

**PRELIMINARY OFFICIAL STATEMENT DATED JULY 15, 2024**

**NEW ISSUE  
BOOK-ENTRY ONLY  
BANK QUALIFIED**

**RATINGS:**  
**Moody's: Aa1** (State Intercept Enhanced)  
**Moody's: A2** (Underlying)  
(See "MISCELLANEOUS – Ratings")

*In the opinion of Butler Snow LLP, Bond Counsel, under existing laws, regulations, rulings, and judicial decisions and assuming the accuracy of certain representations and continuous compliance with certain covenants described herein, interest on the Bonds (defined below) is excludable from gross income under federal income tax laws pursuant to Section 103 of the Internal Revenue Code of 1986, as amended to the date of delivery of the Bonds, and is not a specific preference item for purposes of the federal alternative minimum tax; however, such interest is taken into account in determining the annual adjusted financial statement income of applicable corporations (as defined in Section 59(k) of the Internal Revenue Code of 1986, as amended (the "Code")) for the purpose of computing the alternative minimum tax imposed on corporations. In the further opinion of Bond Counsel, under existing statutes, interest on the Bonds is exempt from all present state income taxation within the State of Georgia. For a more complete description, see "LEGAL MATTERS – Opinion of Bond Counsel" herein.*



**\$4,735,000\***  
**TAYLOR COUNTY SCHOOL DISTRICT (GEORGIA)**  
**GENERAL OBLIGATION BONDS, SERIES 2024**

**Dated: Date of Delivery**

**Due: September 1, as shown on inside cover**

The Taylor County School District (Georgia) General Obligation Bonds, Series 2024 (the "Bonds") are being issued in fully registered form and in denominations of \$5,000, or any integral multiple thereof, by the Taylor County School District (the "School District"), a political subdivision of the State of Georgia, for the purpose of paying the costs of all or a portion of the following capital outlay expenditures: (1) acquiring, constructing and equipping athletic/physical education facilities at the combined 3<sup>rd</sup> through 12<sup>th</sup> grade campus; (2) constructing, repairing, improving, renovating, adding to, extending, and/or upgrading the Primary School facilities; (3) acquiring, constructing, repairing, improving, renovating, adding to, extending, upgrading, furnishing, and/or equipping school buildings, support and administrative facilities and buildings, athletic facilities and buildings, and/or infrastructure in the Taylor County School District useful or desirable in connection therewith, including acquiring any necessary property therefore, both real and personal; (4) acquiring vocational, fine arts, music, physical education and athletic equipment; (5) acquiring textbooks (including e-books) and technology, software, computer, safety, security, and/or fire protection equipment; (6) acquiring buses, vehicles, and/or transportation equipment; (7) acquiring real property (collectively, the "Projects"); and/or (8) paying capitalized interest, costs of issuing the below described general obligation debt, debt service on the below described general obligation debt, debt service on previously incurred General Obligation Bonds, Series 2020 and that additional general obligation debt authorized in conjunction with the General Obligation Bonds, Series 2020, and/or paying expenses incident to accomplishing the foregoing. See "PLAN OF FINANCING" herein.

The Bonds are direct and general obligations of the School District payable, as to both principal and interest from ad valorem taxes that may be levied, without limitation as to rate or amount, upon all taxable property within the territorial limits of the School District subject to taxation for school bond purposes. However, the principal of and interest on the Bonds are payable first from the proceeds of a one percent (1%) sales and use tax for educational purposes collected within the School District, to the extent available. The Bonds are also payable from any state appropriation to which the School District may be entitled, which the State of Georgia Board of Education has been authorized to withhold from the School District and transfer to Regions Bank, Atlanta, Georgia, as Paying Agent (the "Paying Agent") under certain circumstances. See "THE BONDS – Security and Sources of Payment for the Bonds."

Interest on the Bonds is payable semiannually on March 1 and September 1 of each year (each such date, an "Interest Payment Date"), commencing on March 1, 2025, to the owners thereof as shown on the registration books maintained by the Paying Agent as Bond Registrar. The Bonds bear interest from the Interest Payment Date next preceding their date of authentication, except as provided herein. See "THE BONDS – Description."

The Bonds will be issued in book-entry form registered in the name of Cede & Co., the nominee of The Depository Trust Company, New York, New York ("DTC"). Payment of the principal of and interest on the Bonds will be made by the Paying Agent directly to Cede & Co., as nominee for DTC, as registered owner of the Bonds, and will subsequently be disbursed to DTC Participants and thereafter to Beneficial Owners (as such terms are defined herein) of the Bonds, all as described herein. See "THE BONDS – Book-Entry Only System of Registration."

The Bonds are subject to optional and mandatory redemption prior to their respective maturities. See "THE BONDS – Redemption."\*

**THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. IT IS NOT A SUMMARY OF THIS ISSUE. INVESTORS MUST READ THE ENTIRE OFFICIAL STATEMENT TO OBTAIN INFORMATION ESSENTIAL TO MAKING AN INFORMED INVESTMENT DECISION.**

The Bonds are offered when, as, and if issued by the School District and accepted by Raymond James & Associates, Inc. (the "Underwriter"), subject to prior sale, to the withdrawal or modification of the offer without notice, and subject to the approving opinion of Butler Snow LLP, Macon, Georgia, Bond Counsel. Butler Snow LLP is also acting as disclosure counsel to the School District. The Bonds are expected to be delivered through the facilities of DTC on or before August 13, 2024\*.



Dated: \_\_\_\_\_.

\* Preliminary; subject to change.

This Preliminary Official Statement and the information contained herein are subject to completion, amendment or other change without any notice. These securities may not be sold nor may offers to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

**MATURITIES, PRINCIPAL AMOUNTS, INTERST RATES, YIELDS, AND CUSIPs\***

<u>Maturity</u> <u>September 1</u>	<u>Principal</u> <u>Amount*</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP</u> <sup>1</sup>
2026	\$275,000			
2027	280,000			
2028	290,000			
2029	305,000			
2030	310,000			
2031	315,000			
2032	330,000			
2033	345,000			
2034	355,000			
2035	360,000			
2036	375,000			
2037	385,000			
2038	400,000			
2039	410,000			

<sup>1</sup>© Copyright 2024, CUSIP Global Services. CUSIP is a registered trademark of the American Bankers Association. CUSIP Global Services is managed on behalf of the American Bankers Association by FactSet Research Systems Inc. The CUSIP numbers are provided for convenience only. The School District takes no responsibility for the accuracy of the CUSIP numbers.

**TAYLOR COUNTY SCHOOL DISTRICT**

**ELECTED OFFICIALS**

**BOARD OF EDUCATION**

Mr. Wayne McInvale, Chairperson  
Mr. Wes Summers, Vice-Chairperson  
Mrs. Mary Bentley  
Mr. Greg Brown  
Dr. Glenda Latimore

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**ADMINISTRATIVE OFFICIALS**

**Superintendent**

Mrs. Jennifer Albritton

**Chief Finance Officer**

Mrs. Amy Lloyd

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**UNDERWRITER**

Raymond James & Associates, Inc.  
Atlanta, Georgia

**BOND & DISCLOSURE COUNSEL**

Butler Snow LLP  
Macon, Georgia

**AUDITORS**

State of Georgia Department of Audits  
Atlanta, Georgia

## **IMPORTANT INFORMATION**

This Official Statement is not to be construed as a contract or agreement between the School District and the purchasers or holders of any of the Bonds. All quotations from and summaries and explanations of provisions of laws and documents herein do not purport to be complete, and reference is made to such laws and documents for full and complete statements of their provisions. All estimates and assumptions contained herein are believed to be reasonable, but no representation is made that such estimates or assumptions are correct or will be realized.

The information in this Official Statement has been obtained from sources that are considered dependable and which are customarily relied upon in the preparation of similar Official Statements, but such information is not guaranteed as to accuracy or completeness. No person, including any broker, dealer, or salesman, has been authorized to give any information or to make any representation other than those contained in this Official Statement, and if given or made, such other information or representations must not be relied upon as having been authorized by the School District. The School District maintains an internet website; however, the information presented there is not a part of this Official Statement and should not be relied upon in making an investment decision with respect to the Bonds.

The Underwriter has provided the following sentence for inclusion in this Official Statement: The Underwriter has reviewed the information in this Official Statement in accordance with, and as a part of, its responsibility to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

Any information or expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale hereunder shall under any circumstances create an implication that there has been no change as to the affairs of the School District since the date hereof.

The Bonds are not registered under the Securities Act of 1933, as amended, or any state securities laws and are not listed on any stock or other securities exchange, and neither the Securities and Exchange Commission nor any federal, state, municipal or other governmental agency has or will pass upon the accuracy, completeness, or adequacy of this Official Statement.

Neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the parties referred to above since the date hereof. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sales of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation, or sale.

THE PRICES AT WHICH THE BONDS ARE OFFERED TO THE PUBLIC BY THE UNDERWRITER (AND THE YIELDS RESULTING THEREFROM) MAY VARY FROM THE INITIAL PUBLIC OFFERING PRICES OR YIELDS APPEARING ON THE INSIDE COVER PAGE HEREOF. IN ADDITION, THE UNDERWRITER MAY ALLOW CONCESSIONS OR DISCOUNTS FROM SUCH INITIAL PUBLIC OFFERING PRICES TO DEALERS AND OTHERS. IN ORDER TO FACILITATE DISTRIBUTION OF THE BONDS, THE UNDERWRITER MAY ENGAGE IN TRANSACTIONS INTENDED TO STABILIZE THE PRICE OF THE BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

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June 30, 2023

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**OFFICIAL STATEMENT**  
**of the**  
**TAYLOR COUNTY SCHOOL DISTRICT (GEORGIA)**  
**relating to its**  
**\$4,735,000\***  
**GENERAL OBLIGATION BONDS, SERIES 2024**

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**INTRODUCTION**

The purpose of this Official Statement, which includes the cover page and the Appendices, is to furnish certain information in connection with the sale by the Taylor County School District of \$4,735,000\* in aggregate principal amount of its General Obligation Bonds, Series 2024 (the “**Bonds**”).

*This introduction is not a summary of this Official Statement and is intended only for quick reference. It is only a brief description of and guide to, and is qualified in its entirety by reference to, more complete and detailed information contained in the entire Official Statement, including the cover page and the Appendices attached hereto, and the documents summarized or described herein. A full review should be made of the entire Official Statement and of the documents summarized or described herein, if necessary. The offering of the Bonds to potential investors is made only by means of the entire Official Statement, including the Appendices attached hereto. No person is authorized to detach this Introduction from the Official Statement or to otherwise use it without the entire Official Statement including the Appendices attached hereto.*

**The School District**

The Taylor County School District (the “**School District**”), the issuer of the Bonds, is a political subdivision of the State of Georgia (the “**State**”). The School District is co-extensive with the territorial limits of Taylor County, Georgia (the “**County**”). See “THE SCHOOL DISTRICT” and “THE COUNTY” herein.

**Security and Sources of Payment for the Bonds**

The Bonds are general obligations of the School District and, except to the extent that they may be paid from other revenues of the School District (such as the Sales Tax for Education described below), are payable, as to both principal and interest, from ad valorem taxes that may be levied, without limitation as to rate or amount, upon all taxable property within the territorial limits of the School District subject to taxation for school bond purposes. The School District plans to pay a portion of the interest and principal on the Bonds from the separate account in which are placed the proceeds received by the School District from the 2024-2029 School Tax (as defined below), to the extent available. The Bonds are also payable from any state appropriation to which the School District may be entitled, which the Georgia Board of Education (the “**State Board**”) has been authorized to withhold from the School District and transfer to the Paying Agent under certain circumstances. For more complete and detailed information, see “THE BONDS – Security and Sources of Payment for the Bonds” and “SCHOOL DISTRICT AD VALOREM TAXATION” herein.

