2	-	-	2.3	2.2	-4.3%
School Administration	10.1	11.4	-	-	10.1	11.4	12.9%
Business Administration	1.2	1.6	-	-	1.2	1.6	33.3%
Maintenance/Operation of Facilities	13.4	13.7	-	-	13.4	13.7	2.2%
Student Transportation Services	11.8	14.0	-	-	11.8	14.0	18.6%
Central Support Services	1.2	1.5	-	-	1.2	1.5	25.0%
Other Support Services	0.3	0.2	-	-	0.3	0.2	-33.3%
Business Type Activities	-	-	7.7	9.2	7.7	9.2	19.5%
Community Services	-	0.1	-	-	-	0.1	0.0%
School Nutrition	1.6	0.1	-	-	1.6	0.1	-93.8%
Interest and fiscal charges	0.3	0.6	-	-	0.3	0.6	0.0%
Bond Issuance Cost	0.5	-	-	-	0.5	-	0.0%
Total Expenses	**138.0**	**165.0**	**7.7**	**9.2**	**145.7**	**174.2**	**19.6%**
Excess (Deficiency) before Transfers	38.2	19.0	2.7	0.5	40.9	19.5	-52.3%
Transfers	(0.1)	(0.1)	0.1	0.1	-	-	0.0%
Change in Net Position	**38.1**	**18.9**	**2.8**	**0.6**	**40.9**	**19.5**	**-52.3%**
Beginning Net Position	**4.3**	**41.7**	**(0.1)**	**3.6**	**4.2**	**45.3**	**-978.6%**
Restatements	**(0.7)**	**-**	**0.9**	**-**	**0.9**	**-**	**0.0%**
Ending Net Position	**$ 41.7**	**$ 60.6**	**$ 3.6**	**$ 4.2**	**$ 46.0**	**$ 64.8**	**-40.9%**

Governmental Activities

Revenues for governmental activities increased by 4.43%, while expenses increased by 19.6%. Program revenues increased by 2.9%, mainly due to increases in Operating Grants & Contributions of $3.9 million. Increases in Operating Grants resulted from increases in QBE funding due to lower austerity reductions and Equalization funds from continuing state budget funding. Increased Capital Grants were a result of completing state approved projects.

General Revenues increased by 6.7%, mainly due to increases in collections of Sales Taxes of $1.4 million and Property tax increases of $2.6 million. Sales Tax increases resulted from new business like Great Wolf Lodge opening during the 18-19 fiscal year. Expenses increased by $27.0 million or 19.6% as a result salary increases as well as Capital Project increased spending.

The District's millage rate for fiscal year 2023 was maintained at 17.35. The local tax digest is benefiting from the growth of KIA and its associated suppliers.

The dependence upon State Aid/Formula grants and local property taxes remains very apparent. State funding represents 58.3% of total governmental activities revenue and local property and sales taxes represent 41.7% of the total revenues of $184 million.

Instruction comprises 58.7% of governmental activities program expenses. Interest expense was 0.4%. Interest is now being accumulated on the Capital Projects Bond that was purchased in fiscal year 2022.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services.

Table 3 shows, for Governmental Activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted state entitlements.

Table 3
Net Cost of Troup County School District's Governmental Activities
In Millions

	Governmental Activities		Percentage Change	Net Cost Of Services		Total % Change
	2022	2023	2022-23	2022	2023	2022-23
Expense Function						
Expenses						
Instruction	$ 75.0	$ 96.9	29.2%	$ 6.7	$ 28.3	322.4%
Pupil Support Services	12.9	13.5	4.7%	8.5	8.7	2.4%
Improvement of Instructional Services	5.2	7.0	34.6%	1.6	1.7	6.2%
Educational Media	2.0	2.0	0.0%	0.4	0.3	-25.0%
Federal Grant Administration	0.2	0.2	0.0%	0.2	0.2	0.0%
General Administration	2.3	2.2	-4.3%	0.0	(0.2)	-6766.7%
School Administration	10.1	11.4	12.9%	6.0	7.1	18.3%
Business Administration	1.2	1.6	33.3%	0.7	1.1	57.1%
Maintenance/Operation of Facilities	13.4	13.7	2.2%	9.0	10.1	12.2%
Student Transportation Services	11.8	14.0	18.6%	8.0	11.0	37.5%
Central Support Services	1.2	1.5	25.0%	1.2	1.5	25.0%
Other Support Services	0.3	0.2	-33.3%	(1.3)	(3.5)	169.2%
School Nutrition	-	-	0.0%	(8.0)	(9.2)	15.0%
Community Services	-	0.1	0.0%	-	-	0.0%
School Nutrition	1.6	0.1	0.0%	-	0.1	0.0%
Interest and fiscal charges	0.3	0.6	100.0%	0.3	0.6	100.0%
Bond Issuance Cost	0.5	-	200.0%	0.5	-	200.0%
Total Expenses	**$ 138.0**	**$ 165.0**	**19.6%**	**$ 33.8**	**$ 57.8**	**71.0%**

The total cost of services for governmental activities increased by $27.0 million in fiscal year 2023. This increase is due to increased salaries and increased benefits (State Health increase Employer portion for all Certified employees).

Business-Type Activities

Business-type activities include the School District's student food service operation and after school programs conducted by the elementary schools. These programs had revenues of approximately $9.7 million and expenses of $9.2 million. Net Position increased $0.6 million, ending at a surplus of $4.2 million. Management has established a target Net Position of 15% of the total budget to judge when future price increases are necessary.

The School District's Funds

Information about the School District's major funds starts on page 17. All governmental funds had total revenues of $183.9 million and expenditures of $171.7 million. The overall increase in the fund balance, after transfers, was approximately $12.1 million. This was a result of the General Fund's fund balance increasing by $2.7 million, Capital Projects Fund's fund balance increasing by approximately $9.7 million, and Other Governmental Funds' fund balance decreasing by $0.3 million. General Fund changes resulted from increased revenues of $7.1 million as well as increased expenditures by $10 million. The ESSER Fund expended the remainder of the federal revenues received. Capital Projects Fund increased with the onset of SPLOST VI.

General Fund Budgeting Highlights

The School District's budget is prepared according to Georgia law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund.

During the course of the fiscal year 2023, the School District amended its General Fund budget numerous times, mainly due to State QBE funding adjustments, federal funding changes and other expenditure adjustments to maintain a balanced budget. Expenditure increases reflect changes associated with the state funding changes.

Actual revenue for the General Fund was $136.1 million or approximately $6.5 million over the final amended budget due to higher than anticipated state and local revenues.

Actual expenditures for the General Fund were $133 million or $10.2 million lower than the amended budget. All expenditure categories except pupil support services, school administration, central support services, and school nutrition were at or below budget due to expenditure control plans developed by management.

The School District had an increase in the ending General Fund's Fund Balance of $2.7 million from fiscal year 2022. This resulted in an ending fund balance of approximately $33.9 million or 25.5% of total expenditures.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The School District had approximately $205.7 million (net of accumulated depreciation) invested in land, land improvements, buildings, machinery/equipment, and vehicles at the end of fiscal year 2022 for Governmental Activities. The District hired CBIZ to complete an asset inventory which caused a re-evaluation of the assets. The reevaluated numbers showed $197.1 million (net of accumulated depreciation) for Governmental Activities as of June 30, 2022.

Table 4 shows fiscal 2023 balances compared to 2022:

Table 4
Troup County School District's Capital Assets at June 30
Net of Depreciation
In Millions

	Governmental Activities		Business Type Activities		Total Net Assets		Total % Change
	2022	2023	2022	2023	2022	2023	2022-23
Land	$ 5.9	$ 5.9	$ -	$ -	$ 5.9	$ 5.9	0.0%
Construction in Progress	0.6	10.9	-	-	0.6	10.9	1716.7%
Land Improvements	2.0	1.8	-	-	2.0	1.8	-10.0%
Buildings	159.8	156.8	-	-	159.8	156.8	-1.9%
Machinery & Equipment	26.9	28.2	2.3	2.4	29.2	30.6	4.8%
Vehicles	1.9	2.1	-	-	1.9	2.1	10.5%
Total	**$ 197.1**	**$ 205.7**	**$ 2.3**	**$ 2.4**	**$ 199.4**	**$ 208.1**	**4.4%**

The increase in capital assets occurred due to ongoing construction of items and the continued depreciation of existing assets. SPLOST IV construction projects have been completed based upon current estimated collections.

Debt Administration

The School District had $34,438,619 in bonds outstanding at June 30, 2023.

The School District's General Obligation Sales Tax Bonds, Series 2022 maintain an enhanced 'Aa1' bond rating by Moody's Investor Service based upon the Georgia State Intercept Program. The School District's issuer credit rating is A3, as initiated on April 7, 2022. The issuer rating of A3 is considered investment grade.

For The Future

The Troup County School District increased its net position in Governmental Activities from a surplus of $41.7 million to approximately $60.6 million. The overall increase in net position of approximately $18.9 million for Governmental Activities was positive for the financial strength of the School District. However, as the preceding information shows, the School District continues to face increasing dependence on local revenue sources or expense reductions to fund its operations. The outlook for increased state funding for K-12 education and the continued escalation of mandated employee benefit expenses in the next 2-3 years poses the biggest future challenge for the School District.

Locally, the School District maintained the millage rate for fiscal year 2023 at 17.35. This leaves us only an additional 2.65 mills before reaching the maximum of 20 mills above which increases require voter approval. The current housing market created an increase in property values and it increased at a higher rate due to growth of KIA and related suppliers.

The residential property tax burden continues to be a concern for local homeowners. This means that additional revenues will be hard to come by without new property being brought into the tax base.

Local school districts continue to struggle with the unfunded mandates required by state and federal regulations. This puts pressure on local funding sources to maintain the current programs. The School District continues to conduct in-depth reviews of all operations to reduce expenditures and find new revenue sources to offset these funding shortfalls.

Given the requirements of various regulatory agencies and the continued accountability for improving test scores, management is faced with needing to carefully prioritize existing resources in the most efficient manner possible. New resources for restoring previously cut programs will continue to be slim for at least the foreseeable future without new state revenue sources.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Dr. Scott A. Burckbuchler, Chief Financial Officer, at Troup County School District, 100 North Davis Road, LaGrange, Georgia 30241.

BASIC FINANCIAL STATEMENTS

TROUP COUNTY SCHOOL DISTRICT, GEORGIA
STATEMENT OF NET POSITION
JUNE 30, 2023

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS			
Cash and Cash Equivalents	$ 42,098,736	$ 3,855,075	$ 45,953,811
Investments	47,404,128	-	47,404,128
Accounts Receivable	535,140	58,742	593,882
Taxes Receivable, Net Of Allowance	2,985,666	-	2,985,666
Due From Other Governments	13,088,359	186,650	13,275,009
Internal Balances	473,900	(473,900)	-
Inventory	20,885	-	20,885
Prepaid items	11,581	1,036	12,617
Capital Assets (Nondepreciable)	16,776,641	-	16,776,641
Capital Assets (Net Of Accumulated Depreciation)	188,916,902	2,357,434	191,274,336
Total Assets	312,311,938	5,985,037	318,296,975
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows of Resources - Pension Related Items	79,486,018	750,958	80,236,976
Deferred Outflows of Resources - OPEB Related Items	18,827,631	-	18,827,631
Total Deferred Outflows Of Resources	98,313,649	750,958	99,064,607
LIABILITIES			
Accounts Payable	3,398,823	165,164	3,563,987
Salaries And Benefits Payable	17,842,105	469,707	18,311,812
Construction Contracts Payable	1,969,148	-	1,969,148
Retainage Payable	634,738	-	634,738
Claims Payable	200,596	-	200,596
Net Pension Liability	166,081,877	1,569,089	167,650,966
Net OPEB Liability	74,826,759	-	74,826,759
Accrued Interest Payable	287,280	-	287,280
Note payable, Due Within One Year	-	117,391	117,391
Note payable, Due In More Than One Year	-	107,609	107,609
Bonds Payable, Due Within One Year	5,580,000	-	5,580,000
Bonds Payable, Due In More Than One Year	28,858,619	-	28,858,619
Compensated Absences, Due Within One Year	788,800	5,200	794,000
Compensated Absences, Due In More Than One Year	290,525	11,124	301,649
Total Liabilities	300,759,270	2,445,284	303,204,554
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows of Resources - Pension Related Items	1,845,490	17,436	1,862,926
Deferred Inflows of Resources - OPEB Related Items	47,431,964	-	47,431,964
Deferred Inflows of Resources - Unearned Revenue	-	26,955	26,955
Total Deferred Inflows Of Resources	49,277,454	44,391	49,321,845
NET POSITION			
Net Investment In Capital Assets	215,555,166	2,132,434	217,687,600
Restricted For Grant Activities	729,204	-	729,204
Restricted For Capital Projects	2,181,798	-	2,181,798
Unrestricted (deficit)	(157,877,305)	2,113,886	(155,763,419)
Total Net Position	$ 60,588,863	$ 4,246,320	$ 64,835,183