**Purpose of the Bonds**

The Bonds are being issued for the purpose of paying all or a portion of the costs of acquiring, constructing, repairing, improving, renovating, extending, upgrading, adding to, furnishing and/or equipping school buildings, athletic and support facilities, and/or infrastructure in the Taylor County School District useful or desirable in

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\* Preliminary, subject to change.

connection therewith, including acquiring any necessary property therefore, both real and personal, specifically including the following: (1) acquiring, constructing and equipping athletic/physical education facilities at the combined 3<sup>rd</sup> through 12<sup>th</sup> grade campus; (2) constructing, repairing, improving, renovating, adding to, extending, and/or upgrading the Primary School facilities; (3) acquiring, constructing, repairing, improving, renovating, adding to, extending, upgrading, furnishing, and/or equipping school buildings, support and administrative facilities and buildings, athletic facilities and buildings, and/or infrastructure in the Taylor County School District useful or desirable in connection therewith, including acquiring any necessary property therefore, both real and personal; (4) acquiring vocational, fine arts, music, physical education and athletic equipment; (5) acquiring textbooks (including e-books) and technology, software, computer, safety, security, and/or fire protection equipment; (6) acquiring buses, vehicles, and/or transportation equipment; (7) acquiring real property (collectively, the “**Projects**”); and/or (8) paying capitalized interest, costs of issuing the below described general obligation debt, debt service on the below described general obligation debt, debt service on previously incurred General Obligation Bonds, Series 2020 and that additional general obligation debt authorized in conjunction with the General Obligation Bonds, Series 2020, and/or paying expenses incident to issuing the Bonds. See “PLAN OF FINANCING – The Projects.”

### **Description of the Bonds**

*Redemption\**. The Bonds are subject to optional and mandatory redemption prior to their respective maturities.

*Denominations*. The Bonds are issuable in denominations of \$5,000 or any integral multiple thereof.

*Registration, Transfers and Exchanges*. The Bonds will be issued in fully registered form. When in book-entry form, Bonds held by The Depository Trust Company (“**DTC**”) (or its nominee, Cede & Co.) on behalf of the beneficial owners thereof (the “**Beneficial Owners**”), are transferable upon delivery to DTC (or its nominee, Cede & Co.) of an assignment executed by the Beneficial Owner or the Beneficial Owner’s duly authorized attorney. When not in book-entry form, ownership of any Bond may be transferred upon surrender of such Bond to the Bond Registrar, together with an assignment duly executed by the registered owner or his attorney-in-fact or legal representative, subject to the conditions hereinafter described. When in book-entry form, the Bonds are exchangeable for a like aggregate principal amount of Bonds of the same series and maturity in authorized denominations. See “THE BONDS – Registration Provisions; Transfer; Exchange” and “– Book-Entry Only System of Registration.”

*Payments*. So long as DTC or its nominee, Cede & Co., is the registered owner of the Bonds, payments of the principal of, premium, if any, and interest on the Bonds will be made directly to Cede & Co., which will remit such payments to the DTC participants, which will in turn remit such payments to the beneficial owners of the Bonds. For more complete information, see “THE BONDS – Description” and “– Book-Entry Only System of Registration” herein.

### **Tax Exemption**

In the opinion of Butler Snow LLP, Bond Counsel, under existing laws, regulations, rulings, and judicial decisions and assuming the accuracy of certain representations and continuous compliance with certain covenants described herein, interest on the Bonds (defined below) is excludable from gross income under federal income tax laws pursuant to Section 103 of the Internal Revenue Code of 1986, as amended to the date of delivery of the Bonds, and is not a specific preference item for purposes of the federal alternative minimum tax; however, such interest is taken into account in determining the annual adjusted financial statement income of applicable corporations (as defined in Section 59(k) of the Internal Revenue Code of 1986, as amended (the “**Code**”)), for the purpose of computing the alternative minimum tax imposed on corporations. In the further opinion of Bond Counsel, under existing statutes, interest on the Bonds is exempt from all present state income taxation within the State of Georgia. For a more complete description, see “LEGAL MATTERS – Opinion of Bond Counsel” herein.

The opinion contains greater detail, and is subject to exceptions, as noted in “LEGAL MATTERS – Opinion of Bond Counsel.” See APPENDIX C attached hereto for the form of the opinion Bond Counsel proposes to deliver in connection with the issuance of the Bonds.



## **Bond Registrar and Paying Agent**

Regions Bank, Atlanta, Georgia, will serve as bond registrar and as paying and authenticating agent for the Bonds.

## **Professionals Involved in the Offering**

Certain legal matters pertaining to the School District and its authorization and issuance of the Bonds are subject to the approving opinion of Butler Snow LLP, Macon, Georgia, Bond Counsel. Butler Snow LLP has also served as disclosure counsel to the School District in connection with this Official Statement. The fees of Butler Snow LLP will be paid only at closing from the proceeds of the Bonds. Copies of such opinion will be available at the time of delivery of the Bonds, and a copy of the proposed form of such opinion is attached hereto as APPENDIX C. The general-purpose financial statements of the School District as of June 30, 2023, and for the year then ended, attached hereto as APPENDIX A, have been audited by the State of Georgia Department of Audits, Atlanta, Georgia, to the extent and for the period indicated in its report thereon which appears in APPENDIX A attached hereto. See “MISCELLANEOUS – Independent Auditors.” Raymond James & Associates, Inc. (the “**Underwriter**”) is acting as the underwriter of the Bonds.

## **Authority for Issuance**

The Bonds are being issued in accordance with the Constitution and laws of the State of Georgia, an election held in the School District on November 7, 2023 (the “**Election**”), and a resolution of the Taylor County Board of Education (the “**Board of Education**”) adopted on July 24, 2024\* (the “**Bond Resolution**”) authorizing the issuance of the Bonds. See “THE BONDS – Authority for Issuance.”

## **Offering and Delivery of the Bonds**

The Bonds are offered when, as, and if issued by the School District and accepted by Raymond James & Associates, Inc. (the “**Underwriter**”), subject to prior sale and to withdrawal or modification of the offer without notice. The Bonds in definitive form are expected to be delivered through the facilities of DTC on or about August 13, 2024.

## **Continuing Disclosure**

The School District will execute a continuing disclosure certificate (the “**Disclosure Certificate**”) at the time of the closing for the Bonds. The Disclosure Certificate will be executed for the benefit of the beneficial owners of the Bonds and the School District will covenant in the Bond Resolution to comply with its terms. The Disclosure Certificate will provide that so long as the Bonds remain outstanding, the School District will provide the following information to the Municipal Securities Rulemaking Board, acting through its Electronic Municipal Market Access (“**EMMA**”) system: (i) annually, its audited financial statements; (ii) annually, certain financial information and operating data; and (iii) notice of the occurrence of certain listed events; all as specified in the Disclosure Certificate. The School District will engage Raymond James & Associates, Inc. to serve as the dissemination agent under the Disclosure Certificate. The form of the Disclosure Certificate is attached hereto as APPENDIX D.

The School District is currently subject to a continuing disclosure undertaking related to its General Obligation Bonds, Series 2020. Without a determination of materiality, the School District notes that certain information for fiscal year 2019 was not available at the time of the filing of the annual report; although a notice of failure to file was made in a timely manner, the missing information items were filed after the time indicated in the notice.

## **Other Information**

This Official Statement speaks only as of its date, and the information contained herein is subject to change.

This Official Statement and the Appendices attached hereto contain brief descriptions of, among other matters, the School District, the Bonds, and the security and sources of payment for the Bonds. Such descriptions and information do not purport to be comprehensive or definitive. The summaries of various constitutional provisions, statutes, the Bond Resolution, the Disclosure Certificate, and other documents are intended as summaries only and are qualified in their entirety by reference to such documents and laws, and references herein to the Bonds are qualified in their entirety to the form thereof included in the Bond Resolution. Copies of the Bond Resolution, the Disclosure Certificate, and other documents and information are available, upon request and upon payment to the School District of a charge for copying, mailing, and handling, from the Taylor County School District, 23 Mulberry Street, Butler, Georgia 31006; telephone (478) 862-5224. During the period of the offering of the Bonds, copies of such documents are available, upon request and upon payment to the Underwriter of a charge for copying, mailing, and handling, from Raymond James & Associates, Inc., 3050 Peachtree Road, N.W. - Suite 702, Atlanta, Georgia 30305; telephone: (404) 240-6840.

**Forward-Looking Statements**

This Official Statement contains forecasts, projections, and estimates that are based on current expectations but are not intended as representations of fact or guarantees of results. If and when included in this Official Statement, the words “expects,” “forecasts,” “projects,” “intends,” “anticipates,” “estimates,” and analogous expressions are intended to identify forward-looking statements as defined in the Securities Act of 1933, as amended, and any such statements inherently are subject to a variety of risks and uncertainties, which could cause actual results to differ materially from those contemplated in such forward-looking statements. These forward-looking statements speak only as of the date of this Official Statement. The School District disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in the School District’s expectations with regard thereto or any change in events, conditions, or circumstances on which any such statement is based.

**PLAN OF FINANCING**

**Estimated Sources and Applications of Funds\***

The sources and applications of funds in connection with the issuance of the Bonds are estimated below.

**Sources of Funds:**

Par Amount of Bonds	\$4,735,000*
[Plus/Minus]: [Net] Original Issue [Premium/Discount]	_____
Total Sources of Funds	\$_____

**Application of Funds:**

Deposit to Construction Fund	_____
Costs of Issuance <sup>1</sup>	\$_____
Total Application of Funds	\$_____

<sup>1</sup> Includes legal fees, underwriter’s discount, bond and official statement printing, mailing costs, bond validation expenses, and miscellaneous expenses.

**The Projects**

The Election authorized the School District to use Bond proceeds for the following capital outlay projects: acquiring, constructing, repairing, improving, renovating, extending, upgrading, adding to, furnishing and/or equipping school buildings, athletic and support facilities, and/or infrastructure in the Taylor County School District useful or desirable in connection therewith, including acquiring any necessary property therefore, both real and personal, specifically including the following: (1) acquiring, constructing and equipping athletic/physical education facilities at the combined 3<sup>rd</sup> through 12<sup>th</sup> grade campus; (2) constructing, repairing, improving, renovating, adding to, extending, and/or upgrading the Primary School facilities; (3) acquiring, constructing, repairing, improving,

renovating, adding to, extending, upgrading, furnishing, and/or equipping school buildings, support and administrative facilities and buildings, athletic facilities and buildings, and/or infrastructure in the Taylor County School District useful or desirable in connection therewith, including acquiring any necessary property therefore, both real and personal; (4) acquiring vocational, fine arts, music, physical education and athletic equipment; (5) acquiring textbooks (including e-books) and technology, software, computer, safety, security, and/or fire protection equipment; (6) acquiring buses, vehicles, and/or transportation equipment; (7) acquiring real property (collectively, the “**Projects**”); and/or (8) paying capitalized interest, costs of issuing the below described general obligation debt, debt service on the below described general obligation debt, debt service on previously incurred General Obligation Bonds, Series 2020 and that additional general obligation debt authorized in conjunction with the General Obligation Bonds, Series 2020, and/or paying expenses of issuing the below described Bonds.

More specifically, the School District expects to allocate Bond proceeds to acquire, construct and equip athletic/physical education facilities at the combined 3<sup>rd</sup> through 12<sup>th</sup> grade campus and construct, repair, improve, renovate, add to, extend, and/or upgrade the Primary School facilities (the “**Project**”). A portion of the proceeds of the Bonds will be deposited into the Construction Fund for the Project (the “**Construction Fund**”). The moneys on deposit in the Construction Fund will be used to pay costs of the Project and the costs of issuing the Bonds. Prior to the expenditure of the proceeds deposited in the Construction Fund, such moneys may be invested, all as more fully set forth herein under “**THE BONDS – Disbursement and Investment of Bond Proceeds and Other Moneys.**”

The School District has selected James W. Buckley & Associates, Inc., to serve as the design and inspecting architect for the Project and may select one or more architects to serve as the design and inspecting architect for various components of the other capital projects approved at the Election. After an architect completes and the School District approves a set of plans and specifications for a particular component of the capital projects, the School District will submit the plans and specifics to the Department of Education of the State (the “**Department of Education**”) for approval. After the plans and specifications have been approved by the Department of Education, the School District, in conjunction with and guidance from its Construction Manager, will advertise for bids from general contractors in local newspapers and in construction and trade industry publications. After the advertisements have been published for 30 days, the School District will publicly open all bids and award the construction contract for the Project (or portion thereof) to the responsible and responsive bidder who submits the lowest price and meets all of the requirements included in the bid invitation.

The School District estimates that it will spend approximately 100% of the proceeds of the Bonds, either directly or indirectly, on the acquisition, development, or improvement of real property.

### **Change of Use of Bond Proceeds**

Pursuant to Ga. Code Ann. § 36-82-4.2, State law allows the Board of Education, subsequent to the issuance of the Bonds, to adopt a resolution by a two-thirds’ majority vote of the Board of Education declaring that (1) a portion of the proceeds of the Bonds remain after the purpose stated in the election notice has been accomplished, (2) the purpose stated in the election notice is no longer necessary, or (3) circumstances have changed such that expenditure of all or part of the proceeds of the Bonds is no longer practicable or feasible. Such resolution must (a) set forth the reason the proceeds of the Bonds were not expended for the purpose stated in the election notice and (b) state the purpose for which the proceeds of the Bonds will be expended. Upon the adoption of such a resolution, the Board of Education will be authorized to expend such proceeds of the Bonds, including interest earnings thereon, for purposes of a nature substantially similar to the purpose stated in the election notice or to reduce the bonded indebtedness of the School District; provided the School District, not earlier than ten days prior to expending such Bond proceeds, publishes the resolution described above once in the official Taylor County organ. In addition, the School District must send a copy of the resolution described above by registered or certified mail to the Paying Agent for the Bonds.

## **THE BONDS**

### **Description**

The Bonds will be dated the date of their initial issuance and delivery and will mature in the principal amounts on the dates, and will bear interest at the rates per annum, set forth on the cover page of this Official Statement (computed on the basis of a 360-day year of twelve 30-day months). Interest on the Bonds is payable semiannually on

March 1 and September 1, commencing March 1, 2025, to the registered owner of record as of the February 15 or August 15 immediately preceding the applicable interest payment date.

**Redemption\***

*Optional Redemption of the Bonds.* The Bonds maturing on or prior to September 1, 2034 are not subject to optional redemption prior to maturity. The Bonds maturing on or after September 1, 2035 are subject to redemption prior to their stated respective maturities, at the option of the School District, in whole or in part on any date, in either case on or after September 1, 2034, at a redemption price of 100 percent of the principal amount of the Bonds being redeemed plus accrued interest to the redemption date.

*Mandatory Redemption of the Bonds.* The Bonds maturing on September 1, 20\_\_ are subject to mandatory sinking fund redemption prior to their stated maturity at a redemption price equal to the 100 percent of the principal amount of the Bonds being redeemed, plus accrued interest, on September 1 of the following years and in the following amounts:

<u>September 1,</u>	<u>Principal Amount</u>
20__	\$ _____
20__ *	_____

\_\_\_\_\_  
\*Final Maturity.

*Notice of Redemption.* Notice of any redemption of the Bonds, identifying the Bonds (or any portion of the respective principal sums thereof) to be redeemed, will be given by first-class mail, postage prepaid, not less than thirty (30) days and not more than sixty (60) days prior to the redemption date to all registered owners of the Bonds to be redeemed (in whole or in part). Failure to give appropriate notice of any redemption by mail or any defect in the notice will not affect the validity of the proceedings for the redemption of any Bond.

**Defeasance**

The Bonds, for which the payment of sufficient moneys or, to the extent permitted by the laws of the State, (a) direct obligations of, or obligations for the payment of the principal of and interest on which are unconditionally guaranteed by, the United States of America (“**Government Obligations**”), (b) certificates of deposit or municipal obligations fully secured by Government Obligations, (c) evidences of ownership of proportionate interests in future interest or principal payments on Government Obligations held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor on the Government Obligations and which Government Obligations are not available to satisfy any claim of the custodian or any person claiming through the custodian or to whom the custodian may be obligated, (d) United States Treasury Securities - State and Local Government Series, or (e) municipal obligations, the payment of the principal of, interest and redemption premium, if any, on which are irrevocably secured by Government Obligations and which Government Obligations are not subject to redemption prior to the date on which the proceeds attributable to the principal of such obligations are to be used and have been deposited in an escrow account which is irrevocably pledged to the payment of the principal of and interest and redemption premium, if any, on such municipal obligations (all of which collectively, with Government Obligations, “**Defeasance Securities**”), shall have been deposited with an escrow agent appointed for such purpose, which may be the Paying and Transfer Agent, shall be deemed to have been paid, shall cease to be entitled to any lien, benefit or security under the Resolution and shall no longer be deemed to be outstanding under the Resolution, and the registered owners shall have no rights in respect thereof except to receive payment of the principal of and interest on such Bonds from the funds held for that purpose. Defeasance Securities shall be considered sufficient under the Resolution if said investments, with interest, mature and bear interest in such amounts and at such times as will assure sufficient cash to pay currently maturing interest and to pay principal when due on such Bonds.

**Registration Provisions; Transfer; Exchange**

The Bonds will be issued only as fully registered bonds without coupons in denominations of \$5,000 or any integral multiple thereof. Purchases of beneficial ownership interests in the Bonds will be made in book-entry form

and purchasers will not receive certificates representing interests in the Bonds so purchased. See “THE BONDS – Book-Entry Only System of Registration.” The School District, the Bond Registrar and the Paying Agent may deem and treat the registered owner as the absolute owner of such Bond for purposes of receiving payment of or on account of principal, premium (if any) and the interest payable thereon, and for all other purposes; the School District, the Bond Registrar and the Paying Agent will not be affected by any notice to the contrary.

When in book-entry form, Bonds held by DTC or Cede & Co., as its nominee, on behalf of the Beneficial Owners thereof, may be registered as transferred or exchanged in accordance with the rules of DTC. See “THE BONDS – Book-Entry Only System of Registration.”

When not in book-entry form, ownership of any Bond is transferable upon surrender thereof to the Bond Registrar, together with an assignment duly executed by the registered owner or his attorney or legal representative, in such form as shall be satisfactory to the Bond Registrar. Upon any such transfer of ownership, the Bond Registrar will cause to be authenticated and delivered a new Bond or Bonds registered in the name of the transferee in any authorized denomination in the same aggregate principal amount, maturity, and interest rate as the Bonds surrendered for such transfer. When not in book-entry form, the Bonds may be exchanged for a like principal amount of Bonds of the same maturity and interest rate of other authorized denominations. For every exchange or registration of transfer, the Bond Registrar may charge an amount sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such exchange or registration of transfer, but no other charge may be made to the owner for any exchange or registration of transfer of the Bonds. When not in book-entry form, the Bond Registrar is not required to transfer or exchange any Bond after notice of redemption has been given or for 15 days prior to the giving of such notice.

#### **Authority for Issuance**

Ga. Const. Art. IX, § 5, ¶ 1(a) provides (1) that no political subdivision may incur any new debt without the assent of a majority of the qualified voters of such political subdivision voting in an election held for that purpose as provided by law and (2) that the debt incurred by any political subdivision may never exceed 10 percent of the assessed value of all taxable property within such political subdivision. Ga. Const. Art. IX, § 5, ¶ 6 requires a political subdivision, at or before the time of incurring bonded indebtedness, to provide for the assessment and collection of an annual tax sufficient in amount to pay the principal of and interest on the debt within 30 years from its incurrence.

The Bonds are authorized to be issued pursuant to an election in the School District held on November 7, 2023 (the “**Election**”), called in accordance with a referendum resolution adopted by the Board of Education of Taylor County on July 10, 2023, and will be issued pursuant to the authority granted by (i) Ga. Code Ann. § 20-2-480, (ii) Ga. Code Ann. § 36-82-1 et. seq. and (iii) the Bond Resolution. The canvass of the election showed 1,022 “Yes” votes and 188 “No” votes, an approximately 84.46% approval by those who voted in the election. The resolution calling the election and the notice of the election stipulated an interest rate for the Bonds not exceeding 7.0% per annum. The Bonds are being issued pursuant to the authority granted by (i) the Constitution and laws of the State of Georgia, (ii) the Election and (iii) the Bond Resolution.

#### **Disbursement and Investment of Bond Proceeds and Other Moneys**

*Bond Proceeds.* For a description of the manner in which the proceeds of the sale of the Bonds will be disbursed, see “PLAN OF FINANCING – Estimated Sources and Applications of Funds” herein. Prior to such use, said proceeds will be invested pending their disbursement. Ga. Code Ann. § 36-82-7 provides that the proceeds of the Bonds may be invested and reinvested by the governing authority of the School District in the following investments, and no others:

- (1) the local government investment pool created in Ga. Code Ann. 36-83-1 et. seq.;
- (2) bonds or obligations of the School District, the State or other states or of other counties, municipal corporations, and political subdivisions of the State;

(3) bonds or other obligations of the United States or of subsidiary corporations of the United States government which are fully guaranteed by such government;

(4) obligations of agencies of the United States government issued by the Federal Land Bank, the Federal Home Loan Bank, the Federal Intermediate Credit Bank, and the Central Bank for Cooperatives;

(5) bonds or other obligations issued by any public housing agency or municipal corporation in the United States, which such bonds or obligations are fully secured as to the payment of both principal and interest by a pledge of annual contributions under an annual contributions contract or contracts with the United States government, or project notes issued by any public housing agency, urban renewal agency, or municipal corporation in the United States which are fully secured as to payment of both principal and interest by a requisition, loan, or payment agreement with the United States government;

(6) certificates of deposit of national or state banks located within the State of Georgia which have deposits insured by the Federal Deposit Insurance Corporation and certificates of deposit of federal savings and loan associations and state building and loan or savings and loan associations located within the State of Georgia which have deposits insured by the Savings Association Insurance Fund of the Federal Deposit Insurance Corporation or the Georgia Credit Union Deposit Insurance Corporation, including the certificates of deposit of any bank, savings and loan association, or building and loan association acting as depository, custodian, or trustee for any such bond proceeds, provided the portion of the certificates of deposit in excess of the amount insured by the Federal Deposit Insurance Corporation, the Savings Association Insurance Fund of the Federal Deposit Insurance Corporation, or the Georgia Credit Union Deposit Insurance Corporation, if any, must be secured by deposit, with the Federal Reserve Bank of Atlanta, Georgia, or with any national or state bank or federal savings and loan association or state building and loan or savings and loan association located within the State of Georgia, of one or more of the following securities in an aggregate principal amount equal at least to the amount of such excess: direct and general obligations of the State of Georgia or of any county or municipal corporation in the State of Georgia, obligations of the United States or subsidiary corporations described in (3) above, obligations of the agencies of the United States government described in (4) above, or bonds, obligations, or project notes of public housing agencies, urban renewal agencies, or municipalities described in (5) above; and

(7) securities of or other interests in any no-load, open-end management type investment company or investment trust registered under the Investment Company Act of 1940, as from time to time amended, or any common trust fund maintained by any bank or trust company which holds such proceeds as trustee or by an affiliate thereof so long as:

(a) the portfolio of such investment company or investment trust or common trust fund is limited to the obligations described in paragraph (3) above and repurchase agreements fully collateralized by any such obligations,

(b) such investment company or investment trust or common trust fund takes delivery of such collateral either directly or through an authorized custodian,

(c) such investment company or investment trust or common trust fund is managed so as to maintain its shares at a constant net asset value, and

(d) securities of or other interests in such investment company or investment trust or common trust fund are purchased and redeemed only through the use of national or state banks having corporate trust powers and located within the State of Georgia.

(8) interest-bearing time deposits, repurchase agreements, reverse repurchase agreements, rate guarantee agreements, or other similar banking arrangements with a bank or trust company having capital and surplus aggregating at least \$50 million or with any government bond dealer reporting to, trading with, and recognized as a primary dealer by the Federal Reserve Bank of New York having capital aggregating at least \$50 million or with any corporation which is subject to registration with the Board of Governors of the Federal Reserve System pursuant to the requirements of the Bank Holding Company Act of 1956, provided that each such interest-bearing time deposit,

repurchase agreement, reverse repurchase agreement, rate guarantee agreement, or other similar banking arrangement shall permit the moneys so placed to be available for use at the time provided with respect to the investment or reinvestment of such moneys.

Other Moneys. Ga. Const. Art. IX, § 5, ¶ 6 requires the proceeds of the tax assessed and collected to pay the principal of and interest on the Bonds, together with any other moneys collected for this purpose, to be placed in a sinking fund to be used exclusively for paying the principal of and interest on the Bonds and to be held and kept separate and apart from all other revenues collected by the School District.

Ga. Code Ann. § 36-80-3 provides that the governing body of the School District may invest and reinvest money subject to its control and jurisdiction in:

- (1) obligations of the United States and of its agencies and instrumentalities,
  - (2) bonds or certificates of indebtedness of the State of Georgia and of its agencies and instrumentalities,
- and
- (3) certificates of deposit of banks which have deposits insured by the Federal Deposit Insurance Corporation; provided, however, that portion of such certificates of deposit in excess of the amount insured by the Federal Deposit Insurance Corporation must be secured by direct obligations of the State of Georgia or the United States which are of a par value equal to that portion of such certificates of deposit which would be uninsured.