THE ACCOMPANYING FOOTNOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

TROUP COUNTY SCHOOL DISTRICT, GEORGIA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES: CHARGES FOR SERVICES	PROGRAM REVENUES: OPERATING GRANTS AND CONTRIBUTIONS	PROGRAM REVENUES: CAPITAL GRANTS AND CONTRIBUTIONS	NET REVENUE (EXPENSE) AND CHANGES IN NET POSITION: GOVERNMENTAL ACTIVITIES	NET REVENUE (EXPENSE) AND CHANGES IN NET POSITION: BUSINESS-TYPE ACTIVITIES	TOTAL
Governmental Activities:							
Instruction	$ 96,893,977	$ 1,067,763	$ 67,551,159	$ -	$ (28,275,055)	$ -	$ (28,275,055)
Pupil Support Services	13,448,216	2,965,654	1,766,580	-	(8,715,982)	-	(8,715,982)
Improvement Of Instructional Services	6,962,637	-	5,250,601	-	(1,712,036)	-	(1,712,036)
Educational Media	2,036,391	-	1,733,128	-	(303,263)	-	(303,263)
Federal Grant Administration	233,127	-	-	-	(233,127)	-	(233,127)
General Administration	2,245,862	-	2,447,083	-	201,221	-	201,221
School Administration	11,392,382	-	4,311,677	-	(7,080,705)	-	(7,080,705)
Business Administration	1,643,405	-	555,106	-	(1,088,299)	-	(1,088,299)
Maintenance And Operation Of Facilities	13,730,917	100,500	3,535,808	-	(10,094,609)	-	(10,094,609)
Student Transportation Services	13,975,592	153,160	2,794,282	10,090	(11,018,060)	-	(11,018,060)
Central Support Services	1,529,858	-	6,605	-	(1,523,253)	-	(1,523,253)
Other Support Services	241,862	-	3,813,359	-	3,571,497	-	3,571,497
Community Services	65,324	-	15,324	-	(50,000)	-	(50,000)
School Nutrition	55,160	636,364	8,612,464	-	9,193,668	-	9,193,668
Debt Service:							
Interest and fiscal charges	635,532	-	-	-	(635,532)	-	(635,532)
Total Governmental Activities	165,090,242	4,923,441	102,393,176	10,090	(57,763,535)	-	(57,763,535)
Business-Type Activities:							
Food Service	8,858,498	706,204	8,556,045	-	-	403,751	403,751
After School Programs	318,071	468,342	-	-	-	150,271	150,271
Total Business-Type Activities	9,176,569	1,174,546	8,556,045	-	-	554,022	554,022
Total Primary Government	$ 174,266,811	$ 6,097,987	$ 110,949,221	$ 10,090	(57,763,535)	554,022	(57,209,513)
General Revenues:							
Taxes:							
Property Taxes, Levied For General Purposes					56,839,137	-	56,839,137
Sales Taxes					17,938,520	-	17,938,520
Unrestricted Investment Earnings					1,456,497	-	1,456,497
Miscellaneous					538,282	-	538,282
Transfers					(127,908)	127,908	-
Total General Revenues And Transfers					76,644,528	127,908	76,772,436
Change In Net Position					18,880,993	681,930	19,562,923
Net Position - Beginning, Restated					41,707,870	3,564,390	45,272,260
Net Position - Ending					$ 60,588,863	$ 4,246,320	$ 64,835,183

THE ACCOMPANYING FOOTNOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

TROUP COUNTY SCHOOL DISTRICT, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023

	GENERAL FUND	CAPITAL PROJECTS FUND	ESSER FUND	NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS					
Cash and Cash Equivalents	$ 37,200,749	$ 205,190	$ 2,214,704	$ 1,746,041	$ 41,366,684
Investments	-	46,904,128	-	500,000	47,404,128
Accounts Receivable	516,278	-	-	18,862	535,140
Taxes Receivable, Net Of Allowance	1,407,146	1,578,520	-	-	2,985,666
Due From Other Governments	10,064,953	416,863	-	2,606,543	13,088,359
Due From Other Funds	2,751,332	-	-	263,961	3,015,293
Inventory	20,885	-	-	-	20,885
Prepaid Items	7,320	-	-	4,261	11,581
Total Assets	$ 51,968,663	$ 49,104,701	$ 2,214,704	$ 5,139,668	$ 108,427,736
LIABILITIES, DEFERRED INFLOW OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Accounts Payable	$ 2,567,925	$ 18,775	$ 788,817	$ 23,306	$ 3,398,823
Construction Contracts Payable	-	1,969,148	-	-	1,969,148
Retainage Payable	-	634,738	-	-	634,738
Salaries And Benefits Payable	15,024,765	-	1,425,887	1,391,453	17,842,105
Due To Other Funds	-	-	-	2,009,937	2,009,937
Total Liabilities	17,592,690	2,622,661	2,214,704	3,424,696	25,854,751
DEFERRED INFLOW OF RESOURCES					
Unavailable Revenue - Taxes	484,351	-	-	-	484,351
Total Deferred Inflow Of Resources	484,351	-	-	-	484,351
FUND BALANCES:					
Nonspendable:					
Prepaid items	7,320	-	-	4,261	11,581
Inventory	20,885	-	-	-	20,885
Restricted For:					
Grant Activities	-	-	-	729,204	729,204
Capital projects	-	46,482,040	-	-	46,482,040
Committed For:					
Principal Discretion	-	-	-	985,768	985,768
Assigned For Future Use of Fund Balance	8,619,819	-	-	-	8,619,819
Unassigned	25,243,598	-	-	(4,261)	25,239,337
Total Fund Balances	33,891,622	46,482,040	-	1,714,972	82,088,634
Total Liabilities, Deferred Inflow Of Resources And Fund Balances	$ 51,968,663	$ 49,104,701	$ 2,214,704	$ 5,139,668	$ 108,427,736

THE ACCOMPANYING FOOTNOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

TROUP COUNTY SCHOOL DISTRICT, GEORGIA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2023

TOTAL FUND BALANCES--GOVERNMENTAL FUNDS			$ 82,088,634
Amounts reported for governmental activities in the statement of net position are different because:			
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported as assets in governmental funds.			
Cost	$	345,443,332	
Less Accumulated Depreciation		(139,749,789)	205,693,543
Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the governmental funds.			
Property taxes			484,351
The net pension liability is not a financial liability in governmental fund activities and is therefore not reported in governmental funds.			
Net Pension Liability	$	(166,081,877)	
Pension Related Deferred Outflows of Resources		79,486,018	
Pension Related Deferred Inflows of Resources		(1,845,490)	(88,441,349)
The net OPEB liability is not a financial liability in governmental fund activities and is therefore not reported in governmental funds.			
Net OPEB Liability	$	(74,826,759)	
Pension Related Deferred Outflows of Resources		18,827,631	
Pension Related Deferred Inflows of Resources		(47,431,964)	(103,431,092)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds:			
Bonds payable	$	(32,475,000)	
Premium on bonds payable		(1,963,619)	
Accrued interest		(287,280)	
Compensated absences		(1,079,325)	(35,805,224)
TOTAL NET POSITION--GOVERNMENTAL ACTIVITIES			$ 60,588,863

THE ACCOMPANYING FOOTNOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

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

	GENERAL FUND	CAPITAL PROJECTS FUND	ESSER FUND	NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES					
Property Taxes	$ 57,105,622	$ -	$ -	$ -	$ 57,105,622
Sales Taxes	-	17,938,520	-	-	17,938,520
Fees And Charges	503,171	-	-	2,965,654	3,468,825
State Aid	76,393,139	464,852	-	2,652,248	79,510,239
Federal Aid	1,554,725	-	11,361,287	10,854,253	23,770,265
Earnings On Investments	41,687	1,414,810	-	-	1,456,497
Contributions	-	-	-	133,661	133,661
Miscellaneous	528,383	-	-	9,899	538,282
Total Revenues	136,126,727	19,818,182	11,361,287	16,615,715	183,921,911
EXPENDITURES					
Current:					
Instruction	76,781,237	-	8,958,712	9,573,703	95,313,652
Pupil Support Services	8,759,002	-	605,956	3,793,684	13,158,642
Improvement Of Instructional Services	4,037,833	-	648,034	2,085,731	6,771,598
Educational Media	1,941,488	-	-	7,429	1,948,917
Federal Grant Administration	-	-	-	233,127	233,127
General Administration	1,864,367	-	-	284,961	2,149,328
School Administration	10,027,470	-	200,235	791,826	11,019,531
Business Administration	1,608,278	-	-	-	1,608,278
Maintenance And Operation Of Facilities	14,011,118	-	87,086	183	14,098,387
Student Transportation Services	10,118,728	-	700,000	281,383	11,100,111
Central Support Services	1,497,513	-	-	-	1,497,513
Other Support Services	178,910	-	161,264	109,246	449,420
Community Services	50,000	-	-	15,324	65,324
School Nutrition	55,160	-	-	-	55,160
Capital Outlay	2,107,878	8,921,955	-	-	11,029,833
Debt Service:					
Interest	-	1,219,517	-	-	1,219,517
Total Expenditures	133,038,982	10,141,472	11,361,287	17,176,597	171,718,338
Excess (deficiency) of Revenues Over Expenditures	3,087,745	9,676,710	-	(560,882)	12,203,573
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	-	483,723	483,723
Transfers Out	(366,631)	-	-	(245,000)	(611,631)
Total Other Financing Sources (Uses)	(366,631)	-	-	238,723	(127,908)
Net Change In Fund Balances	2,721,114	9,676,710	-	(322,159)	12,075,665
Fund Balances, Beginning Of Year	31,170,508	36,805,330	-	2,037,131	70,012,969
Fund Balances, End Of Year	$ 33,891,622	$ 46,482,040	$ -	$ 1,714,972	$ 82,088,634

THE ACCOMPANYING FOOTNOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

TROUP COUNTY SCHOOL DISTRICT, GEORGIA
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

TOTAL NET CHANGE IN FUND BALANCES--GOVERNMENTAL FUNDS			$ 12,075,665
Amounts reported for governmental activities in the statement of activities are different because:			
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. In the current period, these amounts are:			
Capital Outlays	$ 20,039,863		
Depreciation Expense	(11,412,216)		8,627,647
Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the governmental funds.			
Property Taxes			(266,485)
In the governmental funds, current year expenditures related to pensions are comprised solely of amounts contributed to the plan for the current year. However, in the statement of activities, expenses related to pensions include amounts that do not require the use of current financial resources. This amount represents the difference in the required accounting treatment of pensions and related items.			(8,557,960)
In the governmental funds, current year expenditures related to OPEB are comprised solely of amounts contributed to the plan for the current year. However, in the statement of activities, expenses related to OPEB include amounts that do not require the use of current financial resources. This amount represents the difference in the required accounting treatment of OPEB and related items.			6,413,011
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:			
Change in Accrued Interest	$ 17,599		
Change in Compensated Absences	5,130		
Bond premium amortization	566,386		589,115
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES			$ 18,880,993

THE ACCOMPANYING FOOTNOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

TROUP COUNTY SCHOOL DISTRICT, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (GAAP BASIS) - GENERAL FUND
FOR FISCAL YEAR ENDED JUNE 30, 2023