Ga. Code Ann. § 36-83-4 provides that the governing body of the School District may invest and reinvest money subject to its control and jurisdiction in:

- (1) obligations of the State of Georgia or other states,
- (2) obligations issued by the United States government,
- (3) obligations fully insured or guaranteed by the United States government or United States government agency,
- (4) obligations of any corporation of the United States government,
- (5) prime banker's acceptances,
- (6) the local government investment pool established by Ga. Code Ann. § 36-83-8,
- (7) repurchase agreements, and
- (8) obligations of other political subdivisions of the State of Georgia.

Ga. Code Ann. § 45-8-14 provides that the School District shall designate one or more solvent banks, insured federal savings and loan associations, or insured state-chartered building and loan associations as depositories of moneys belonging to the School District. Ga. Code Ann. § 45-8-12 prohibits the School District from having on deposit at any one time in any depository for a time longer than ten days a sum of money which has not been secured by a surety bond, by federal deposit insurance, or by pledged securities, with a face value of not less than 110 percent of the public funds being secured after the deduction of the amount of deposit insurance. Ga. Code Ann. § 45-8-11 allows the Superintendent or the Comptroller of the School District, in his or her discretion, to waive the requirement for security in the case of operating funds placed in demand deposit checking accounts.

The School District presently deposits its general funds with Ameris Bank, Butler, Georgia. The School District may, in its discretion, but subject to the provisions of State law described in the above paragraph, deposit these funds with other financial institutions.

### Principal and Interest Requirements\*

The following are the principal and interest payment requirements with respect to the Bonds for the calendar years shown below. See “SCHOOL DISTRICT DEBT STRUCTURE” for information regarding the School District’s indebtedness.

Year Ending <u>December 31</u>	Principal <u>Amount*</u>	<u>Interest</u>	Annual Total Principal and Interest
2026	\$275,000		
2027	280,000		
2028	290,000		
2029	305,000		
2030	310,000		
2031	315,000		
2032	330,000		
2033	345,000		
2034	355,000		
2035	360,000		
2036	375,000		
2037	385,000		
2038	400,000		
2039	<u>410,000</u>		
<b>Total</b>	<b>\$4,735,000*</b>		

### Enforcement of Remedies

The realization of value from the pledge of the taxing power of the School District to the payment of the Bonds upon any default will depend upon the exercise of various remedies specified by State law. These remedies may require judicial actions, which are often subject to discretion and delay, and which may be difficult to pursue. The enforceability of rights or remedies with respect to the Bonds may be limited by state and federal laws, rulings, and decisions affecting remedies and by bankruptcy, insolvency, or other laws affecting creditors’ rights or remedies heretofore or hereafter enacted.

Ga. Code Ann. § 36-80-5 provides that no school district created under the Constitution or laws of the State shall be authorized to file a petition for relief from payment of its debts as they mature or a petition for composition of its debts under any federal statute providing for such relief or composition or otherwise to take advantage of any federal statute providing for the adjustment of debts of political subdivisions and public agencies and instrumentalities. Ga. Code Ann. § 36-80-5 also provides that no chief executive or other governmental officer, governing body, or organization shall be empowered to cause or authorize the filing by or on behalf of any school district created under the Constitution or laws of the State of any petition for relief from payment of its debts as they mature or a petition for composition of its debts under any federal statute providing for such relief or composition or otherwise to take advantage of any federal statute providing for the adjustment of debts of political subdivisions and public agencies and instrumentalities.

### Limitations on Remedies Available to Owners of 2024 Bonds

*No Acceleration.* There is no provision for acceleration of maturity of the principal of the Bonds in the event of a default in the payment of principal of or interest on the Bonds. Consequently, remedies available to the owners of the Bonds may have to be enforced from year to year.

*Bankruptcy; Federal Lien Power and Police Power.* The enforceability of the rights and remedies of the owners of the Bonds and the obligations incurred by the School District in issuing the Bonds are subject to the federal bankruptcy code and applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or affecting the enforcement of creditors’ rights generally, now or hereafter in effect; usual equity principles which may



limit the specific enforcement under State law of certain remedies; the exercise by the United States of America of the powers delegated to it by the federal Constitution; the power of the federal government to impose liens in certain situations; and the reasonable and necessary exercise, in certain exceptional situations, of the police power inherent in the sovereignty of the State and its governmental bodies in the interest of serving a significant and legitimate public purpose. Bankruptcy proceedings or the exercise of powers by the federal or State government, if initiated, could subject the owners of the Bonds to judicial discretion and interpretation of their rights in bankruptcy or otherwise, and consequently may entail risks of delay, limitation, or modification of their rights.

No Trustee. There is no bond trustee or similar person or entity to monitor or enforce the provisions of the Bond Resolution on behalf of the owners of the Bonds, and therefore the owners should be prepared to enforce such provisions themselves if the need to do so ever arises.

### **Book-Entry Only System of Registration**

The Bonds will be available only in book-entry form in the principal amount of \$5,000 or any integral multiple thereof. DTC will act as the initial securities depository for the Bonds. The ownership of one fully registered Bond for each maturity of the Bonds, as set forth on the inside cover page of this Official Statement, in the aggregate principal amount of such maturity coming due thereon, will be registered in the name of Cede & Co., as nominee for DTC. See APPENDIX B – Book-Entry Only System of Registration.

SO LONG AS CEDE & CO, AS NOMINEE OF DTC, IS THE REGISTERED OWNER OF THE BONDS, REFERENCES IN THIS OFFICIAL STATEMENT TO THE OWNERS WILL MEAN CEDE & CO. AND WILL NOT MEAN THE BENEFICIAL OWNERS.

Neither the School District nor the Bond Registrar and Paying Agent will have any responsibility or obligation to DTC’s Direct Participants or Indirect Participants (each as defined in APPENDIX B), or the persons for whom they act as nominees, with respect to the payments to or the providing of notice for the Direct Participants, the Indirect Participants or the beneficial owners of the Bonds as further described in APPENDIX B to this Official Statement.

## **SECURITY AND SOURCES OF PAYMENT FOR THE BONDS**

### **Generally**

The Bonds are general obligations of the School District and, except to the extent that they may be paid from other revenues of the School District (in particular, the Sales Tax for Education, which is defined below), are payable, as to both principal and interest from ad valorem taxes that may be levied, without limitation as to rate or amount, upon all taxable property within the territorial limits of the School District subject to taxation for school bond purposes.

The School District plans to pay a portion of the interest and principal on the Bonds from the separate account in which are placed the proceeds received by the School District from the 2024 to 2029 School Tax (as defined below) to the extent lawfully available. The Bonds are also payable from any state appropriation to which the School District may be entitled, which the State Board has been authorized to withhold from the School District and transfer to the Paying Agent under certain circumstances.

### **General Obligations**

Prior to the issuance of the Bonds, the County, upon the recommendation of the School District, as required by law, will levy an ad valorem tax on all taxable property within the School District subject to taxation for school bond purposes in an amount sufficient to pay the principal of and interest on the Bonds as the same becomes due and payable. See “SCHOOL DISTRICT DEBT STRUCTURE and “SCHOOL DISTRICT AD VALOREM TAXATION” herein for a discussion of the School District’s outstanding debt and legal ability to incur future indebtedness and for a discussion of School District ad valorem taxation.

## Sales Tax for Education

State law authorizes the Board of Education by resolution to impose, levy, and collect a sales and use tax for educational purposes of the School District at the rate of 1% and for a period of time not to exceed five (5) years, conditioned upon approval by a majority of the qualified voters of the County voting in a referendum thereon (the “**Sales Tax for Education**”). Said tax is and will be imposed on retail purchase, retail sale, rental, storage, use, or consumption of tangible personal property and on services within the County, subject to numerous exemptions, including sales of certain governmental entities and to certain non-profit organizations, professional, insurance and personal service transactions, sales of certain agricultural products, sales to and by certain agricultural enterprises, sales of certain types of manufacturing equipment, the sale or use of certain types of industrial materials, and sales of prescription drugs, certain medical devices and equipment, and lottery tickets.

Pursuant to State law in the amendment to the Constitution of the State ratified on November 5, 1996 and the laws of the State, including Article 3 of the Sales Tax Act (Ga. Code Ann. § 48-8-140, *et seq.*, as amended), the School District held an election in which the qualified voters voting in said election authorized the levy and collection of the first one percent (1%) sales and use tax for educational purposes (the “**1997 to 2002 School Tax**”), the collection of which began on July 1, 1997 and ended on June 30, 2002. Since the authorization of the 1997 to 2002 School Tax, the School District has authorized and received voter approval to impose a one percent (1%) sales and use tax for educational purposes six additional times, most recently pursuant to an election held in the School District on November 7, 2023, the School District authorized the continuation of the “**2019 to 2024 School Tax**,” which began on July 1, 2019 and is scheduled to end the earlier of June 30, 2024 or the end of the quarter in which collections reach \$4,800,000. The collection of the “**2024-2029 School Tax**” is scheduled to begin on the first day of the calendar quarter immediately following the quarter in which the 2019 to 2024 School Tax collection limit is reached, or July 1, 2024, and will end the earlier of June 30, 2029, or the end of the quarter in which collections reach \$9,000,000.

### Permitted Uses

State law provides that the Sales Tax for Education shall be exclusively administered and collected by the Revenue Commissioner for the use and benefit of the School District. The proceeds of the Sales Tax for Education collected by the Revenue Commissioner must be disbursed to the School District as soon as practicable after collection, after deducting one percent of the amount collected for the state treasury to defray the costs of administration.

State law provides that the proceeds received from the Sales Tax for Education shall be used by the School District exclusively for the purpose or purposes specified in the resolution calling for reimposition of the Sales Tax for Education. Such proceeds are required by State law to be kept in a separate account from other funds of the School District and may not in any manner be commingled with other funds of the School District prior to expenditure. The School District has covenanted in the Bond Resolution that it shall use the proceeds of 2024-2029 School Tax to pay a portion of the debt service on the Bonds to the extent such proceeds are lawfully available for such purpose.

### Historical Collections

Set forth below are historical collections of the Sales Tax for Education for the 2019 through 2023 calendar years and the first six months of the 2024 calendar year, which indicates a 7.59% decrease in collections over the first six months of 2023. These historical collections are indicative of anticipated collections of the 2024-2029 School Tax; provided, however, there can be no assurance that future collections will equal or exceed past collections.

<u>Year</u>	<u>Sales Tax for Education Collections</u>
2019	\$889,395
2020	1,008,900
2021	1,027,151
2022	1,352,201
2023	1,486,502
2024 <sup>1</sup>	688,813

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<sup>1</sup> As of June 30, 2024.

## **State Aid Interception**

Prior to the issuance of the Bonds, the Board of Education, pursuant to Ga. Code Ann. § 20-2-480, will notify the State Board of the proposed issuance of the Bonds and authorize and direct the State Board to withhold from the School District sufficient moneys from any State appropriation to which the School District may be entitled and to apply so much of such moneys as shall be necessary to the payment of the principal of and interest on the Bonds then due. Thereafter, if the Paying Agent for the Bonds notifies the State Board that the School District has failed to punctually pay the principal of or interest on the Bonds, the State Board is authorized to and shall withhold from any State appropriation to which the School District may be entitled and apply so much thereof as shall be necessary to the payment of the principal of and interest on the Bonds then due.

The amounts subject to interception by the State Board for the benefit of the owners of the Bonds will depend upon the amount and timing of annual appropriations made by the General Assembly of the State of Georgia to the School District. See “SCHOOL DISTRICT FINANCIAL INFORMATION – General Fund History” herein for the amounts paid to the School District by the State of Georgia for general operating purposes over the past five fiscal years. The State of Georgia disburses the amount committed to the School District for each fiscal year in twelve approximately equal installments on or before the last day of each month of such fiscal year. The timing of the payment of any amounts subject to interception by the State Board to the Paying Agent for the benefit of the owners of the Bonds will depend upon the ability of the State Board to promptly liquidate investments of money appropriated but not disbursed by the General Assembly of the State of Georgia to the School District. No assurance can be given concerning the timing or amounts of future appropriations by the General Assembly of the State of Georgia to the School District or the timing of the payment of any amounts subject to interception by the State Board to the Paying Agent.

The State paid to the School District approximately \$10,549,669 during fiscal year 2023 and has committed to pay to the School District approximately \$10,287,478 during fiscal year 2024 for general operating purposes. The State disburses the amount committed to the School District for each fiscal year in twelve approximately equal installments on or before the last day of each month of such fiscal year. The timing of the payment of any amounts subject to interception by the State Board to the Paying Agent for the benefit of the owners of the Bonds will depend upon the ability of the State Board to promptly liquidate investments of money appropriated but not disbursed by the General Assembly of the State to the School District. No assurance can be given concerning the timing or amounts of future appropriations by the General Assembly of the State to the School District or the timing of the payment of any amounts subject to interception by the State Board to the Paying Agent.

## **THE SCHOOL DISTRICT**

### **Introduction**

The School District is a political subdivision of the State, separate from and legally and fiscally independent of the County. The boundaries of the School District are coextensive with the territorial limits of the County. The School District is the only school district in the County and is vested with the power to conduct a system of public education within the territorial limits of the County.

The School District’s school system serves all of the area within the County. Funds for the general maintenance and operation of the School District are derived from local, state, and federal sources. Local revenues consist primarily of ad valorem property taxes. See “SCHOOL DISTRICT AD VALOREM TAXATION.” Funds received from the State are determined by certain formulas, generally based upon the number of students served and the relative wealth of the school system in relation to other school systems in Georgia, established by the Georgia Department of Education. Funds received from the federal government are primarily for programs for disadvantaged and handicapped students and for the school food service program.

All schools in the school system are accredited by COGNIA and the Georgia Accrediting Commission. In addition, all schools in the School District meet the Standards for Public Schools in Georgia.

## Board of Education

Under State law, the School District is confined to the control and management of the Board of Education. The Board of Education is composed of six members serving four-year terms. The names, expiration of terms of office and years in office of all Board members is set forth below:

<u>Name</u>	<u>Title</u>	<u>Expiration of Current Term</u>	<u>Principal Occupation</u>	<u>Years in Office as of January 1, 2024</u>
Mr. Wayne McInvale	Chairperson	December 31, 2024	Fertilizer Manager	3
Mr. Wes Summers	Vice-Chairperson	December 31, 2024	Retired	3
Mrs. Mary Bentley	Member	December 31, 2024	Retired	11
Mr. Greg Brown	Member	December 31, 2024	Manager	7
Dr. Glenda Latimore	Member	December 31, 2024	Retired	7

## School District Management

**Superintendent.** The School Superintendent of the School District (the “**Superintendent**”) is the executive officer of the Board of Education and is appointed by the Board of Education under written contract for a term of not less than one year and not more than three years. The Superintendent acts as the Secretary of the Board of Education, ex officio. No person will be eligible to be appointed or employed as Superintendent unless such person is of good moral character, has never been convicted of any crime involving moral turpitude, and possesses acceptable business or management experience as specified by the Professional Standards Commission or the minimum valid certificate or a letter of eligibility for such certificate required by the Professional Standards Commission.

*Mrs. Jennifer Albritton.* Ms. Albritton has served as Superintendent of Taylor County Schools since November 1, 2016. She has 23 years in public education and holds a Master of Accountancy degree from the University of Georgia, and she is a certified public accountant. Prior to becoming Superintendent, Mrs. Albritton served as the Finance Director for the District.

**Chief Financial Officer.** The Chief Financial Officer (the “**CFO**”) of the School District provides financial leadership, which includes developing the general fund budget, making investment and borrowing recommendations, recommending the mileage rate for school taxes, and providing financial direction to the Superintendent and the Board of Education. The CFO also directs the finance, auditing, and purchasing activities of the School District to ensure fiscal responsibility.

*Mrs. Amy Lloyd, Finance Officer.* Ms. Lloyd is the Director of Finance for the School District and has been employed in the position since June 30, 2017. She has 30 years of accounting experience. Prior to working for the School District, Ms. Lloyd worked in the accounting department of Public Service Telephone.

## Schools and Enrollment

The following table provides information about the School District’s school buildings and enrollment.

<u>Name of School</u>	<u>Grades</u>	<u>Enrollment</u> <sup>1</sup>	<u>Size of Site (acres)</u>	<u>Number of Classrooms</u> <sup>2</sup>	<u>Percent Occupied</u>
Taylor County Primary	PK-2	330	27.9	34	100%
Taylor County Elementary	3-5	246	46.7 <sup>3</sup>	64 <sup>3</sup>	100
Taylor County Middle School <sup>3</sup>	6-8	252	46.7 <sup>3</sup>	64 <sup>3</sup>	100
Taylor County High School <sup>3</sup>	9-12	367	46.7 <sup>3</sup>	64 <sup>3</sup>	100
Total		1,195			

<sup>1</sup> As of March 7, 2024 (FTE 2024-3).

<sup>2</sup> Includes cafeterias, libraries, shops, gymnasiums, auditoriums, and art and music classrooms.

<sup>3</sup> The Elementary School, Middle School, and the High School are located on the same campus as of the 2023 -2024 school year.

## Enrollment

Set forth below is information concerning enrollment in the School District’s school system over the past five full school years. Enrollment is counted twice per year – typically once in October and once in March – and State funding of school systems in Georgia is primarily based on enrollment count (often referred to as “full-time equivalent” or “FTE”).

School Year	Pre-K	Kinder- garten	1	2	3	4	5	6	7	8	9	10	11	12	Total
18-19 <sup>1</sup>	73	102	93	93	94	104	104	107	98	117	109	109	103	94	1,400
19-20 <sup>2</sup>	62	94	82	89	90	90	101	100	97	108	127	93	95	93	1,321
20-21 <sup>3</sup>	63	98	92	81	93	94	86	102	94	99	99	99	83	84	1,267
21-22 <sup>4</sup>	67	87	96	87	78	86	93	85	85	100	96	83	95	82	1,220
23-24 <sup>5</sup>	64	83	92	91	83	77	86	83	83	86	97	93	82	95	1,195

<sup>1</sup> As of March 5, 2020 (FTE 2020-3).

<sup>2</sup> As of March 4, 2021 (FTE 2021-3).

<sup>3</sup> As of March 4, 2022 (FTE 2022-3).

<sup>4</sup> As of March 2, 2023 (FTE 2023-3).

<sup>5</sup> As of March 7, 2024 (FTE 2024-3).

## Employees, Employee Relations, and Labor Organizations

During the 2023-2024 school year, there were 203 full-time and 25 part-time personnel serving 1,195 students in the various schools. Specialists are available in the fields of speech, hearing, vision, and psychological testing, as well as for learning disabled, intellectually disabled, hospital/home bound, and gifted children. The 2023-2024 estimated pupil-teacher ratio for the School District was approximately 5 to 1, including non-teaching personnel such as counselors and media specialists.

All teachers in the school system hold bachelor’s degrees, many have master’s degrees, and some have specialist’s or doctoral degrees. All staff is required to seek professional and personal growth through formal study and staff development workshops.

The School District’s employees are further categorized as follows:

<u>Category of Employee</u>	<u>Number Employed As of October 18, 2023</u>
Classroom Teachers	110
Administrators and Supervisors	14
Media Specialists, Social Workers, Psychologists, and Guidance Counselors	11
Aides and Clerical	39
Transportation and Maintenance	18
Food Service and Custodians	22
Professional/Technical Support	9
Other	<u>5</u>
Total	228

No employees of the School District are represented by labor organizations or are covered by collective bargaining agreements, and the School District is not aware of any union organizing efforts at the present time. The Superintendent believes that employee relations are good.

## SCHOOL DISTRICT DEBT STRUCTURE

### Summary of Debt by Category\*

Set forth below is information concerning debt of the School District. The information set forth below should be read in conjunction with the School District's financial statements included as APPENDIX A hereto.

<u>Category of Obligation</u>	<u>Amount Authorized but Unissued</u>	<u>Amount Outstanding</u>	<u>Amount to be Outstanding Upon Issuance of the Bonds</u>
General Obligation Bonds <sup>1</sup>	\$5,755,000 <sup>2</sup>	\$12,230,000 <sup>3</sup>	\$16,965,000 <sup>5*</sup>
Capital Leases	<u>-</u>	<u>31,059<sup>4</sup></u>	<u>31,059</u>
TOTAL	<u>\$5,755,000</u>	<u>\$12,261,059</u>	<u>\$16,996,059*</u>

<sup>1</sup> General obligations of the School District to which its full faith and credit and taxing power are pledged.

<sup>2</sup> Consisting of the Bonds and \$755,000 of unissued remaining maturities from the School District's General Obligation Bonds, Series 2020.

<sup>3</sup> Consisting of the School District's General Obligation Bonds, Series 2020, issued on January 13, 2020, which are scheduled to mature on September 1, 2039.

<sup>4</sup> As of June 30, 2023.

<sup>5</sup> Consisting of the Series 2020 Bonds and the Bonds.

### Proposed Debt

At the Election, the voters of the School District voted and approved the issuance of general obligation debt in the maximum aggregate principal amount of \$5,000,000.

### Limitations on School District Debt\*

The Constitution of the State provides that the School District may not incur long-term obligations payable out of general property taxes without the approval of a majority of the qualified voters of the School District voting at an election called to approve the obligations. In addition, under the Constitution of the State, the School District may not incur long-term obligations payable out of general property taxes in excess of ten percent of the assessed value of all taxable property within the School District. The County and each municipality within the County may also incur general obligation debt up to the ten percent limitation. In addition, refunded obligations and amounts deposited into a sinking fund cease to count against the School District's debt limitations.

Short-term obligations (those payable within the same calendar year in which they are incurred), lease and installment purchase obligations subject to annual appropriation and intergovernmental obligations are not subject to the legal limitations described above; provided, however, the total combined payments for lease, installment purchase obligations and intergovernmental contracts cannot exceed seven and one-half percent of the total local revenue collected in the prior fiscal year for maintenance and operation of the School District. In addition, refunded obligations and amounts deposited into a sinking fund cease to count against the School District's debt limitations.

As computed in the table below, based upon the 2023 assessed value and after the issuance of the Bonds, the School District could incur (upon necessary voter approval) approximately \$10,776,622\* in additional long-term obligations payable out of general property taxes (or general obligation bonds).

Computation of Legal Debt Margin\*

Assessed Value of Taxable Property as of 2023	\$326,089,013
Less: M&O Bond Exemptions <sup>1</sup>	<u>48,362,208</u>
Net General Obligation Bond Tax Digest	277,726,805
Debt Limit (10% of Net General Obligation Bond Digest)	27,772,681
Amount of Debt Applicable to Debt Limit	<u>16,996,059*</u>
Legal Debt Margin	<u>\$10,776,622*</u>

<sup>1</sup> G.O. Bond Exemptions were not calculated. Accordingly, M&O Exemptions have been used as an estimate.

**Overlapping Debt**

In addition to the School District’s debt obligations, property owners in the School District are responsible for any debt obligations of other taxing entities in the proportion to which the jurisdiction of the School District overlaps such entities. Set forth below is the estimated overlapping general obligation debt and estimated overlapping property tax supported or guaranteed revenue debt of the School District upon issuance of the Bonds. Although the School District has attempted to obtain accurate information as to the outstanding overlapping debt, it does not warrant its completeness or accuracy, as there is no central reporting entity that has this information available, and the amounts are based on information supplied by others.

<u>Name of Overlapping Entity</u> <sup>6</sup>	2023		Outstanding G.O. Debt Attributable to the School District <sup>2</sup>	
	<u>Assessed Valuation</u> <sup>1</sup>	<u>Outstanding G.O. Debt</u>	<u>Percent</u>	<u>Amount</u>
Taylor County, Georgia <sup>3</sup>	\$326,089,013	\$829,468 <sup>3</sup>	100.00%	\$829,468 <sup>3</sup>
Butler, Georgia <sup>4</sup>	32,162,759	1,928,030 <sup>4</sup>	100.00	1,928,030 <sup>4</sup>
Reynolds, Georgia <sup>5</sup>	31,147,879	<u>160,265<sup>5</sup></u>	100.00	<u>160,265<sup>5</sup></u>
<b>Total:</b>		<b><u>\$2,917,763</u></b>		<b><u>\$2,917,763</u></b>

<sup>1</sup> Real & Personal Property include the following: residential, residential transitional, agricultural, preferential, conservation use, forest land conservation use, commercial, industrial, timber (100%), and heavy equipment.

<sup>2</sup> The percentage of each entity’s outstanding debt attributable to the School District is calculated by comparing the assessed valuation of the portion overlapping the School District to the total assessed valuation of the overlapping entity. To the extent the School District’s assessed valuation changes disproportionately with the assessed valuation of overlapping entities, the percentage of debt for which property owners within the County are responsible will also change.

<sup>3</sup> The debt of the County consists of Financed Purchases. As of June 30, 2023.