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
State Funds	$ 70,713,848	$ 73,033,470	$ 76,393,139	$ 3,359,669
Federal Funds	875,000	685,000	1,554,725	869,725
Local And Other Funds	59,799,355	55,927,570	58,178,863	2,251,293
Total Revenues	131,388,203	129,646,040	136,126,727	6,480,687
EXPENDITURES				
Current				
Instruction	76,856,439	77,767,069	76,781,237	985,832
Pupil Support Services	7,977,195	8,001,797	8,759,002	(757,205)
Improvement Of Instructional Services	6,376,885	4,498,411	4,037,833	460,578
Educational Media	-	2,004,771	1,941,488	63,283
General Administration	2,312,644	2,286,364	1,864,367	421,997
School Administration	9,832,359	9,846,695	10,027,470	(180,775)
Business Administration	1,698,489	1,698,489	1,608,278	90,211
Maintenance And Operation Of Facilities	14,096,349	16,214,211	14,011,118	2,203,093
Student Transportation Services	9,011,235	12,347,852	10,118,728	2,229,124
Central Support Services	1,454,363	1,480,643	1,497,513	(16,870)
Community Service	50,000	50,000	50,000	-
School Nutrition	-	-	55,160	(55,160)
Other Support Services	178,910	178,910	178,910	-
Capital Outlay	-	6,900,030	2,107,878	4,792,152
Total Expenditures	129,844,868	143,275,242	133,038,982	10,236,260
Excess (Deficiency) Of Revenues Over Expenditures	1,543,335	(13,629,202)	3,087,745	16,716,947
OTHER FINANCING USES				
Transfers Out	1,543,335	1,543,335	(366,631)	(1,909,966)
Total Other Financing Uses	1,543,335	1,543,335	(366,631)	(1,909,966)
NET CHANGE IN FUND BALANCE	3,086,670	(12,085,867)	2,721,114	14,806,981
FUND BALANCE, BEGINNING OF YEAR	31,170,508	31,170,508	31,170,508	-
FUND BALANCE, END OF YEAR	$ 34,257,178	$ 19,084,641	$ 33,891,622	$ 14,806,981

THE ACCOMPANYING FOOTNOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

TROUP COUNTY SCHOOL DISTRICT, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (GAAP BASIS) - ESSER FUND
FOR FISCAL YEAR ENDED JUNE 30, 2023

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Federal Funds	$ 29,213,527	$ 29,213,527	$ 11,361,287	$ (17,852,240)
EXPENDITURES				
Current				
Instruction	23,429,438	23,429,438	8,958,712	14,470,726
Pupil Support Services	1,488,780	1,488,780	605,956	882,824
Improvement Of Instructional Services	1,430,000	1,430,000	648,034	781,966
School Administration	587,778	587,778	200,235	387,543
Maintenance And Operation Of Facilities	510,000	510,000	87,086	422,914
Student Transportation Services	1,630,531	1,630,531	700,000	930,531
Other Support Services	137,000	137,000	161,264	(24,264)
Total Expenditures	29,213,527	29,213,527	11,361,287	17,852,240
NET CHANGE IN FUND BALANCE	-	-	-	-
FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
FUND BALANCE, END OF YEAR	$ -	$ -	$ -	$ -

THE ACCOMPANYING FOOTNOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

TROUP COUNTY SCHOOL DISTRICT, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2023

	BUSINESS-TYPE ACTIVITIES			GOVERNMENTAL ACTIVITIES
	ENTERPRISE FUND			
	SCHOOL NUTRITION PROGRAM	NON-MAJOR ACE PROGRAM	TOTAL ENTERPRISE FUNDS	INTERNAL SERVICE FUND - WORKERS' COMPENSATION GOVERNMENTAL
ASSETS AND OTHER DEBITS				
Current Assets				
Cash	$ 2,628,054	$ 1,227,021	$ 3,855,075	$ 732,052
Accounts Receivable	58,742	-	58,742	-
Due From Other Funds	136,093	-	136,093	-
Due From Other Governments	186,650	-	186,650	-
Prepaid Assets	1,036	-	1,036	-
Total Current Assets	3,010,575	1,227,021	4,237,596	732,052
Noncurrent Assets				
Machinery/Equipment	4,358,301	-	4,358,301	-
Less Accumulated Depreciation	(2,000,867)	-	(2,000,867)	-
Total Noncurrent Assets	2,357,434	-	2,357,434	-
Total Assets	5,368,009	1,227,021	6,595,030	732,052
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Outflows of Resources - Pension Related Items	750,958	-	750,958	-
Total Deferred Outflows of Resources	750,958	-	750,958	-
LIABILITIES				
Current Liabilities				
Accounts Payable	165,164	-	165,164	-
Due To Other Funds	-	609,993	609,993	531,456
Claims Payable	-	-	-	200,596
Salaries And Benefits Payable	469,707	-	469,707	-
Note Payable, Current	117,391	-	117,391	-
Compensated Absences - Current	5,200	-	5,200	-
Total Current Liabilities	757,462	609,993	1,367,455	732,052
Long-Term Liabilities				
Note Payable	107,609	-	107,609	-
Net Pension Liability	1,569,089	-	1,569,089	-
Compensated Absences - Long-Term	11,124	-	11,124	-
Total Long-Term Liabilities	1,687,822	-	1,687,822	-
Total Liabilities	2,445,284	609,993	3,055,277	732,052
DEFERRED INFLOWS OF RESOURCES				
Deferred Inflows of Resources - School Nutrition Unearned Revenue	26,955	-	26,955	
Deferred Inflows of Resources - Pension Related Items	17,436	-	17,436	-
Total Deferred Outflows Of Resources	44,391	-	44,391	-
NET POSITION				
Net Investment In Capital Assets	2,132,434	-	2,132,434	-
Unrestricted	1,496,858	617,028	2,113,886	-
Total Net Position	$ 3,629,292	$ 617,028	$ 4,246,320	$ -

THE ACCOMPANYING FOOTNOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

TROUP COUNTY SCHOOL DISTRICT, GEORGIA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	BUSINESS-TYPE ACTIVITIES			GOVERNMENTAL ACTIVITIES
	ENTERPRISE FUND			
	SCHOOL NUTRITION PROGRAM	NON-MAJOR ACE PROGRAM	TOTAL ENTERPRISE FUNDS	INTERNAL SERVICE FUND - WORKERS' COMPENSATION GOVERNMENTAL
OPERATING REVENUES				
Food Service Charges	$ 706,204	$ -	$ 706,204	$ -
After School Programs Charges	-	468,342	468,342	-
Charges To Other Funds	-	-	-	313,623
Total Operating Revenues	706,204	468,342	1,174,546	313,623
OPERATING EXPENSES				
Current:				
Payroll Cost	7,655,513	22,431	7,677,944	-
Professional And Contract Services	250,675	295,619	546,294	-
Supplies And Materials	825,304	21	825,325	-
Depreciation	124,834	-	124,834	-
Claims Expenses	-	-	-	313,623
Total Operating Costs	8,856,326	318,071	9,174,397	313,623
Operating Income (Loss)	(8,150,122)	150,271	(7,999,851)	-
Nonoperating Revenues:				
State Matching And Other	224,760	-	224,760	-
Grants-Child Nutrition Program	8,331,285	-	8,331,285	-
Loss on Assets	(2,172)	-	(2,172)	-
Total Nonoperating Revenue	8,553,873	-	8,553,873	-
Income Before Transfers	403,751	150,271	554,022	-
Transfers in	-	127,908	127,908	-
Change in Net Position	403,751	278,179	681,930	-
Total Net Position, Beginning Of Year, Restated	3,225,541	338,849	3,564,390	-
Total Net Position, End Of Year	$ 3,629,292	$ 617,028	$ 4,246,320	$ -

THE ACCOMPANYING FOOTNOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

TROUP COUNTY SCHOOL DISTRICT, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	BUSINESS-TYPE ACTIVITIES			GOVERNMENTAL ACTIVITIES
	ENTERPRISE FUND			
	SCHOOL NUTRITION PROGRAM	NON-MAJOR ACE PROGRAM	TOTAL ENTERPRISE FUNDS	INTERNAL SERVICE FUND - WORKERS' COMPENSATION GOVERNMENTAL
CASH FLOWS FROM OPERATING ACTIVITIES				
Received From User Charges	$ 646,298	$ 468,342	$ 1,114,640	$ -
Received From Charges To Other Funds	(136,093)	-	(136,093)	313,623
Payments To Employees For Services	(7,458,921)	(22,431)	(7,481,352)	-
Payments For Self-Insured Claims	-	-	-	78,417
Payments To Suppliers For Goods/Services	(1,227,029)	(104,750)	(1,331,779)	-
Net Cash Provided By (Used In) Operating Activities	(8,175,745)	341,161	(7,834,584)	392,040
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES				
Nonoperating Grants Received	8,488,036	-	8,488,036	-
Loss on sale of assets	(2,172)	-	(2,172)	-
Purchase of Capital Assets	(201,453)	-	(201,453)	-
Note payable payments	(117,391)	-	(117,391)	-
Net Cash Provided By Noncapital Financing	8,167,020	-	8,167,020	-
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES				
Transfers in	-	127,908	127,908	-
Net Increase (Decrease) In Cash/Cash Equivalents	(8,725)	469,069	460,344	392,040
Cash/Cash Equivalents June 30, 2022	2,636,779	757,952	3,394,731	340,012
Cash/Cash Equivalents June 30, 2023	$ 2,628,054	$ 1,227,021	$ 3,855,075	$ 732,052
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:				
Operating Income (Loss)	$ (8,150,122)	$ 150,271	$ (7,999,851)	$ -
Adjustments To Reconcile Operating Income (Loss) To Net Cash Provided By (Used In) Operating Activities:				
Depreciation	124,834	-	124,834	-
Changes in Assets And Liabilities:				
Increase in Accounts Receivable	(58,742)	-	(58,742)	-
Increase in Due From Other Funds	(136,093)	-	(136,093)	-
Increase in Prepaid Items	(136)	-	(136)	-
Increase in Pension Related Deferred Outflows of Resources	(469,290)	-	(469,290)	-
Increase in Accounts Payable	10,577	-	10,577	-
Increase in Salaries And Benefits Payable	30,172	-	30,172	-
Decrease in Unearned Revenue	(1,164)	-	(1,164)	-
Increase in Claims Payable	-	-	-	13,491
Increase (decrease) in Due To Other Funds	(161,491)	190,890	29,399	378,549
Decrease in Pension Related Deferred Inflows of Resources	(555,974)	-	(555,974)	-
Increase in Net Pension Liability	1,186,680	-	1,186,680	-
Increase in Compensated Absences	5,004	-	5,004	-
Net Cash Provided by (Used In) Operating Activities	$ (8,175,745)	$ 341,161	$ (7,834,584)	$ 392,040

THE ACCOMPANYING FOOTNOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

TROUP COUNTY SCHOOL DISTRICT, GEORGIA
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2023

	PRIVATE-PURPOSE TRUST
ASSETS	
Cash	$ 5,435
Investments	13,055
Total Assets	18,490
NET POSITION	
Restricted For Scholarships	18,490
Total Net Position	$ 18,490

THE ACCOMPANYING FOOTNOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

TROUP COUNTY SCHOOL DISTRICT, GEORGIA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	PRIVATE-PURPOSE TRUST
ADDITIONS	
Contributions	$ -
Total Additions	-
DEDUCTIONS	
Scholarships Awarded	-
Total Deductions	-
Change In Fiduciary Net Position	-
Net Position, Beginning Of Year	18,490
Net Position, End Of Year	$ 18,490

THE ACCOMPANYING FOOTNOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Troup County School District (the "School District" or "District") have been prepared in conformity with Accounting Principles Generally Accepted in the United States of America ("GAAP") as applicable to governmental units. The more significant of the School District's accounting policies are summarized below.

A. Reporting Entity

The School District was established under the laws of the State of Georgia and operates under the guidance of a seven member school board (the "Board") elected by the voters and a Superintendent appointed by the Board. The School District is organized as a separate legal entity and has the power to levy taxes and issue bonds. Its budget is not subject to approval by any other entity. Accordingly, the School District is a primary government and consists of all organizations that compose its legal entity.

B. Government-wide and Fund Financial Statements

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

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which are financed in whole or in part by fees charged to employees, students or to external parties.

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

Separate fund financial statements are provided for governmental funds, internal service funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. All remaining funds are aggregated and reported as nonmajor funds.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund, internal service fund and fiduciary fund financial statements. 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. Revenue from sales taxes is recognized in the fiscal year in which the underlying transaction takes place. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized 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 government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period; however, intergovernmental revenues reported in the governmental funds are considered available if they are collected within 180 days after year end. Property taxes, sales taxes, intergovernmental revenue, and interest income are considered to be susceptible to accrual. 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 recognized to the extent they have matured.

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

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Revenues from local sources consist mainly of property taxes, sales taxes, and interest income associated with the current fiscal period. For property and sales tax revenue, the term "available" is interpreted to mean those taxes billed prior to year end which are collected within sixty days after the end of the fiscal year. Interest income is recognized when earned. Revenues from federal and state grants are generally recognized in the Special Revenue funds when the related expenditures are incurred. However, revenues from grantor agencies are not susceptible to accrual until the grantor agency has appropriated funds for that fiscal period and that fiscal period has begun. All other revenue items are considered to be measurable and available only when cash is received by the government.