<sup>4</sup> The debt of the City of Butler consists of Financed Purchases and a Georgia Environmental Finance Authority loan. Excludes revenue bonds for which tax revenues are not pledged. As of September 30, 2023.

<sup>5</sup> The debt of the City of Reynolds consists of Financed Purchases. Excludes revenue bonds for which tax revenues are not pledged. As of June 30, 2022.

<sup>6</sup> Outstanding debt information is unavailable for Howard.

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## Tax Supported Debt Ratios\*

The following table sets forth certain debt ratios following issuance of the Bonds:

	<u>Direct Tax Supported Debt</u>	<u>Overlapping Tax Supported Debt</u>	<u>Overall Tax Supported Debt</u>
Per Capita Debt <sup>1</sup>	\$2,179	\$374	\$2,553
Percentage of Gross Tax Digest <sup>2</sup>	5.21%	0.89%	6.11%
Percentage of Fair Market Value <sup>3</sup>	2.10%	0.36%	2.46%
Per Capita Debt as Percentage of Per Capita Income <sup>4</sup>	5.72%	0.98%	6.70%

<sup>1</sup> Based upon estimated 2022 population figure of 7,799.

<sup>2</sup> Based upon 2023 Gross Tax Digest of \$326,089,013.

<sup>3</sup> Based on 2023 estimated actual value of \$808,365,118.

<sup>4</sup> Based upon 2022 per capita income figure of \$38,099.

## Debt History

Set forth below is information concerning long-term and short-term liabilities of the School District outstanding as of the end of fiscal years 2019 through 2023. For a complete description of the School District's liabilities, see APPENDIX A – Statement of Net Position, Balance Sheet, and Notes 2, 7, 13, and 14.

Category of Liabilities	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Short-Term <sup>1</sup>	\$1,677,576	\$2,120,206	\$3,026,408	\$5,223,027	\$7,839,875
Long-Term	-	16,291,497	15,538,068	14,932,412	14,260,263
Net Pension Liability <sup>2</sup>	12,193,100	13,532,512	15,266,637	5,635,521	19,807,879
Net OPEB Liability <sup>3</sup>	<u>11,124,668</u>	<u>10,792,002</u>	<u>13,240,789</u>	<u>10,053,932</u>	<u>8,989,019</u>
Total	<u>\$24,995,344</u>	<u>\$42,736,217</u>	<u>\$47,071,902</u>	<u>\$35,844,891</u>	<u>\$50,897,035</u>

<sup>1</sup> Short-term liabilities include Accounts Payable, Salaries and Benefits Payable, Interest Payable, Claims Incurred but not Reported (IBNR), Contracts Payable, Retainages Payable, Deposits and Unearned Revenues and the portion of Long-Term Liabilities due within one year.

<sup>2</sup> Includes the School District's proportionate share of the net pension liability as a participant in the Teachers Retirement System of Georgia and Employment Retirement System of Georgia.

<sup>3</sup> Includes the School District's proportional share of net OPEB liability.

## SCHOOL DISTRICT AD VALOREM TAXATION

### Introduction

An important source of revenue to fund the operations of the School District is ad valorem property taxes. Ad valorem property taxes are levied annually in mills (one tenth of one percent) upon each dollar of assessed property value.

*COVID-19 Impacts; Future Negative Actions Possible.* The Governor, State agencies and the General Assembly took several actions in response to COVID-19 that impacted the administration of property taxes, such as extending filing deadlines, extending deadlines for the payment of property taxes and authorizing county treasurers to waive delinquent interest on late property tax payments for a period of time in 2020. It is not possible to know whether Governor Kemp will issue additional executive orders relating to COVID-19 (or future emergencies of any type) authorizing county treasurers to extend payment deadlines and waive interest. There is no guarantee that additional executive orders or legislation deferring the payment of property taxes to a later date, permanently waiving interest, or forgiving property tax liability in its entirety will occur and, if these or similar measures are adopted into law, the receipt of property taxes by the School District may be delayed or reduced, and such reduction could be material.



## **Property Subject to Taxation**

Ad valorem property taxes are levied, based upon value, against real and personal property within the School District. There are, however, certain classes of property that are exempt from taxation, including public property, religious property and places of burial, charitable property, property of nonprofit hospitals, nonprofit homes for the aged, and nonprofit homes for the mentally handicapped, property used as a college or other seminary of learning, public library property, livestock and plants, qualified farm products, certain air and water pollution control property, and personal effects. In addition, there are exemptions from ad valorem taxation for school bond purposes for certain residences owned by the elderly, by the disabled or by veterans. Manufacturing and distribution businesses within the School District are allowed a “freepoint” exemption for certain inventory as authorized by the Constitution of the State of Georgia.

Governmental entities are not permitted under State law to reduce or abate a company’s property taxes. When a community wants to offer economic incentives to a company in order to create or retain jobs, the company’s property is transferred to a development authority and leased back to the company. The development authority’s fee ownership interest in the property becomes “public property” exempt from ad valorem taxation as described above. The company may or may not be taxed on the value of its leasehold interest. The School District does not have control over the willingness of the development authorities in the County to accept title to property in order to provide economic incentives. Therefore, property could be removed from the School District’s digest without the School District’s consent.

## **Assessed Value**

Assessed valuation, which represents the value upon which ad valorem property taxes are levied, is calculated as a percentage of fair market value. State law requires taxable tangible property to be appraised at its fair market value and to be taxed on a levy made by each respective tax jurisdiction on the assessed value which, with certain exceptions, is 40% of the property’s fair market value. State law requires certain agricultural real property, certain historical property, certain agricultural, timber, and environmentally sensitive real property and certain single-family real property located in transitional developing areas to be valued and assessed in preferential manners.

The chief appraiser of the County is required to submit a certified list of assessments for all taxable property, except motor vehicles and property owned by public utilities, within the County to the County Board of Tax Assessors. The Tax Commissioner of the County is required to present the tax returns of the County to the County Board of Tax Assessors by April 1 of each year. The County Board of Tax Assessors is required to complete its revision and assessment of returns by July 1 of each year and to forward a copy of the completed digest to the State of Georgia Revenue Commissioner for examination and approval. The State of Georgia Revenue Commissioner has the authority to examine the digest for the purpose of determining if the valuations of property are reasonably uniform and equalized between and within counties. Assessments are subject to review by filing an appeal to the Board of Tax Assessors, the County Board of Equalization or arbitration and then to state courts.

The State of Georgia Motor Vehicle Tax Unit assesses the value of motor vehicles by make, model, and year by county and provides this information to each county tax office, which issues assessments. The State Board of Equalization approves the digest containing the values of the property of public utilities, issues proposed assessments to the utilities and provides these amounts to the County Board of Tax Assessors, which issues final assessments to the utilities within 30 days of notification by the State of Georgia.

## **Annual Tax Levy and Limitation on Annual Tax Levy**

Neither the School District nor the Board of Education has the power to levy ad valorem property taxes. The Board of County Commissioners of the County annually levies the ad valorem property taxes for the School District. The Board of Education is required by State law to annually certify to the Board of County Commissioners the rate of levy needed to produce the necessary amount of property tax revenues to support and maintain the School District’s school system. The Board of Education determines a rate of levy for each fiscal year by computing a rate which, when levied upon the assessed value of taxable property within the territorial limits of the School District, will produce the necessary amount of property tax revenues. Under State law, the Board of County Commissioners is required to

annually levy the ad valorem property tax certified to it by the Board of Education, upon the assessed value of all taxable property within the School District.

Under State law, the annual rate of levy for the support and maintenance of the School District's school system may not exceed 20 mills. This 20-mill limitation may be increased or removed by action of the Board of Education, but only after such action has been approved by a majority of the qualified voters of the School District. **Under State law, there is no limitation on the annual rate of levy for the payment of principal of and interest on bonded indebtedness of the School District.** Ad valorem property taxes received for the payment of debt service on general obligation bonds of the School District are required by law to be held and accounted for separately from other funds of the School District. See "THE BONDS – Disbursement and Investment of Bond Proceeds and Other Moneys" herein.

### **Property Tax Collections**

The County bills and collects the property taxes of the School District on behalf of the School District. Under State law, the tax collector of the County is required to pay over to the School District on a bi-weekly basis all taxes collected for school purposes, after deducting a commission for collecting the taxes. The County charges the School District a collection fee of 2.5% of taxes collected for the School District. Real and personal property taxes are levied each year based upon the assessed value as of January 1. Taxes levied by the County on January 1 are normally billed on October 20 and are due on or before December 20 of each year. Interest on taxes paid after the due date accrue interest at an annual rate equal to the Federal Prime rate as published each January plus 3%. In addition, a penalty equal to 5% of the principal amount owed is assessed upon taxes unpaid 120 days after the due date, with an additional 5% assessed each 120 days thereafter up to a maximum aggregate penalty of 20% of the principal amount.

All taxes levied on real and personal property, together with interest thereon and penalties for late payment constitute a perpetual lien on and against the property taxed. State law provides that taxes must be paid before any other debt, lien, or claim of any kind, except for certain claims against the estate of a decedent and except that the title and operation of a security deed is superior to the taxes assessed against the owner of property when the tax represents an assessment upon property of the owner other than the property specifically subject to the title and operation of the security deed.

Collection of delinquent real property taxes is enforceable by tax sale of the realty. Delinquent personal property taxes are similarly enforceable by seizure and sale of the taxpayer's personal property. There can be no assurance, however, that the value of property sold, in the event of a tax sale, will be sufficient to produce the amount required to pay in full the delinquent taxes, including any interest or penalties thereon.

When the last day for the payment of taxes has arrived, the tax commissioner notifies the taxpayer in writing of the fact that the taxes have not been paid and that, unless paid, an execution will be issued. The tax commissioner is not required to notify delinquent taxpayers regarding personal property taxes, and executions may be issued on the first day following the last day for payment of taxes. At any time after 30 days from giving the notice described in the preceding sentence, the Sheriff issues an execution for nonpayment of taxes. The Sheriff then publishes a notice of the sale in a local newspaper weekly for four weeks and gives the taxpayer 10 day's written notice by registered or certified mail. A public sale of the property is then made by the Sheriff at the Taylor County Courthouse on the first Tuesday of the month after the required notices are given.

### **Appeals**

Taxpayers in Georgia must be notified in writing of increases in property valuations and have the right to appeal such revaluations. As such, property valuations are subject to review at various stages by arbitrators, boards of equalization and state courts. In addition, a county's failure to deliver its tax digest to the State, to properly appraise property pursuant to Georgia standards and procedures or to reassess properties can result in delays in the collection of ad valorem taxes on property and/or substantial penalties. To the extent that a county's tax digest is not permitted to be certified by the State of Georgia Revenue Commissioner, a county may, under certain conditions, seek an order from the superior court of such county authorizing immediate and temporary collection of taxes until such time as the matter affecting approval of the tax digest is resolved. In such cases, judges of the superior court have discretion to set the temporary millage rate of valuation based on the previous year's millage rate and valuation.

## Historical Property Tax Data

The following table presents the assessed value (40% of fair market value) of taxable property within the School District for the last five calendar years.

<u>ASSESSED VALUES:</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Real & Personal Property <sup>1</sup>	\$231,054,711	\$236,500,050	\$243,472,420	\$254,297,074	\$274,165,955
Public Utilities	33,997,630	34,951,570	40,031,663	40,951,022	41,244,332
Motor Vehicles	5,391,890	4,173,060	3,795,120	3,658,160	3,667,620
Mobile Homes	1,896,745	1,807,759	1,961,372	2,197,473	2,367,338
Timber (100%)	3,076,708	4,142,534	4,779,879	3,975,549	4,571,610
Heavy Equipment	290,320	228,954	92,567	88,521	72,158
Gross Digest	\$275,708,004	\$281,803,927	\$294,133,021	\$305,167,799	\$326,089,013
School Bond Exemptions	0	0	0	0	0
Net Bond Digest	\$275,708,004	\$281,803,927	\$294,133,021	\$305,167,799	\$326,089,013
M & O Exemptions <sup>2</sup>	44,587,527	44,422,190	44,805,747	41,724,963	48,362,208
Net M&O Digest <sup>3</sup>	\$231,120,477	\$237,381,737	\$249,327,274	\$263,442,836	\$277,726,805
Estimated Actual Value	\$684,654,948	\$698,296,017	\$728,162,734	\$756,956,174	\$808,365,118

<sup>1</sup> Real & Personal Property include the following: residential, residential transitional, agricultural, preferential, conservation use, forest land conservation use, commercial and industrial.