The School District reports the following major governmental funds:

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

Capital Projects Fund - This fund is used to account for resources from the Special Purpose Local Option Sales Tax (SPLOST) which are used exclusively for acquiring school sites, constructing and equipping new school facilities, and renovating existing facilities. The major revenue sources are proceeds from a general obligation bond sale, SPLOST revenue, and amounts received from the State of Georgia Capital Outlay program.

ESSER Fund - This fund is used to account for resources received under the CARES and ARP ESSER federal grants.

The School District reports the following major proprietary fund:

School Nutrition Program Fund - This fund is used to account for the revenues and expenses associated with the School District's School Food and Nutrition program including the federal and state grants associated with the breakfast and lunch services for students.

Additionally, the government reports the following fund types:

Special Revenue Funds - These funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than capital projects and debt service.

Internal Service Funds - This fund accounts for Workers' Compensation account services provided to other governmental funds on a cost reimbursement basis. This fund is consolidated into the Governmental Activities column in the government-wide statements.

Fiduciary Funds - These funds are used to account for assets held on behalf of outside parties. The fiduciary fund includes the Private-Purpose Trust Fund.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Private-Purpose Trust Fund - This fund is used to account for an endowment of which the corpus is to be invested and preserved intact with the resultant income to be used to provide scholarships to graduating men that reside in the City of Hogansville.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Food Service and After School Programs are fees collected from users. Operating expenses for enterprise and internal service funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

D. Deposits and Investments

The School District's cash and cash equivalents includes interest bearing checking accounts, savings accounts and certificates of deposits with original maturities of less than three months. Official Code of Georgia Annotated Section 45-8-14 authorizes the School District to deposit its funds in one or more solvent banks or insured federal savings and loan associations.

Investments made by the School District in nonparticipating interest-earning contracts (such as certificates of deposit) and repurchase agreements are reported at cost. Participating interest-earning contracts and money market investments with a maturity at purchase of one year or less are reported at amortized cost. Both participating interest-earning contracts and money market investments with a maturity at purchase greater than one year are reported at fair market value. The Official Code of Georgia Annotated Section 36-83-4 authorizes the School District to invest its funds. In selecting among options for investment or among institutional bids for deposits, the highest rate of return shall be the objective, given equivalent conditions of safety and liquidity. Investments include state investment pools, money market funds, and certificate of deposits. Georgia law allows the School District to invest its funds in obligations of the State of Georgia or other states, obligations issued by the United States Government, obligations fully insured or guaranteed by the United States Government or a United States Government agency, obligations of any corporation of the United States Government, prime banker's acceptances, the Georgia Fund I administered by the Georgia Office of the State Treasurer, repurchase agreements, and obligations of political subdivisions of the State of Georgia.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Inventories and Prepaid Items

Inventories of the General Fund are stated at cost using the first-in, first-out method. Donated food commodities are recorded at fair value. The School District utilizes the consumption method to recognize inventory usage. Under the consumption method, inventories are recorded as expenses/expenditures when used rather than when purchased.

Payments made to vendors for services that will benefit periods beyond June 30, 2023, are recorded as prepaid items using the consumption method by recording an asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed. At the fund reporting level, an equal amount of fund balance is reported as nonspendable as this amount is not available for general appropriation.

F. Interfund Transactions

During the course of its operations, the School District makes transfers between funds to finance operations, provide services, acquire assets, and service debt. To the extent that certain transfers between funds had not been received as of the balance sheet date, balances of interfund amounts receivable or payable have been recorded.

G. Capital Assets

Capital assets purchased, including capital outlay costs, are recorded as expenditures in the fund financial statements at the time of purchase. On the government-wide financial statements, capital assets, which include land, land improvements, buildings, machinery/equipment, and vehicles are recorded at historical cost or estimated historical cost if prior year accounting records were not available. Capital assets are defined by the School District as assets with an initial, individual cost of $5,000 or more and an estimated useful life in excess of 1 year. Donated capital assets are recorded at estimated acquisition value. Disposals are deleted from capital assets records at the recorded depreciated cost.

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

Outlays for capital assets and improvements are placed in the construction in progress account until they are put into operation.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Capital Assets (Continued)

Depreciation on land improvements, buildings, machinery/equipment and vehicles is calculated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	50
Land Improvements	20
Machinery/Equipment	3 - 20
Vehicles	8

H. Compensated Absences

It is the School District's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for nonvesting accumulated rights to receive sick pay benefits since the School District does not have a policy to pay any amounts when employees separate from service with the School District. All vacation pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

I. Long-Term Debt

The School District issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statements of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed in the year of issuance.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the fiscal period in which bonds are issued. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures. General obligation bonds are direct obligations and pledge the full faith and credit of the government. The outstanding amount of these bonds is recorded in the Statement of Net Position.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Fund Equity/Net Position

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

Net Position

The School District's net position is classified as follows:

Net investment in capital assets - This represents the School District's total investment in capital assets, net of outstanding debt obligations related to those capital assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of net investment in capital assets.

Restricted net position - This represents resources for which the School District is legally or contractually obligated to spend resources for bus replacement, continuation of federal programs, debt service and capital projects in accordance with restrictions imposed by external third parties or enabling legislation.

Unrestricted net position - Unrestricted net position represents resources derived from property taxes, grant and contributions not restricted to specific programs, charges for services, and miscellaneous revenues. These resources are used for transactions relating to the educational and general operations of the School District, and may be used at the discretion of the Board to meet current expenses for those purposes.

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

Fund Balance

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

Nonspendable - Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.

Restricted - Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Board or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Fund Equity/Net Position (Continued)

Committed - Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the Board members through the adoption of a resolution. Only the Board Members, also through adopting a resolution, may modify or rescind the commitment.

Assigned - Fund balances are reported as assigned when amounts are constrained by the Board's intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the Board Members have authorized the Board's Superintendent or Chief Financial Officer to assign amounts to be used for specific purposes.

Unassigned - Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The Board reports positive unassigned fund balance only in the General Fund. Negative unassigned fund balances may be reported in all funds.

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

- Committed
- Assigned
- Unassigned

It is the goal of the School District to achieve and maintain a committed, assigned and unassigned fund balance in the General Fund at fiscal year end of not less than 30 days of operating expenditures for the subsequent budget year, not to exceed 15% of the total budget of the subsequent fiscal year, in compliance with Official Code of Georgia Annotated Section 20-2-167(a) 5. If the unassigned fund balance at fiscal year end falls below the goal, the School District shall develop a restoration plan to achieve and maintain the minimum fund balance.

K. Pensions

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

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Pensions (Continued)

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

L. Use of Estimates in the Preparation of Financial Statements

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

M. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. The School District reports five (5) types of deferred outflows of resources related to the reporting of the net pension liability and net OPEB liability. The School District reports (1) a deferred outflow of resources for the School District's actual contributions to the pension and OPEB plan during the fiscal year ended June 30, 2023 which are subsequent to the measurement date of the net pension liability and net OPEB liability and will be recognized in fiscal year 2024, (2) a deferred outflow of resources for experience gains or losses related to the pension and OPEB plan, (3) a deferred outflow of resources for the changes in actuarial assumptions on the pension plan and OPEB plan, (4) a deferred outflow of resources for the changes in proportional differences in contributions for the pension plan and OPEB Plan, and (5) a deferred outflow of resources for the net difference between projected and actual investment earnings on the OPEB assets, which will be amortized over the remaining service period.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Deferred Outflows/Inflows of Resources (Continued)

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

N. Other Postemployment Benefits (OPEB)

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

NOTE B - BUDGETARY INFORMATION

The Troup County School District's budget is the financial plan for the School District's fiscal year and is based upon estimates of expenditures together with probable funding sources. There is no statutory prohibition regarding over expenditures in excess of the budget at any level as long as there is an adequate available fund balance. The budget for the General Fund and certain special revenue funds is prepared by fund, function and object.

The budget process begins when the School District's administration prepares a tentative budget for the Board's approval. After approval of this tentative budget by the Board, said 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. The Board may increase or decrease the budget at any time during the year. All unexpended budget authority lapses at the end of the fiscal year. Encumbrance accounting is employed by the School District. However, outstanding encumbrances lapse at the end of the fiscal year.

The following functions had excesses of actual expenditures over appropriations in the amount shown for the fiscal year ended June 30, 2023.

General Fund:		
Pupil support services	$	757,205
School administration		180,775
Central support services		16,870
School nutrition		55,160
ESSER Fund:		
Other support services		24,264

These over expended departments were funded with existing fund balance reserves and greater than anticipated revenues.

NOTE C - DEPOSITS AND INVESTMENTS

CATEGORIZATION OF INVESTMENTS

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

NOTE C - DEPOSITS AND INVESTMENTS (CONTINUED)

CATEGORIZATION OF INVESTMENTS (CONTINUED)

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

The US Government securities trade exclusively in short-term cash equivalents and US Government securities and are rated AAAm by Standard & Poor's criteria. As of June 30, 2023, the weighted-average maturity for US Government securities was 47.96 days.

Investment	Credit Rating	Maturity	Fair Value
Certificate of Deposit	N/A	12 months	$ 250,000
Certificate of Deposit	N/A	13 months	250,000
Certificate of Deposit	N/A	14 months	13,055
Georgia Fund 1	AAA	WAM - 28 days	388,154
US Government Securities	AAAm	WAM - 47.96 days	46,904,128
			$ 47,805,337

INTEREST RATE RISK

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

FAIR VALUE MEASUREMENTS

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

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

The US Government Securities are classified in level 1 of the hierarchy. They are valued using prices quoted in active markets for the exact same money market mutual funds.

NOTE C - DEPOSITS AND INVESTMENTS (CONTINUED)

CUSTODIAL CREDIT RISK

State statutes require all deposits and investments (other than federal or state government instruments) to be covered by depository insurance or pledged securities. Amounts that exceed standard depository insurance limits are required to be collateralized either (1) individually by the financial institutions through pledged obligations of the U.S. Government, obligations backed by the full faith and credit of the U.S. Government, obligations of the State of Georgia or other states, or obligations of counties, municipalities, or public authorities of the State of Georgia, or (2) participation in the State of Georgia Secure Deposit Program. As of June 30, 2023, the financial institution holding all of the School District's deposits is a participant of the State of Georgia Secure Deposit Program, which is administered by the Office of the State Treasurer, requires participating banks holding deposits of public funds to pledge collateral at varying rates depending on tier assigned by the State. As of June 30, 2023, all of the School District's bank balances were insured and/or collateralized as defined by GASB and required by State Statutes.

CATEGORIZATION OF INVESTMENTS

As of June 30, 2023, the School District had the following investments:

Amounts as presented on the entity wide statement of net position:		
Cash and cash equivalents	$	45,962,943
Investments		47,404,128
Total	$	93,367,071
Cash deposited with financial institutions	$	45,561,734
Certificates of deposit		513,055
Georgia Fund 1		388,154
United States government securities		46,904,128
	$	93,367,071

NOTE D - TAXES RECEIVABLE

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

NOTE D - TAXES RECEIVABLE (CONTINUED)

The property tax levy was fixed on July 13, 2022 based on property values assessed as of January 1, 2022. Taxes were payable on or before November 15, 2022. An interest penalty of 12% per annum is charged on property taxes paid after that date. Taxes collected within the current fiscal year or within 60 days after fiscal year end on the 2022 tax digest are reported as revenue in the governmental funds for fiscal year 2023. The Troup County Tax Commissioner bills and collects the property taxes for the School District, withholds 2.5% of taxes collected as a fee for tax collection and remits the balance collected to the School District. Property tax revenues, at the fund reporting level, during the fiscal year ended June 30, 2023, for school operations were $57,105,622. Property taxes became an enforceable lien on January 20, 2023. All property tax receivables are shown net of an allowance for uncollectible taxes. State law limits the School District's tax levy for operations to 20 mills (one mill equals $1 per thousand dollars of assessed value). Taxes levied in the calendar year 2022 for the 2023 fiscal year operations were assessed at 17.35 mills. This was the same rate as the prior year. There is currently no levy for school bonds.

Special Purpose Local Option Sales Tax is collected by the State of Georgia and remitted to the School District approximately 30 days after the period of collection. SPLOST funds are to be used for capital outlay for educational purposes or debt service. This sales tax was authorized by local referendum and the sales tax must be reauthorized at least every five years. The School District's most recent reauthorization was March 2021 for the sales tax collection period covering July 1, 2022 through June 30, 2027. SPLOST VI collections for the fiscal year ended June 30, 2023 at the fund reporting level were $17,938,520.

On June 30, 2023, the School District reported property tax receivables of $1,407,146 net of allowance for uncollectible amounts. An allowance of $96,761 has been established in the General Fund for taxes in dispute and estimated amounts that will not be collected. Sales tax receivables totaled $1,578,520 from SPLOST VI June 2023 collections to be received in July 2023.

NOTE E - INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Outstanding balances between funds are reported as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances". The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Interfund receivable and payable balances at June 30, 2023 are as follows:

Interfund Payable	Interfund Receivable	Amount
Nonmajor Enterprise Fund	General Fund	$ 609,993
Internal Service Fund	General Fund	531,456
Nonmajor Governmental Fund	General Fund	1,609,883
Nonmajor Governmental Fund	Nonmajor Governmental Fund	263,961
Nonmajor Governmental Fund	School Nutrition Fund	136,093
		$ 3,151,386

NOTE E - INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (CONTINUED)

Interfund transfers for the year ended June 30, 2023 were as follows:

Transfers In	Transfers Out	Amount
Nonmajor Governmental Funds	Nonmajor Governmental Funds	$ 245,000
Nonmajor Governmental Funds	General Fund	238,723
Nonmajor Enterprise Fund	General Fund	127,908
		$ 611,631

Transfers were used to move unrestricted revenues from the General Fund and nonmajor governmental funds to ACE Program Fund to cover that fund's portion of general expenditures such as utilities, facilities usage, and insurance expenditures.

NOTE F – ON BEHALF PAYMENTS FOR FRINGE BENEFITS

The School District has recognized revenue and expenditures for retirement contributions paid on the School District's behalf as follows:

Office of the State Treasurer	
Paid to the State System of Teachers Retirement System for School Employees' Retirement (TRS)	$ 21,416
Paid to the Public School Employees' Retirement System for Public School Employees' Retirement (PSERS)	422,301
Total Payments	$ 443,717

NOTE G - NONMONETARY TRANSACTIONS

The School District received from the United States Department of Agriculture through the Georgia Department of Education $601,569 in donated food commodities for its lunchroom programs. The federally assigned value of these commodities is reflected as revenues and expenditures in the Food Nutrition Program Fund.

NOTE H - CAPITAL ASSETS

The following tables summarize the changes in capital assets for governmental and business-type activities, respectively, as of June 30, 2023:

	Beginning Balance Restated	Increases	Decreases/ Transfers	Ending Balance
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	$ 5,901,073	$ -	$ -	$ 5,901,073
Construction in Progress	629,719	12,388,432	(2,142,583)	10,875,568
Total Capital Assets, Not Being Depreciated	6,530,792	12,388,432	(2,142,583)	16,776,641
Capital Assets, Being Depreciatated				
Land Improvements	8,306,033	7,080	118,400	8,431,513
Buildings	247,019,777	586,141	2,024,183	249,630,101
Machinery and Equipment	48,329,622	6,763,099	-	55,092,721
Vehicles	15,217,245	295,111	-	15,512,356
Total Capital Assets, Being Depreciated	318,872,677	7,651,431	2,142,583	328,666,691
Less Accumulated Depreciation For:				
Land Improvements	(6,336,340)	(327,395)	-	(6,663,735)
Buildings	(87,221,917)	(5,610,098)	-	(92,832,015)
Machinery and Equipment	(21,412,960)	(5,451,049)	-	(26,864,009)
Vehicles	(13,366,356)	(23,674)	-	(13,390,030)
Total Accumulated Depreciation	(128,337,573)	(11,412,216)	-	(139,749,789)
Total Capital Assets, Being Depreciated, Net	190,535,104	(3,760,785)	2,142,583	188,916,902
Governmental Activities Capital Assets, Net	$ 197,065,896	$ 8,627,647	$ -	$ 205,693,543

Depreciation expense was charged to functions as follows:

Instruction	$ 7,866,703
Support services	
Education media services	87,474
Maintenance and operation of facilities	109,402
Student transportation services	3,348,637
Total Governmental Activities depreciation expense	$ 11,412,216

NOTE H - CAPITAL ASSETS (CONTINUED)

	Beginning Balance Restated	Increases	Decreases	Ending Balance
Business-Type Activities:				
Capital Assets, Being Depreciatated				
Machinery and Equipment	$ 4,156,848	$ 201,453	$ -	$ 4,358,301
Total Capital Assets, Being Depreciated	4,156,848	201,453	-	4,358,301
Less Accumulated Depreciation For:				
Machinery and Equipment	(1,876,033)	(124,834)	-	(2,000,867)
Total Accumulated Depreciation	(1,876,033)	(124,834)	-	(2,000,867)
Business-Type Activities Capital Assets, Net	$ 2,280,815	$ 76,619	$ -	$ 2,357,434

Depreciation expense was charged to functions as follows:

School Nutrition Program	$ 124,834
Total Business-Type Activities Depreciation Expense	$ 124,834

NOTE I - GENERAL LONG-TERM DEBT

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

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Governmental Activities:					
Bonds payable	$ 32,475,000	$ -	$ -	$ 32,475,000	$ 5,580,000
Premium on bond	2,530,005	-	566,386	1,963,619	-
Total bonds payable	35,005,005	-	566,386	34,438,619	5,580,000
Net Pension Liability	45,313,518	139,281,591	18,513,232	166,081,877	-
Net OPEB Liability	81,817,477	11,522,241	18,512,959	74,826,759	-
Claims Payable	187,104	465,444	451,952	200,596	-
Compensated Absences	1,084,455	769,083	774,213	1,079,325	788,800
Total Long-Term Debt	$ 163,407,559	$ 152,038,359	$ 38,818,742	$ 276,627,176	$ 6,368,800
Business-Type Activities:					
Net Pension Liability	$ 382,409	$ 1,315,888	$ 129,208	$ 1,569,089	$ -
Note payable	342,391	-	117,391	225,000	117,391
Compensated Absences	11,320	13,358	8,354	16,324	5,200
Total Long-Term Debt	$ 736,120	$ 1,329,246	$ 254,953	$ 1,810,413	$ 122,591

For Governmental Activities, the net pension liability, net OPEB liability, and compensated absences are being liquidated primarily by the General Fund.

NOTE I - GENERAL LONG-TERM DEBT (CONTINUED)

In April 2022, the District issued $32,475,000 Series 2022 General Obligation Bonds. The Series 2022 bonds bear interest ranging from 4% to 5% and are payable semiannually on February 1 and August 1 beginning in February of 2023 through the maturity date of August 1, 2027. The District's debt service requirements to maturity on the general obligation bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2024	$ 5,580,000	$ 1,456,350	$ 7,036,350
2025	6,240,000	1,188,750	7,428,750
2026	6,550,000	869,000	7,419,000
2027	6,880,000	533,250	7,413,250
2028	7,225,000	180,625	7,405,625
	$ 32,475,000	$ 4,227,975	$ 36,702,975

During the fiscal year ended June 30, 2022, the School District entered into a note payable arrangement for the financing of the acquisition of various lunchroom improvements throughout the District. The note provided $450,000 of improvements to be made throughout the District. The note bears no interest and is payable in monthly installments which began August 1, 2021.

The School District's notes payable debt service requirements to maturity are as follows:

	Principal	Interest	Total
Year Ending June 30,			
2024	$ 117,391	$ -	$ 117,391
2025	107,609	-	107,609
Total	$ 225,000	$ -	$ 225,000

NOTE J - RISK MANAGEMENT

The School District is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; acts of God and unemployment compensation. The School District is self-insured for workers' compensation and unemployment claims. The School District purchases commercial insurance for all other risks of loss, which is accounted for in internal service funds. Settled claims have not exceeded purchased commercial insurance coverage in any of the past three years. There was no reduction in insurance coverage since last fiscal year.

Workers' Compensation Claims

The School District is self-insured for workers' compensation claims from its employees. A premium of .6% of payroll salary is charged by the Internal Service Fund to each fund for workers' compensation with year end adjustments to balance premiums and expenses. These losses include an estimate of claims that have been incurred but not reported and related claims administration expenses. An excess coverage insurance policy covers individual claims in excess of $450,000 loss per occurrence up to the statutory limit.

Changes in the workers' compensation claims liability during the last two years are as follows:

Fiscal Year	Beginning of Year Liability	Current Year Claims Accrual	Claims Paid	End of Year Liability
2023	$ 187,104	$ 313,623	$ 300,131	$ 200,596
2022	153,230	315,354	281,480	187,104

Unemployment Claims

The School District is self-insured with regard to unemployment compensation insurance. Unemployment compensation expenditures are reported when it is probable that a loss has occurred, and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported and claims administration expenses. The claims liability at year end is immaterial to the School District.

NOTE K - RETIREMENT PLANS

General Information About The Teachers Retirement System of Georgia ("TRS")

Plan Description

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

NOTE K - RETIREMENT PLANS (CONTINUED)

Benefits Provided

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

Contributions

Per Title 47 of the O.C.G.A., contribution requirements of active employees and participating employers, as actuarially determined, are established and may be amended by the TRS Board. Pursuant to O.C.G.A. §47-3-63, the employer contributions for certain full-time public school support personnel are funded on behalf of the employer by the State of Georgia. Contributions are expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Employees were required to contribute 6.00% of their annual pay during fiscal year 2023. The School District's contractually required contribution rate for the year ended June 30, 2023 was 19.98% of annual School District payroll. School District contributions to TRS were $15,059,968 for the fiscal year ended June 30, 2023.

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

At June 30, 2023, the School District reported a liability for its proportionate share of the net pension liability that reflected a reduction for support provided to the School District by the State of Georgia for certain public school support personnel. The amount recognized by the School District as its proportionate share of the net pension liability, the related State of Georgia support, and the total portion of the net pension liability that was associated with the School District were as follows:

District's proportionate share of the net pension liability	$	167,650,966
State of Georgia's proportionate share of the net pension liability associated with the District		250,359
Total	$	167,901,325

The net pension liability was measured as of June 30, 2022. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of June 30, 2021. An expected total pension liability as of June 30, 2022 was determined using standard roll-forward techniques. The School District's proportion of the net pension liability was based on contributions to TRS during the fiscal year ended June 30, 2022. At June 30 2022, the School District's proportion was 0.516295%, which was a decrease of 0.000374% from its proportion measured as of June 30, 2021.

NOTE K - RETIREMENT PLANS (CONTINUED)

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

For the fiscal year ended June 30, 2023, the School District recognized pension expense of $23,779,344 and revenue of $99,885 for support provided by the State of Georgia for certain support personnel. At June 30, 2023, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	$ 32,938,645	$ -
Changes in proportion and differences between District contributions and proportionate share of contributions	42,310	990,264
Net difference between expected and actual experience	6,959,233	872,662
Changes in assumption	25,236,820	-
District contributions subsequent to the measurement date	15,059,968	-
Total	$ 80,236,976	$ 1,862,926

School District contributions subsequent to the measurement date of $15,059,968 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year ending June 30:	
2024	$ 16,986,932
2025	12,829,762
2026	9,516,931
2027	23,980,457
Total	$ 63,314,082

NOTE K - RETIREMENT PLANS (CONTINUED)

Actuarial Assumptions

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

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

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

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

NOTE K - RETIREMENT PLANS (CONTINUED)

Actuarial Assumptions (Continued)

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

Asset class	Target allocation	Long-term expected real rate of return*
Fixed income	30.00%	0.20%
Domestic large equities	46.30	9.40
Domestic small equities	1.20	13.40
International developed market equities	12.30	9.40
International emerging market equities	5.20	11.40
Alternatives	5.00	10.50
Total	100.00%	

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

Discount Rate

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

NOTE K - RETIREMENT PLANS (CONTINUED)

Sensitivity of the School District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the School District's proportionate share of the net pension liability calculated using the discount rate of 6.90%, as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.90%) or 1-percentage-point higher (7.90%) than the current rate:

	1% Decrease (5.90%)	Current discount rate (6.90%)	1% Increase (7.90%)
District's proportionate share of the net pension liability	$ 252,929,787	$ 167,650,966	$ 98,009,529

Pension Plan Fiduciary Net Position

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

General Information About The Public School Employees' Retirement System of Georgia ("PSERS")

Plan Description

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

NOTE K - RETIREMENT PLANS (CONTINUED)

General Information About The Public School Employees' Retirement System of Georgia ("PSERS") (Continued)

Benefits Provided

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

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

Contributions

The general assembly makes an annual appropriation to cover the employer contribution to PSERS on behalf of local school employees (bus drivers, cafeteria workers, and maintenance staff). The annual employer contribution required by statute is actuarially determined and paid directly to PSERS by the State Treasurer in accordance with O.C.G.A. §47-4-29(a) and 60(b). Contributions are expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

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

Pension Liabilities and Pension Expense

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

State of Georgia's proportionate share of the Net Pension Liability associated with the School District	$ 2,662,488

The net pension liability was measured as of June 30, 2022. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of June 30, 2021. An expected total pension liability as of June 30, 2022 was determined using standard roll-forward techniques. The State's proportion of the net pension liability associated with the School District was based on actuarially determined contributions paid by the State during the fiscal year ended June 30, 2022.