<sup>2</sup> Total assessed value, after deducting exemptions, for purposes of levying tax for the School District's general obligation bonds.

<sup>3</sup> Total assessed value, after deducting exemptions, for purposes of levying tax for the support and maintenance by the School District.

Source: Georgia Department of Revenue

## Property Tax Levies and Collections

The following table reflects the maintenance and operations tax levy and collection record for property in the School District for the last five fiscal years.

Fiscal Year <sup>1</sup>	Current Year's (M&O) Total Tax Levy <sup>2</sup>	School District's Total Tax Collections <sup>3</sup>	Percentage of Total Tax Collections to Levy	Taxes Outstanding as of Calendar Year End	Percentage of Delinquent Taxes to Tax Levy <sup>4</sup>
2019	\$3,510,754	\$3,519,640.54	100.25%	\$307,516.44	8.76%
2020	3,591,612	3,535,088.70	98.43	459,695.92	12.80
2021	3,634,314	3,963,364.79	109.05	594,448.62	16.36
2022	3,787,281	4,037,234.98	106.60	304,460.03	8.04
2023	3,906,857	4,144,452.83	106.08	193,002.10	4.94

<sup>1</sup> July 1 of the preceding calendar year to June 30 of each year stated above. Collections of taxes are one year behind the fiscal year.

<sup>2</sup> The Tax Levy is based on the full tax digest to include Real and Personal Property, Public Utilities, Motor Vehicles, Mobile Homes, and Timber (100%) whereas the collections on behalf of the School District are based only on Real & Personal Property portion of the digest.

<sup>3</sup> Relates to the preceding calendar year tax digest and millage rates. Includes interest on delinquent taxes, broken covenants, and collections from properties that were not on the digest. Does not take into account errors and releases and 2.5% commission from the School District to the County. Collections are based on real property tax bills only.

<sup>4</sup> Includes the percentage of delinquent tax of the Total Tax Levy for each Fiscal Year reported as of December 31 of each year of the levy.

Source: Taylor County Tax Commissioner.

## Millage Rates

Set forth below is information concerning the rate of levy of property taxes per \$1,000 of assessed value, or millage rates, of the School District and all overlapping governments for the past five calendar years.

Calendar Year	School District		County		City and State Direct Rates		
	M&O <sup>1</sup>	Bond	Unincorporated	Incorporated	Butler	Reynolds	State of Georgia
2019	15.540	0.000	8.570	10.700	9.070	12.660	0.000
2020	15.310	0.000	8.415	10.640	9.070	12.634	0.000
2021	15.190	0.000	8.340	10.570	8.991	12.600	0.000
2022	14.830	0.000	8.140	10.320	8.786	12.690	0.000
2023	14.450	0.000	7.950	9.680	8.786	16.411	0.000

<sup>1</sup> The legal limit is 20 mills. See "SCHOOL DISTRICT AD VALOREM TAXATION – Annual Tax Levy."  
Sources: Georgia Department of Revenue.

## Ten Largest Taxpayers

Set forth below are the ten largest taxpayers (by property value, not acreage) and the amount of taxes levied on such taxpayers in tax year 2023, for property located in the County, by the School District, the County, and the State. No independent investigation has been made of, and consequently no representation can be made as to, the financial condition of any of the taxpayers listed below or that such taxpayers will continue to maintain their status as major taxpayers in the County.

Taxpayer	Nature of Business	Assessed Value <sup>4</sup>	Taxes Levied in	Percent of Total
			Fiscal Year 2024 / Tax Year 2023 <sup>1,3</sup>	Assessed Value <sup>1</sup> for Fiscal Year 2024 / Tax Year 2023 <sup>2</sup>
Flint EMC	Electric Utility	\$17,584,859	\$416,288.58	6.33%
Georgia Power Company	Electric Utility	11,149,077	252,836.84	4.01
CSX Transportation Inc.	Railroad	11,196,292	250,796.94	4.03
Public Service Telephone	Communications Utility	4,464,008	102,013.29	1.61
FL Club Property LLC	Real Estate	3,964,548	88,805.89	1.43
Municipal Electric Auth of GA	Electric Utility	3,495,380	78,296.51	1.26
Peed Brothers Inc.	Construction	2,876,922	63,949.68	1.04
Taylor Orchard Properties LLC	Agriculture	2,785,002	62,540.72	1.00
WIN Waste Innovations	Waste Management	2,747,240	61,538.18	0.99
Suddeth Family Limited Partnership	Real Estate	<u>2,523,036</u>	<u>56,516.01</u>	<u>0.91</u>
		<u>\$62,786,364</u>	<u>\$1,433,582.64</u>	<u>22.61%</u>

<sup>1</sup> Taxes levied in Fiscal Year 2024 relate to the taxes levied for Tax Year 2023.

<sup>2</sup> Based on the Tax Year 2023 Net M&O Digest of \$277,726,805 for property located in the County by the School District, the County, and the State of Georgia.

<sup>3</sup> Represents total bill amounts for all entities for real & personal property. Amounts reported above are also after any applicable exemptions have been applied.

<sup>4</sup> The Assessed Values reflect a total net of the Freeport exemption.

Source: Taylor County Tax Commissioner.

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## SCHOOL DISTRICT FINANCIAL INFORMATION

### Accounting System and Policies

The accounting policies of the School District conform to generally accepted accounting principles (“GAAP”) as applicable to governmental entities. The School District’s financial statements for general governmental operations are presented on a modified accrual basis, with the revenues being recorded when available and measurable and expenditures being recorded when the services or goods are received, and the liabilities are incurred.

The accounting practices and policies of the School District conform to generally accepted accounting principles as applied to governments. The School District’s accounting system is organized and operated on a fund basis. The School District’s funds are segregated for the purpose of accounting for the operation of specific activities or attaining certain objectives. The School District’s primary fund is the General Fund, which contains all School District revenues except revenues that are specifically allocated by law for other purposes. The School District may appropriate money from the General Fund for all ordinary School District expenses.

In fiscal year 2022, the School District adopted Governmental Accounting Standards Board (“GASB”) Statement No. 87, Leases. The primary objective of this statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This statement increases the usefulness of government’s financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The adoption of this statement did not have an impact on the School District’s financial statements.

Reference is made to Note 2: Summary of Significant Accounting Policies for a full discussion of the School District’s significant accounting policies.

### General Fund History

Set forth below is a historical, comparative summary of the revenues, expenditures, and changes in fund balance of the School District’s General Fund for five fiscal years. Information in the following table has been extracted from audited financial statements of the School District for the fiscal years ended June 30, 2019, through June 30, 2023. No representation is made that the information is comparable from year to year, or that the information as shown taken by itself presents fairly the financial condition of the School District for the fiscal years shown.

Funds received from the federal government are primarily for programs for disadvantaged and handicapped students and for the school food service program. During the School District’s fiscal year ended June 30, 2023 approximately 28.37% of the School District’s total revenues were derived from local sources (including local taxes, charges for services, investment charges, and miscellaneous), 50.15% from state sources, and 21.49% from federal sources.

The School District adopted Governmental Accounting Standards Board (GASB) Statement No. 84, Fiduciary Activities. Adoption of Statement No. 84 resulted in a restatement of prior year net position and fund balance, with an increase of \$47,264.00 for both prior year net position and fund balance shown on the General Fund History table between Fiscal Year 2020 and Fiscal Year 2021.

For more complete information, reference is made to the audited financial statements, copies of which are available from persons listed herein under “INTRODUCTION – Other Information.”

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**Taylor County School District General Fund History**

	Fiscal Years Ended June 30				
	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
<b>REVENUES</b>					
Property Taxes	\$4,690,530	\$4,763,078	\$5,022,154	\$5,191,334	\$5,178,590
Sales Taxes	28,175	17,495	15,352	16,416	31,328
State Funds	10,152,990	10,808,714	10,850,842	10,864,861	10,549,669
Federal Funds	2,332,333	3,231,791	4,021,820	9,632,154	4,520,580
Charges for Services	556,336	417,657	334,458	480,025	537,873
Investment Earnings	-	-	-	-	-
Miscellaneous	<u>94,063</u>	<u>94,532</u>	<u>165,938</u>	<u>278,266</u>	<u>220,110</u>
Total Revenues	<u>\$17,854,427</u>	<u>\$19,333,267</u>	<u>\$20,410,565</u>	<u>\$26,463,055</u>	<u>\$21,038,150</u>
<b>EXPENDITURES</b>					
Current					
Instruction	\$9,790,011	\$10,774,735	\$11,041,279	\$12,465,900	\$11,786,754
Support Services					
Pupil Services	750,194	802,609	745,880	796,748	789,899
Improvement of Instructional Services	535,119	570,386	595,231	565,355	588,347
Educational Media Services	255,115	257,520	262,591	334,326	389,500
General Administration	494,096	501,810	546,687	572,268	608,438
School Administration	836,455	883,722	753,614	736,338	729,352
Business Administration	230,901	259,468	235,463	253,431	247,033
Maintenance and Operation of Plant	1,255,155	1,463,642	1,679,992	1,602,772	1,641,515
Student Transportation Services	906,682	857,468	765,444	1,052,944	1,060,735
Central Support Services	-	-	-	-	-
Other Support Services	8,400	8,400	8,400	13,150	8,000
Enterprise Operations	324,779	280,528	283,633	385,402	535,851
Food Service Operation	1,087,054	1,617,866	1,690,019	1,826,768	1,788,456
Capital Outlay	-	-	-	-	-
Debt Services					
Principal	15,982	8,321	-	16,905	-
Interest	<u>926</u>	<u>132</u>	<u>-</u>	<u>2,870</u>	<u>-</u>
Total Expenditures	<u>\$16,490,869</u>	<u>\$18,286,607</u>	<u>\$18,608,233</u>	<u>\$20,625,177</u>	<u>\$20,173,881</u>
Excess of Revenues Over (Under) Expenditures	1,363,558	1,046,660	1,802,332	5,837,873	864,269
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers In	-	-	-	-	-
Transfers Out	<u>(1,500,000)</u>	<u>(750,000)</u>	<u>(705,241)</u>	<u>(677,586)</u>	<u>(4,048,634)</u>
Total Other Financing Sources (Uses)	<u>(1,500,000)</u>	<u>(750,000)</u>	<u>(705,241)</u>	<u>(677,586)</u>	<u>(4,048,634)</u>
Net Change in Fund Balances	<u>(136,442)</u>	<u>296,660</u>	<u>1,097,091</u>	<u>5,160,287</u>	<u>(3,184,365)</u>
Fund Balances – Beginning	\$3,935,759	\$3,811,344	\$4,167,047 <sup>1</sup>	\$5,264,138	\$10,424,425
Inventory – Net Change in Period	<u>12,027</u>	<u>11,779</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances – Ending	<u>\$3,811,344</u>	<u>\$4,119,783</u>	<u>\$5,264,138</u>	<u>\$10,424,425</u>	<u>\$7,240,060</u>

<sup>1</sup> For fiscal year ending June 30, 2021, the School District made a prior period adjustment to the beginning fund balance of \$47,264.00 due to the adoption of GASB Statement 84 regarding Fiduciary Activities.

## Management Comments Concerning Material Trends in Revenues and Expenditures

For a narrative overview and analysis of the financial activities of the School District for fiscal year 2023, see “Management’s Discussion and Analysis” included in APPENDIX A to this Official Statement. The Management’s Discussion and Analysis is not a required part of the basic financial statements of the School District but is supplementary information required by the Governmental Accounting Standards Board that has not been audited by the School District’s auditor.

### COVID-19

The novel coronavirus and its variants (and associated COVID-19 infections) continue to circulate in the State. Early in the pandemic, the State and local governments implemented orders, guidance, recommendations, and other measures intended to slow the spread of the COVID-19; certain of those actions resulted in the closure of nonessential businesses during 2020 and related increases in unemployment rates. COVID-19 measures changed rapidly due to ever-evolving circumstances. Although the declared national and State emergencies related to COVID-19 have ended, there can be no assurance that the spread of COVID-19 and the implementation of restrictions on a local, State, and national level will not occur again. Those restrictions have negatively impacted the local, State, and national economies in the past and may do so in the future.

COVID-19 has negatively impacted various revenue streams relied upon by the State to fund its budget. The impact of the State budget has an impact on the School District’s financial results. The School District received CARES Act and other federal funding, as described below, from the State to offset State budget cuts.