NOTE K - RETIREMENT PLANS (CONTINUED)

Pension Liabilities and Pension Expense (Continued)

For the fiscal year ended June 30, 2023, the School District recognized pension expense of $669,082 and revenue of $669,082 for support provided by the State of Georgia.

Actuarial assumptions

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

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

Mortality rates are as follows:

- The Pub-2010 General Employee Table, with no adjustments, projected generationally with the MP-2019 scale is used for both males and females while in active service.

- The Pub-2010 Family of Tables projected generationally with the MP-2019 Scale and with further adjustments are used for postretirement mortality assumptions as follows:

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

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

NOTE K - RETIREMENT PLANS (CONTINUED)

Actuarial assumptions (Continued)

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

Asset class	Target allocation	Long-term expected real rate of return*
Fixed income	30.00%	0.20%
Domestic large stocks	46.30	9.40
Domestic small stocks	1.20	13.40
International developed market stocks	12.30	9.40
International emerging market stocks	5.20	11.40
Alternatives	5.00	10.50
Total	100.00%	

* Net of inflation

Discount Rate

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

NOTE K - RETIREMENT PLANS (CONTINUED)

Supplemental Retirement Plan – Public School Employees' Retirement System Only

Plan Description

All employees participating in the Public School Employees' Retirement System are also eligible to participate in the School District's Supplemental Retirement Plan. The Board of Education recognized that PSERS was a limited defined benefit plan which did not provide for an adequate retirement for this group of employees and thus established this Plan in 2001 to supplement the retirement for this group of employees.

This Plan, as a defined contribution plan, puts 1% of salary for all PSERS employees into 403(b)(7) type plan and will match up to an additional 4% of salary based upon the employee's elected contributions at a 50% rate. The plan requires 36 months of service to vest 100% in the employer matching portion. Failure to complete the 36 month vesting requirement will result in forfeiture of the employer contributions. The employee contributions will be refunded 100%, if the vesting requirement is not met.

Funds accumulated in the employer paid accounts are only available to the employee upon termination of employment and 3 years of service to the Troup County Board of Education. If an employee terminates employment prior to achieving 3 years of service, funds paid on behalf of the nonvested employee are credited back to the Board.

Valic Retirement Services has been set up as the third party administrator. The Plan offers 13 mutual funds and 1 fixed interest fund from which the employees may select their investment mix.

Funding Policy

The School District contributes 1% of the employee's monthly compensation for all eligible employees. Employees may contribute up to an additional 4% of monthly compensation on a voluntary basis. This employee contribution is matched at a 50% rate by the School District. Contributions are sent monthly to the third-party administrator to be invested based upon the employee's investment choices.

The School District's contributions to the Supplemental Retirement Plan for the fiscal years ended June 30, 2023, 2022, and 2021 were $156,507, $161,109, and $147,970, respectively.

NOTE L - CONTINGENCIES

Grant Programs

The School District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the School District has not complied with the rules and regulations governing the grants, refunds of any amounts received may be required and the collectability of any related receivable at year end may be impaired. In the opinion of the School District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies.

Litigation

The School District is engaged in various lawsuits arising in the ordinary course of business. These lawsuits are in various stages of the litigation process, and their ultimate outcome cannot be determined currently. Management does not believe the ultimate outcome of these lawsuits will have a material impact on the School District's financial statements.

NOTE M - CONSTRUCTION COMMITMENTS

The following is an analysis of significant outstanding construction or renovation contracts executed by the School District as of June 30, 2023:

Project		
LCES Car Rider Line	$	501,694
LHS Reroof		776,401
GNMS Freezer/Cooler Design		12,500
CHS Gym Renovation		1,837,473
ASC Warehouse Expansion		60,161
McClusky Tennis Court		13,500
CMS Storefront Glass		3,500
Rosemont New RES		36,154,576
THS Baseball/Softball Locker Room		93,254
LCMS GNETS Renovations		21,025
THINC Academy Robotics Lab Relocations		15,868
	$	39,489,952

NOTE N - POSTEMPLOYMENT BENEFITS

Georgia School Personnel Employees Postemployment Health Benefit Fund

Plan Description: The School District participates in the State of Georgia School Employees Postemployment Benefit Fund (the "School OPEB Fund") which is another postemployment benefit (OPEB) plan administered by the State of Georgia Department of Community Health (DCH). Certified teachers and noncertified employees of the School District as defined in §20-2-875 of the Official Code of Georgia Annotated (O.C.G.A.) are provided OPEB through the School OPEB Fund - a cost-sharing multiple-employer defined benefit postemployment healthcare plan, reported as an employee trust fund of the State of Georgia and administered by a Board of Community Health (DCH Board). Title 20 of the O.C.G.A. assigns the authority to establish and amend the benefit terms of the group health plan to the DCH Board. The School OPEB Fund is included in the State of Georgia Annual Comprehensive Financial Report which is publicly available and can be obtained at https://sao.georgia.gov/statewide-reporting/acfr.

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

Contributions: As established by the Board of Community Health, the School OPEB Fund is substantially funded on a pay-as-you-go basis; that is, annual cost of providing benefits will be financed in the same year as claims occur. Contributions required and made to the School OPEB Fund from the School District were $2,878,392 for the year ended June 30, 2023. Active employees are not required to contribute to the School OPEB Fund.

NOTE N - POSTEMPLOYMENT BENEFITS (CONTINUED)

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

At June 30, 2023, the School District reported a liability of $74,826,759 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2022. The total OPEB liability used to calculate the net OPEB liability was based on an actuarial valuation as of June 30, 2021. An expected total OPEB liability as of June 30, 2022 was determined using standard roll-forward techniques. The School District's proportion of the net OPEB liability was actuarially determined based on employer contributions to the School OPEB Fund during the fiscal year ended June 30, 2022. At June 30, 2022, the School District's proportion was 0.755583%, which was an increase of 0.000170% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the School District recognized OPEB expense of $3,534,619. At June 30, 2023, the School District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on OPEB plan investments	$ 456,422	$ -
Changes in proportion and differences between Board contributions and proportionate share of contributions	1,109,793	2,888,965
Differences between expected and actual experience	2,986,755	29,409,183
Changes in plan assumptions	11,396,269	15,133,816
Board contributions subsequent to the measurement date	2,878,392	-
Total	$ 18,827,631	$ 47,431,964

School District contributions subsequent to the measurement date of $2,878,392 are reported as deferred outflows of resources and will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ending June 30:	
2024	$ (8,493,003)
2025	(7,055,845)
2026	(5,646,618)
2027	(6,760,190)
2028	(3,194,562)
2029	(332,507)
Total	$ (31,482,725)

NOTE N - POSTEMPLOYMENT BENEFITS (CONTINUED)

Actuarial assumptions:

The total OPEB liability as of June 30, 2022 was determined by an actuarial valuation as of June 30, 2021 using the following actuarial assumptions and other inputs, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2022:

Inflation	2.50%
Salary Increases	TRS – 3.00 – 8.75%, including inflation PSERS – N/A
Long-term expected rate of return	7.00%, compounded annually, net of investment expense, and including inflation
Municipal bond index rate	3.54%
Healthcare cost trend rate:	
Pre-Medicare eligible	6.50%
Medicare eligible	5.00%
Ultimate trend rate	
Pre-Medicare eligible	4.50%
Medicare eligible	4.50%
Year of ultimate trend rate	
Pre-Medicare Eligible	2029
Medicare Eligible	2023

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

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

NOTE N - POSTEMPLOYMENT BENEFITS (CONTINUED)

Actuarial assumptions: (Continued)

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

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the pension systems, which covered the period ended July 1, 2013 – June 30, 2018, with the exception of the assumed annual rate of inflation which was changed from 2.75% to 2.50%, effective with the June 30, 2018 valuation.

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

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

NOTE N - POSTEMPLOYMENT BENEFITS (CONTINUED)

Actuarial assumptions: (Continued)

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

Asset class	Target allocation	Long-Term Expected Real Rate of Return*
Fixed income	30.00%	2.00%
Equities	70.00%	9.40%
Total	100.00%	

*Net of Inflation

Discount rate:

The discount rate was 3.57%, a decrease from the prior year's rate of 2.20%. In order to measure the total OPEB liability for the School OPEB Fund, a single equivalent interest rate of 2.20% was used as the discount rate. This is comprised mainly of the yield or index rate for 20-year tax-exempt general obligation municipal bonds with an average rating of AA or higher (3.54% per the Muncicpal Bond Index Rate). The projection of cash flows used to determine the discount rate assumed that contributions from members and from the employer will be made at the current level as averaged over the last five years, adjusted for annual projected changes in headcount. Projected future benefit payments for all current plan members were projected through 2128.

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

The following presents the Board's proportionate share of the net OPEB liability calculated using the discount rate of 3.57%, as well as what the Board's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.57%) or 1-percentage-point higher (4.57%) than the current rate:

	1% Decrease (2.57%)	Current discount rate (3.57%)	1% Increase (4.57%)
District's proportionate share of the net OPEB liability	$ 84,638,049	$ 74,826,759	$ 66,511,260

NOTE N - POSTEMPLOYMENT BENEFITS (CONTINUED)

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

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

	1% Decrease	Current Healthcare Cost trend rate	1% Increase
District's proportionate share of the net OPEB liability	$ 64,472,198	$ 74,826,759	$ 87,552,471

NOTE M – PRIOR PERIOD RESTATEMENT

The School District has determined the following restatement to beginning net position was required to correctly record capital assets and related depreciation for the Governmental Activities, Business-type Activities and Proprietary Fund as of June 30, 2022. The restatement was a result of a comprehensive district-wide inventory and balance reconciliation of the District's capital assets. The project consisted of capturing the District's capital assets which span over all administrative, maintenance and school buildings and properties. This adjustment resulted in a change to beginning net position of the Governmental Activities, Business-type Activities and Proprietary Funds as follows:

	School Nutrition Program Fund	Business-Type Activities	Governmental Activities
Beginning net position, as previously reported	$ 2,374,725	$ 2,713,574	$ 42,379,436
Restatement to properly record capital assets and accumulated depreciation	850,816	850,816	(671,566)
Beginning net position as restated	$ 3,225,541	$ 3,564,390	$ 41,707,870

II. REQUIRED SUPPLEMENTARY INFORMATION

TROUP COUNTY SCHOOL DISTRICT, GEORGIA

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

	2023	2022	2021	2020	2019
District's proportion of the net pension liability	0.516295%	0.516669%	0.521665%	0.526516%	0.525314%
District's proportionate share of the net pension liability	$ 167,650,966	$ 45,695,927	$ 126,367,681	$ 113,215,177	$ 97,509,531
State of Georgia's proportionate share of the net pension liability associated with the District	250,359	88,090	494,895	572,187	530,877
Total	$ 167,901,325	$ 45,784,017	$ 126,862,576	$ 113,787,364	$ 98,040,408
District's covered payroll	$ 69,785,512	$ 67,223,137	$ 67,257,242	$ 64,564,040	$ 62,923,926
District's proportionate share of the net pension liability as a percentage of its covered payroll	240.24%	67.98%	187.89%	175.35%	154.96%
Plan fiduciary net position as a percentage of the total pension liability	72.85%	92.03%	77.01%	78.56%	80.27%

	2018	2017	2016	2015
District's proportion of the net pension liability	0.534596%	0.538369%	0.559485%	0.590074%
District's proportionate share of the net pension liability	$ 99,356,313	$ 111,071,528	$ 85,176,036	$ 74,548,068
State of Georgia's proportionate share of the net pension liability associated with the District	779,096	1,175,767	942,671	830,412
Total	$ 100,135,409	$ 112,247,295	$ 86,118,707	$ 75,378,480
District's covered payroll	$ 61,890,764	$ 59,053,630	$ 59,717,080	$ 60,199,226
District's proportionate share of the net pension liability as a percentage of its covered payroll	160.53%	188.09%	142.63%	123.84%
Plan fiduciary net position as a percentage of the total pension liability	79.33%	76.06%	81.44%	84.03%

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

TROUP COUNTY SCHOOL DISTRICT, GEORGIA

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

	2023	2022	2021	2020	2019
Contractually required contributions	$ 15,059,968	$ 13,824,510	$ 12,812,730	$ 14,218,181	$ 13,493,884
Contributions in relation to the contractually required contributions	15,059,968	13,824,510	12,812,730	14,218,181	13,493,884
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
District's covered payroll	$ 75,375,215	$ 69,785,512	$ 67,223,137	$ 67,257,242	$ 64,564,040
Contributions as a percentage of covered payroll	19.98%	19.81%	19.06%	21.14%	20.90%

	2018	2017	2016	2015
Contractually required contributions	$ 10,577,512	$ 8,831,812	$ 8,426,953	$ 7,852,796
Contributions in relation to the contractually required contributions	10,577,512	8,831,812	8,426,953	7,852,796
Contribution deficiency (excess)	$ -	$ -	$ -	$ 74,548,068
District's covered payroll	$ 62,923,926	$ 61,890,764	$ 59,053,630	$ 59,717,080
Contributions as a percentage of covered payroll	16.81%	14.27%	14.27%	13.15%

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

TROUP COUNTY SCHOOL DISTRICT, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
PUBLIC SCHOOLS EMPLOYEE RETIREMENT SYSTEM OF GEORGIA
FOR THE FISCAL YEAR ENDED JUNE 30

	2023	2022	2021	2020	2019
District's proportion of the net pension liability	0.000000%	0.000000%	0.000000%	0.000000%	0.000000%
District's proportionate share of the net pension liability	$ -	$ -	$ -	$ -	$ -
State of Georgia's proportionate share of the net pension liability associated with the District	2,662,488	289,639	2,316,705	2,171,258	2,002,859
Total	$ 2,662,488	$ 289,639	$ 2,316,705	$ 2,171,258	$ 2,002,859
District's covered-employee payroll	$ 6,880,562	$ 6,575,605	$ 6,436,688	$ 7,154,752	$ 6,977,501
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	N/A	N/A	N/A	N/A	N/A
Plan fiduciary net position as a percentage of the total pension liability	81.21%	98.00%	84.45%	85.02%	85.26%

	2018	2017	2016	2015
District's proportion of the net pension liability	0.000000%	0.000000%	0.000000%	0.000000%
District's proportionate share of the net pension liability	$ -	$ -	$ -	$ -
State of Georgia's proportionate share of the net pension liability associated with the District	1,690,896	2,027,587	1,303,841	74548068 1,114,262
Total	$ 1,690,896	$ 2,027,587	$ 1,303,841	$ 75,662,330
District's covered-employee payroll	$ 6,391,454	$ 6,156,913	$ 5,256,688	$ 5,010,298
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	N/A	N/A	N/A	N/A
Plan fiduciary net position as a percentage of the total pension liability	85.69%	81.00%	87.00%	88.29%

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

TROUP COUNTY SCHOOL DISTRICT, GEORGIA

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

	2023	2022	2021	2020	2019
District's proportion of the net OPEB liability	0.755583%	0.755413%	0.781189%	0.784202%	0.772422%
District's proportionate share of the net OPEB liability	$ 74,826,759	$ 81,817,477	$ 114,738,471	$ 96,238,411	$ 98,172,466
Total	$ 74,826,759	$ 81,817,477	$ 114,738,471	$ 96,238,411	$ 98,172,466
District's covered-employee payroll	$ 88,614,077	$ 80,463,389	$ 73,476,896	$ 83,990,766	$ 74,472,341
District's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll	84.44%	101.68%	156.16%	114.58%	131.82%
Plan fiduciary net position as a percentage of the total OPEB liability	6.17%	6.14%	3.99%	4.63%	2.93%

	2018
District's proportion of the net OPEB liability	0.770332%
District's proportionate share of the net OPEB liability	$ 108,231,336
Total	$ 108,231,336
District's covered-employee payroll	$ 72,979,531
District's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll	148.30%
Plan fiduciary net position as a percentage of the total OPEB liability	1.61%

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

TROUP COUNTY SCHOOL DISTRICT, GEORGIA

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

	2023	2022	2021	2020	2019
Contractually required contributions	$ 2,878,392	$ 2,731,998	$ 2,810,008	$ 2,641,797	$ 4,223,466
Contributions in relation to the contractually required contributions	2,878,392	2,731,998	2,810,008	2,641,797	4,223,466
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
District's covered-employee payroll	$ 89,217,761	$ 88,614,077	$ 80,463,389	$ 73,476,896	$ 83,990,766
Contributions as a percentage of covered-employee payroll	3.226%	3.083%	3.492%	3.595%	5.028%

	2018
Contractually required contributions	$ 4,003,392
Contributions in relation to the contractually required contributions	4,003,392
Contribution deficiency (excess)	$ -
District's covered-employee payroll	$ 74,472,341
Contributions as a percentage of covered-employee payroll	5.376%

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

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

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

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

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

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

On March 15, 2018, the Board adopted a new funding policy. Because of this new funding policy, the assumed investment rate of return was reduced from 7.50% to 7.40% for June 30, 2017 actuarial valuation. In addition, based on the Board's new funding policy, the assumed investment rate of return was further reduced by 0.10% from 7.40% to 7.30% as of the June 30, 2018 measurement date.

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

School OPEB Fund:
Changes in assumptions: June 30, 2020 valuation: Decremental assumptions were changed to reflect the Employees Retirement Systems experience study. Approximately 0.10% of emloyees are members of the Employees Retirement System.

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

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

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

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

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

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

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenues that are legally restricted or committed for specific purposes. The School System's Special Revenue Funds have been established primarily on the basis of program purpose and include the following funds and primary funding sources:

Title I Fund was established to account for federal grant funds to provide remedial education in the areas of reading and mathematics and to provide a special education program for children who are physically handicapped.

IDEA VI-B Fund was established to account for federal grant funds, for the purpose of providing special education programs for children in pre-kindergarten through the twelfth grade.

Federal Vocational Education Fund was established to account for the federal and state grants which are utilized for the purpose of providing vocational education throughout the District.

Title V-B Fund was established to account for the federal grant funds used to promote rural education achievement programs.

Title IIA Fund was established to account for federal grant funds passed through the Georgia Department of Education, for the purpose of improving teacher quality and increasing the number of high quality teachers, para-professionals, and principals.

Literacy for Georgia Grant Fund was established to account for federal grant funds used to promote the striving readers program.

Education of Homeless Youth was established to account for federal and state grants used to enhance the educational experience for children of homeless families.

Title IIIA Fund was established to account for federal and state grants used to improve and strengthen the academic quality, institutional management, and fiscal stability of the District.

Title IV Fund was established to account for federal and state grants received for the promotion of safe and drug free schools and communities.

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds (Continued)

Principal Accounts Fund was established to account for funds of the local school which are controlled at the school level but have revenues committed or restricted for specific purposes at the local school.

PreK Fund was established to account for the funds and the activities of the District's pre-kindergarten readiness program.

Local Grants Fund was established to account for other state and local funds for which separate presentation in not considered necessary.

TROUP COUNTY SCHOOL DISTRICT, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2023

	SPECIAL REVENUE FUNDS					
	TITLE I	IDEA VIB	FEDERAL VOCATIONAL EDUCATION	TITLE VB	TITLE IIA	LITERACY FOR GEORGIA GRANT FUND
ASSETS						
Cash and Cash Equivalents	$ 345,558	$ 34,651	$ -	$ 1,431	$ -	$ -
Investments	-	-	-	-	-	-
Accounts Receivable	-	-	-	-	-	-
Due From Other Governments	210,600	315,486	8,670	28,990	43,403	1,949,763
Due From Other Funds	-	-	-	-	-	-
Prepaid Items	4,261	-	-	-	-	-
Total Assets	$ 560,419	$ 350,137	$ 8,670	$ 30,421	$ 43,403	$ 1,949,763
LIABILITIES AND FUND BALANCES						
LIABILITIES						
Accounts Payable	$ 9,897	$ -	$ 1,351	$ -	$ 165	2,474
Salaries And Benefits Payable	550,522	350,137	-	30,421	20,902	-
Due To Other Funds	-	-	7,319	-	22,336	1,947,289
Total Liabilities	560,419	350,137	8,670	30,421	43,403	1,949,763
FUND BALANCES:						
Nonspendable for Prepaid Items	4,261	-	-	-	-	-
Restricted for Grant Activities	-	-	-	-	-	-
Committed for Principal Discretion	-	-	-	-	-	-
Unassigned	(4,261)	-	-	-	-	-
Total Fund Balances	-	-	-	-	-	-
Total Liabilities And Fund Balances	$ 560,419	$ 350,137	$ 8,670	$ 30,421	$ 43,403	$ 1,949,763

(Continued)

TROUP COUNTY SCHOOL DISTRICT, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2023

	SPECIAL REVENUE FUNDS						TOTAL NONMAJOR GOVERNMENTAL FUNDS
	EDUCATION OF HOMELESS YOUTH	TITLE IIIA	TITLE IV	PRINCIPAL ACCOUNTS	PREK	LOCAL GRANTS	
ASSETS							
Cash and Cash Equivalents	$ -	$ 8,004	$ -	$ 222,396	$ 423,550	$ 710,451	$ 1,746,041
Investments	-	-	-	500,000	-	-	500,000
Accounts Receivable	-	-	-	-	-	18,862	18,862
Due From Other Governments	9,131	5,218	35,282	-	-	-	2,606,543
Due From Other Funds	-	-	-	263,961	-	-	263,961
Prepaid Items	-	-	-	-	-	-	4,261
Total Assets	$ 9,131	$ 13,222	$ 35,282	$ 986,357	$ 423,550	$ 729,313	$ 5,139,668
LIABILITIES AND FUND BALANCES							
LIABILITIES							
Accounts Payable	$ -	$ 8,701	$ 20	$ 589	$ -	$ 109	$ 23,306
Salaries And Benefits Payable	-	4,521	11,400	-	423,550	-	1,391,453
Due To Other Funds	9,131	-	23,862	-	-	-	2,009,937
Total Liabilities	9,131	13,222	35,282	589	423,550	109	3,424,696
FUND BALANCES:							
Nonspendable for Prepaid Items	-	-	-	-	-	-	4,261
Restricted for Grant Activities	-	-	-	-	-	729,204	729,204
Committed for Principal Discretion	-	-	-	985,768	-	-	985,768
Unassigned	-	-	-	-	-	-	(4,261)
Total Fund Balances	-	-	-	985,768	-	729,204	1,714,972
Total Liabilities And Fund Balances	$ 9,131	$ 13,222	$ 35,282	$ 986,357	$ 423,550	$ 729,313	$ 5,139,668

TROUP COUNTY SCHOOL DISTRICT, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	SPECIAL REVENUE FUNDS					
	TITLE I	IDEA VIB	FEDERAL VOCATIONAL EDUCATION	TITLE VB	TITLE IIA	LITERACY FOR GEORGIA GRANT FUND
REVENUES						
Fees And Charges	$ -	$ -	$ -	$ -	$ -	$ -
State Aid	-	-	-	-	-	-
Federal Aid	4,326,973	3,042,180	162,385	227,640	716,541	1,949,763
Contributions	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Total Revenues	4,326,973	3,042,180	162,385	227,640	716,541	1,949,763
EXPENDITURES						
Current:						
Instruction	2,365,625	2,391,528	151,140	60,522	-	1,186,497
Pupil Support Services	497,165	20,182	-	154,083	-	746,442
Improvement Of Instructional Services	1,332,583	245,711	11,245	4,880	450,188	-
Educational Media Services	-	-	-	-	7,429	-
Federal Grant Administration	224,879	-	-	-	-	-
General Administration	146,008	107,280	-	8,155	13,924	1,500
School Administration	-	-	-	-	-	-
Maintenance and Operation of Facilities	-	-	-	-	-	-
Student Transportation Services	-	227,310	-	-	-	-
Community Services	-	-	-	-	-	15,324
Other Support Services	5,713	50,169	-	-	-	-
Total Expenditures	4,571,973	3,042,180	162,385	227,640	471,541	1,949,763
Excess (Deficiency) Of Revenues Over Expenditures	(245,000)	-	-	-	245,000	-
OTHER FINANCING SOURCES (USES)						
Transfers In	245,000	-	-	-	-	-
Transfers Out	-	-	-	-	(245,000)	-
Total Other Financing Sources (Uses)	245,000	-	-	-	(245,000)	-
Net Change In Fund Balances	-	-	-	-	-	-
Fund Balances (deficit), Beginning Of Year	-	-	-	-	-	-
Fund Balances, End Of Year	$ -	$ -	$ -	$ -	$ -	$ -

(Continued)

TROUP COUNTY SCHOOL DISTRICT, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	SPECIAL REVENUE FUNDS						TOTAL NONMAJOR GOVERNMENTAL FUNDS
	EDUCATION OF HOMELESS YOUTH	TITLE IIIA	TITLE IV	PRINCIPAL ACCOUNTS	PREK	LOCAL GRANTS	
REVENUES							
Fees And Charges	$ -	$ -	$ -	$ 2,965,654	$ -	$ -	$ 2,965,654
State Aid	-	-	-	-	2,632,248	20,000	2,652,248
Federal Aid	61,465	65,587	297,533	-	-	4,186	10,854,253
Contributions	-	-	-	-	-	133,661	133,661
Miscellaneous	-	-	-	-	-	9,899	9,899
Total Revenues	61,465	65,587	297,533	2,965,654	2,632,248	167,746	16,615,715
EXPENDITURES							
Current:							
Instruction	-	23,972	84,881	234,016	2,796,336	279,186	9,573,703
Pupil Support Services	-	5,373	154,239	2,216,200	-	-	3,793,684
Improvement Of Instructional Services	-	36,242	4,882	-	-	-	2,085,731
Educational Media Services	-	-	-	-	-	-	7,429
Federal Grant Administration	8,248	-	-	-	-	-	233,127
General Administration	1,754	-	6,340	-	-	-	284,961
School Administration	-	-	-	791,826	-	-	791,826
Maintenance and Operation of Facilities	-	-	-	-	-	183	183
Student Transportation Services	45,290	-	-	-	856	7,927	281,383
Community Services	-	-	-	-	-	-	15,324
Other Support Services	6,173	-	47,191	-	-	-	109,246
Total Expenditures	61,465	65,587	297,533	3,242,042	2,797,192	287,296	17,176,597
Excess (Deficiency) Of Revenues Over Expenditures	-	-	-	(276,388)	(164,944)	(119,550)	(560,882)
OTHER FINANCING SOURCES (USES)							
Transfers In	-	-	-	-	164,944	73,779	483,723
Transfers Out	-	-	-	-	-	-	(245,000)
Total Other Financing Sources (Uses)	-	-	-	-	164,944	73,779	238,723
Net Change In Fund Balances	-	-	-	(276,388)	-	(45,771)	(322,159)
Fund Balances (deficit), Beginning Of Year	-	-	-	1,262,156	-	774,975	2,037,131
Fund Balances, End Of Year	$ -	$ -	$ -	$ 985,768	$ -	$ 729,204	$ 1,714,972

III. OTHER SUPPLEMENTARY INFORMATION

TROUP COUNTY SCHOOL DISTRICT, GEORGIA
SCHEDULE OF APPROVED SPECIAL PURPOSE LOCAL OPTION SALES TAX PROJECTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

PROJECT	ORIGINAL ESTIMATED COST (1)	CURRENT ESTIMATED COSTS (2)	AMOUNT EXPENDED IN CURRENT YEAR (3)	AMOUNT EXPENDED IN PRIOR YEARS (3)	PROJECT STATUS
SPLOST V					
Providing additional real property for future school expansions, elementary school construction, elementary school, middle school and/or high school renovations and expansions; additions to, renovations of, repairs and improvements to and equipping of existing educational buildings, properties and facilities of the School District, including without limitation safety and security projects, HVAC, roofing and flooring replacements and renovations, physical education facilities and improvements, and resurfacing and parking facilities; technology/software upgrades and additions; infrastructure, textbooks and equipment; additional school buses; and paying expenses incident thereto	$ 65,358,827	$ 63,100,000	$ 35,184	$ 62,906,089	Complete
Interest expense on bonds sold under SPLOST V	2,700,000	-	-	-	Complete
Totals for SPLOST V	$ 68,058,827	$ 63,100,000	35,184	$ 62,906,089	
SPLOST VI					
Acquiring, constructing and equipping the following capital outlay projects: (a) real and personal property, including, but not limited to, improved or unimproved land and existing buildings for future school or administrative and services facility sites; (b) new schools and facilities of the School District including, without limitation, a new elementary school, physical education/athletic facilities and equipment, locker rooms, classrooms, performance facilities, lunchrooms, gymnasiums, and warehouse expansions; (c) additions to, renovations of, repairs to, improvements to, and equipment for existing educational, administrative and services buildings, properties, and facilities of the School District, including, without limitation, HVAC, roofing, lighting and flooring replacements and renovations, physical education, cafeteria and auditorium facilities and improvements, resurfacing and parking facilities, and trailer replacements; (d) technology to be used at all educational and administrative facilities, including, but not limited to, classroom technology infrastructure computers, laptops, tablets and mobile devices for students and staff, servers, wiring, wireless antennas, and other technology upgrades with necessary hardware, software, and programs; (e) security system upgrades, equipment and infrastructure to all educational and administrative facilities; (f) school buses (including installment payments); and (g) capitalized expenses incident thereto (including, but not limited to, the payment of implementation, administrative and management expenses, any capitalized interest, and reimbursements for expenditures for needs assessment for facilities)	$ 74,552,508	$ 74,552,508	$ 8,421,919	$ -	
Interest expense on bonds sold under SPLOST VI	5,447,492	5,447,492	1,219,517	-	
Totals for SPLOST VI	$ 80,000,000	$ 80,000,000	$ 9,641,436	$ -	
		Total SPLOST expenditures	9,676,620		
		Expenditures funded by State sources	464,852		
		Total expenditures	$ 10,141,472		

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

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

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

IV. SINGLE AUDIT SECTION

MAULDIN & JENKINS
CPAs & ADVISORS

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Superintendent and Members of
the Troup County School District
LaGrange, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Troup County Board of Education (the "District"), as of and for the fiscal year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated March 6, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questions costs as item 2023-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

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

Troup County Board of Education's Response to Finding

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

Purpose of this Report

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

Mauldin & Jenkins, LLC

Atlanta, Georgia
March 6, 2024

MAULDIN & JENKINS
CPAs & ADVISORS

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

To the Superintendent and Members of
the Troup County School District
La Grange, Georgia

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Troup County Board of Education's (the "District") compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2023. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year then ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or 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 in the Auditor's Responsibilities for the Audit Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

Mauldin & Jenkins, LLC

Atlanta, Georgia
March 6, 2024

TROUP COUNTY SCHOOL DISTRICT, GEORGIA

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

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Pass-through Award Number	Total Expenditures
U. S. DEPARTMENT OF AGRICULTURE:			
Passed through Georgia Department of Education:			
Child Nutrition Cluster:			
School Breakfast Program	10.553	235GA324N1199	$ 1,815,713
National School Lunch Program	10.555	235GA324N1099	5,087,615
National School Lunch Program (noncash) (1)	10.555	235GA324N1099	601,569
After-School Snack	10.555	235GA324N1099	90,745
COVID-19 Emergency Operational Costs Reimbursement Grant	10.555	235GA324N1099	345,757
Total Child Nutrition Cluster			7,941,399
Child & Adult Care Food Program	10.558	N/A	389,886
Total U.S. Department of Agriculture			8,331,285
U. S. DEPARTMENT OF DEFENSE			
R.O.T.C. Program	12.Unknown	N/A	130,485
Total U.S. Department of Defense			130,485
U. S. DEPARTMENT OF EDUCATION			
Passed through Georgia Department of Education:			
Title I Programs - Improving the Academic Achievement of the Disadvantaged	84.010	S010A210010	4,122,794
Title I Programs - Neglected and Delinquent	84.010	S010A210010	137,985
Title I Programs - School Improvement	84.010	S010A210010	66,193
Total Title I, Part A			4,326,972
Title II-A - Improving Teacher Quality	84.367	S367A210001	716,541
Title III - Limited English Proficient	84.365	S365A220010	62,865
Title III - Immigrant	84.365	S365A210010	2,722
Total Title III			65,587
Title IV - Part A Student Support and Academic Enrichment	84.424	S424A220011	297,533
Title V-B - Rural and Low-Income Schools	84.358	S365B220010	227,640
Comprehensive Literacy Development - Birth to Age 5	84.371	S371C190016-19A	468,198
Comprehensive Literacy Development - Kindergarten - Grade 5	84.371	S371C190016-19A	884,516
Comprehensive Literacy Development - Middle Schools	84.371	S371C190016-19A	336,763
Comprehensive Literacy Development - High Schools	84.371	S371C190016-19A	260,286
Total Comprehensive Literacy Development			1,949,763
Special Education Cluster:			
Title VI-B Flowthrough	84.027	H027A220073	2,853,891
COVID-19: Title VI-B Supplemental Relief	84.027	H027A210073	60,632
Title VI-B Preschool	84.173	H173A210081	18,400
COVID-19: Title VI-B Preschool Supplemental Relief	84.173	H173A210081	109,257
Total Special Education Cluster			3,042,180
Education for Homeless Youth	84.196	S196A220011	55,292
Vocational Grants - Program Improvement	84.048	V048A220010	135,830
Vocational Grants - Perkins Reserve	84.048	V048A210010	17,264
Vocational Grants - Perkins Carryover	84.048	V048A210010	9,291
Total Vocational Grants			162,385
Elementary & Secondary School Emergency Relief Fund:			
COVID-19: CARES Act Elementary & Secondary School Emergency Relief Grant	84.425D	S425D210012	1,552,875
COVID-19: ARP Act Elementary & Secondary School Emergency Relief Grant	84.425U	S425U210012	9,808,412
COVID-19: ESSER III - ARP - Homeless Children and Youth	84.425U	S425U210012	6,173
Total Elementary & Secondary School Emergency Relief Fund			11,367,460
Total U.S. Department of Education			22,211,353
Total Expenditures of Federal Awards			$ 30,673,123

Notes to the Schedule of Expenditures of Federal Awards

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

The School District did not provide federal assistance to any subrecipient.

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

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

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

TROUP COUNTY SCHOOL DISTRICT, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

SECTION I
SUMMARY OF AUDITOR'S RESULTS

Financial Statements

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

Federal Awards

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

Identification of major federal programs:

Assistance Listing Number	Name of Federal Program or Cluster
84.425D & 84.425U	COVID-19 Elementary & Secondary School Emergency Relief Fund
10.553 & 10.555	Child Nutrition Cluster
84.027 & 84.173	IDEA Special Education Cluster

Dollar threshold used to distinguish between Type A and Type B programs:	$920,194
Auditee qualified as low-risk auditee?	____ yes X no

SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES

Finding 2023-001 – Prior Period Adjustments

Criteria: Internal controls should be in place to ensure that all capital asset amounts reported within financial statements of the District are accurate and properly presented in accordance with accounting principles generally accepted in the United States of America.

***Condition*:** Certain internal controls at year end were not sufficient to detect material misstatements in the District's financial statements for the year ended June 30, 2022, which rolls forward to the beginning balances for the fiscal year 2023 financial statements.

Context/cause: To improve the financial reporting of the system, Troup County Board of Education engaged CBIZ Valuation Group (CBIZ) to perform a first ever comprehensive inventory of the district's capital assets. This updated inventory resulted in a significant restatement of capital asset balances and accumulated depreciation which are being recorded as of June 30, 2022.

Effects or possible effects: The total restatement of June 30, 2022 ended balances is as follows:

	School Nutrition Program Fund	Business-Type Activities	Governmental Activities
Beginning net position, as previously reported	$ 2,374,725	$ 2,713,574	$ 42,379,436
Restatement to properly record capital assets and accumulated depreciation	850,816	850,816	(671,566)
Beginning net position as restated	$ 3,225,541	$ 3,564,390	$ 41,707,870

Recommendation: We recommend the District carefully review its capital asset policies and procedures and carefully maintain the capital asset listing and depreciation on a regular basis to ensure no assets are left off or improperly recorded.

Auditee's Response: The administration stands by its decision to conduct a first ever comprehensive inventory as it was the appropriate thing to do, although it resulted in a finding. We will continue to perform periodic reinventories to comply with accounting standards and as a matter of best practice.

SECTION III
FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None reported.

TROUP COUNTY SCHOOL DISTRICT, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

SECTION IV
STATUS OF PRIOR AUDIT FINDINGS

None reported

2023-001 Finding 2023-001 – Prior Period Adjustments

Contact Person Responsible for Corrective Action Plan: Tracie Hill, Accounting Coordinator, and Dr. Scott Burckbuchler, CFO

Corrective Action Plan:

TCSS will continue to conduct (or contract with an outside entity) periodic comprehensive re-inventories at least every three years to comply with accounting standards and as a matter of best practice. This should alleviate the need for material capital asset adjustments in the financial statements.

Anticipated Completion Date: Re-inventory by June 30, 2026

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