In March 2020, the Coronavirus Aid, Relief, and Economic Security Act (the “**CARES Act**”) established the Education Stabilization Fund, which initially provided \$13.23 billion to the Elementary and Secondary School Emergency Relief (“**ESSER**”) I Fund. ESSER I Fund dollars were appropriated to states based on the 2019-20 Title I shares, with 90% allocated to local education agencies that received a Title I allocation in the most recent fiscal year and the remaining 10% to a state reserve fund. The School District received \$447,723 from ESSER I funding. These funds were used to purchase resources in response to COVID-19 for personal protective equipment, disinfection, and cleaning needs. Purchases were made for remote learning curriculum, hot spots, and technology that provided an opportunity for students and staff to flex between in-school and remote learning needs. Funds were also allocated to support increased instructional time, smaller class sizes, intervention needs, salaries and benefits for additional employees, and pay for extended hours of work. All funds were spent and accounted for prior to the deadline.

In December 2020, the Coronavirus Response and Relief Supplemental Appropriations Act added \$82 billion in funding for the Education Stabilization Fund, including \$54.3 billion for the ESSER Fund. This tranche of funding is called ESSER II. ESSER II funds will be distributed according to the same process as the original ESSER funds with 90% flowing to local education agencies based on the Title I formula and 10% reserved for state set-aside activities. As with the original ESSER dollars, only 0.5% of the total state award may be used for administration activities. The School District received \$1,944,315 from ESSER II funding. These funds have been and will continue to be used to provide extended year learning opportunities for the most at-risk students over the next two fiscal years.

In March 2021, the American Rescue Plan Act added \$123 billion in emergency pandemic relief aid to the ESSER fund for K-12 schools nationally (“**ESSER III**”). Like the previous recovery bills, 90% of the funding will flow to districts through the Title I formula with 10% set aside for state-level priorities. The School District has received \$4,370,607 from ESSER III funding. ESSER III has a heavy emphasis on addressing the learning impacts of COVID-19 by requiring local education agencies to use at least 20% of funding for this purpose, including interventions, summer programming, and after-school opportunities. The School District is planning to utilize funding to address several critical areas, including academic acceleration and interventions, afterschool enrichment and tutorial programs, facilities and operations support, professional learning for staff, student and staff health and well-being, social and emotional learning, technology support, and continuity of educational services and staff. The School District intends the funds to be expended and accounted for by the deadline. ESSER III funds are one-time funds and after the funds are utilized, District funding will be reduced; the School District intends to use those funds for one-time projects rather than ongoing programs.

## **Budgetary Process**

The School District adopts a non-appropriated operating budget for its General Fund each year. The operating budget contains proposed expenditures and the means for financing them. The School District is not legally required to stay within the budget, but under State law it must meet certain minimum expenditure requirements for allotted state funds. The School District, as required by the State Board, uses a modified cash basis of accounting in its adopted Governmental Funds budget, which is not in conformity with generally accepted accounting principles, and which is not consistent with the basis of accounting used in the School District's audited financial statements. The revenues and expenditures of the General Fund of the School District for the years ended June 30, 2024, and June 30, 2025, are presented using the budget basis of accounting to facilitate comparison with the budget, in the Statement of Revenues and Expenditures - Actual and Budget (Non-GAAP Basis) General Fund, included in the required supplementary information to the basic financial statement of the School District included as APPENDIX A to the Official Statement. The notes to the required supplementary information to the basic financial statements included in APPENDIX A contain an explanation of the adjustments that were made to actual revenues and expenditures to facilitate comparison with the budget.

The administration of the School District generally begins budget preparations in December of each year. After various budget meetings, a proposed budget is adopted by the Board of Education in June and is advertised in the legal organ of Taylor County, inviting public comment at the June meeting of the Board of Education. After consideration of any public comment, the final budget is adopted by the Board of Education in June and as required in accordance with the Quality Basic Education Act, O.C.G.A. § 20-2-167, is submitted to the State of Georgia Department of Education by September 30 each year for acceptance or rejection.

The budget is developed on a zero base each year, under which each program must substantiate its request rather than ask for an increment over the previous year's allocation. Initial budget preparation, as well as control of individual budgeted expenditures, is vested with the Superintendent, with assistance from program directors and supervisors who have the responsibility of performing the various functions of the specific programs. The Board of Education's business office serves as a resource function to aid in finding the best economic use of available revenues and to assure compliance with the Board of Education's policies relative to budgetary control. The business office furnishes the Board of Education a monthly "budget" versus "actual" financial report and a summary financial statement to keep the Board of Education apprised of the School District's financial condition. State law requires the budget of the School District to reflect all anticipated revenues from each source, to designate all of such anticipated revenues among the several funds or accounts of the School District, and to not leave any anticipated revenues undesignated. Except as otherwise described below, State law requires all amounts allocated to each fund or account and any existing balance in each fund or account to be intended for expenditure within the budget year for the purposes of that fund or account. State law allows no fund or account in the nature of a "surplus" or "unobligated surplus" fund or account. The School District is permitted, however, under State law to establish a single reserve fund or reserve account intended to cover unanticipated deficiencies in revenue or unanticipated expenditures, provided that the budget for any year must not allocate to such reserve fund or reserve account any amounts which, when combined with the existing balance in such fund or account, exceed 15 percent of that year's total budget. The School District is permitted under State law to also establish one or more capital accumulation funds or accounts, and the School District may allocate amounts to such capital accumulation funds or accounts for expenditure in future budget years only if the purpose for which such amounts will be expended and the anticipated date of expenditure of such amounts are clearly and specifically identified. The stated purpose of the provisions of State law described above is to prohibit local school systems from accumulating surplus funds through taxation without accounting to the taxpayers for how such funds will be expended.

## **Budgets**

Set forth below is a summary of the School District's budgets (using a non-GAAP budgetary basis of accounting) for its General Fund for the fiscal years ending June 30, 2024, and June 30, 2025. The budgets were based upon certain assumptions and estimates of the School District's administration regarding future events, transactions, and circumstances. Realizations of the results projected in the 2024 and 2025 budgets will depend upon implementation by management of policies and procedures consistent with the assumptions made by the School District. Accordingly, the actual results achieved for the 2024 and 2025 budgets could materially vary from those projected in the 2024 and 2025 budgets shown below.



General Fund Budgets  
(Non-GAAP Budgetary Basis of Accounting and Exclusive of  
Federal Sources of Revenues and Expenditures of those Funds)

Fiscal Years Ending June 30, 2024, and June 30, 2025

<u>REVENUES:</u>	<u>2024</u>	Tentative <u>2025</u>
Local Source	\$4,400,000	\$4,400,000
State Source	10,287,478	11,546,730
Federal Programs	-	-
Other Sources	134,000	134,000
Fund Equity (July 1, 2023)	<u>5,000,000</u>	<u>5,000,000</u>
Total Estimated Revenues	<u>\$19,821,478</u>	<u>\$21,080,730</u>
<u>EXPENDITURES:</u>		
Instruction	\$10,613,613	\$11,150,008
Pupil Services	532,689	548,610
Improvement of Instruction	338,063	352,216
Education Media	439,581	480,726
General Administration	645,320	669,145
School Administration	998,905	1,055,349
Support Services, Business	285,240	300,406
Maintenance & Operation of Plant	1,560,770	1,704,905
Student Transportation	1,031,866	1,077,601
Other Support Services	79,870	84,260
Fund Equity (June 30, 2024)	<u>3,295,561</u>	<u>3,657,504</u>
Total Estimated Expenditures	<u>\$19,821,478</u>	<u>\$21,080,730</u>

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## Budget Comparisons

The following table sets forth a comparison of the School District's General Fund Budget for fiscal years 2021-22 and 2022-23 compared to actual, unaudited results for the same twelve-month periods.

The following table shows information for the General Operating Fund (Fund 100) only. GAAP requires that the General Fund reported in the audited financial statement include other funds, including the Differentiated School Support Fund, the Athletics Fund, the Preschool Fund, the Risk Management Fund, and the Community Schools Fund. However, the District budgets for each of those funds separately from the General Operating Fund. This table is presented on a budgetary basis.

	As of June 30, 2022			As of June 30, 2023		
	FY22 Annual <u>Budget</u>	Actual <u>YTD Totals</u>	YTD % <u>Budget</u>	FY23 Annual <u>Budget</u>	Actual <u>YTD Totals</u>	YTD % <u>Budget</u>
<b>Revenues</b>						
Local Taxes	\$4,042,086	\$4,918,016	121.67%	\$4,400,000	\$5,209,918	118.41%
State Funds	9,748,233	10,412,344	106.81	9,319,394	9,745,355	104.57
Other Sources	134,000	254,872	190.20	134,000	257,071	191.84
Federal Revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Revenues</b>	\$13,924,319	\$15,585,232	111.93%	\$13,853,394	\$15,212,344	109.81%
<b>Expenditures</b>						
Instruction	\$9,456,517	\$6,164,861	65.19%	\$9,620,862	\$9,610,007	99.89%
Pupil Support Services	443,405	504,965	113.88	495,183	507,593	102.51
Improvement of Support Services	303,463	279,314	92.04	310,002	307,659	99.24
Educational Media Services	294,011	311,705	106.02	387,348	389,500	100.56
General Administration	538,310	557,179	103.51	551,550	607,860	110.21
School Administration	887,727	693,833	78.16	914,262	729,352	79.77
Business Support Services	257,485	238,816	92.75	264,585	247,033	93.37
Maintenance and Operation	1,281,698	1,440,318	112.38	1,432,043	1,441,671	100.67
Student Transportation	848,616	722,963	85.19	921,245	789,705	85.72
Other Support Services	76,067	76,067	100.00	76,067	73,690	96.88
Transfer to School Food Services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Expenditures</b>	\$14,387,299	\$10,990,020	76.39%	\$14,973,147	\$14,704,070	98.20%
<b>Net Revenues Over (Under) Expenditures</b>	(\$462,980)	\$4,595,212		(\$1,119,753)	\$508,273	
<b>Encumbrances/Open Purchase Orders</b>		\$87,608			\$45,139	

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## Employee Benefits

Teachers' Retirement System of Georgia. Substantially all of the teachers and the administrative and clerical personnel of the School District are covered by the Teachers Retirement System of Georgia (“**TRS**”), a cost-sharing, multiple-employer defined benefit pension plan administered by the State for the benefit of education personnel. The School District has no liability under TRS except for contributions established and made each year.

TRS is funded by employee and employer contributions as provided by State law. For the fiscal year that ended June 30, 2023, the employee contribution rate was 6.00% and the employer contribution rate as 19.98% and the employer contributions to the pension plan were \$1,718,626.02 from the School District.

Public School Employees Retirement System. Bus drivers, lunchroom personnel, and maintenance and custodial personnel are covered by the Public School Employees' Retirement System of Georgia (“**PSERS**”), a multiple-employer retirement system administered by the State. The School District makes no contribution to this plan. The State, although not the employer of PSERS members, makes the employer contributions on behalf of PSERS members. The employer contributions for the fiscal year ended June 30, 2023, equaled \$37,044.00.

Other Post-Employment Benefits. In addition to the pension benefits described above, the School District provides certain health care benefits for retired employees of the School District through contributions to the Georgia School Personnel Post-employment Health Benefit Fund (“**School OPEB Fund**”), which is a cost-sharing multiple-employer defined benefit post-employment healthcare plan that covers eligible former employees of public school systems, libraries, and regional educational service agencies.

Contributions to the School OPEB Fund are made by employees and employers. Employer contributions required by the School District for the fiscal year ended June 30, 2023, equaled \$339,193.00. Active employees are not required to contribute to the School OPEB Fund.

Reference is made to Notes 2, 13, and 14 of the general-purpose financial statements of the School District included as APPENDIX A for a more detailed description of the School District's employment and post-employment benefits.

## New Accounting Pronouncements

In fiscal year 2023, the Board of Education adopted one new pronouncement, GASB Statement No. 96, Subscription-Based Information Technology. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (“**SBITAs**”) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended.

Reference is made to Note 2 of the general-purpose financial statements of the School District included as APPENDIX A for a more detailed description of the School District's regarding accounting pronouncements.

## Operations as a Strategic Waiver System

Pursuant to legislation passed by the General Assembly of the State during the 2013 legislative session, all boards of education in the State were required to decide by the end of the 2015 fiscal year whether to maintain the school system's current operational status or convert the school system to a charter or a strategic waiver system. The choice of operational status primarily affects the decision-making autonomy of the board of education and each individual school within the district.

The Board of Education decided to operate the School District as a strategic waiver system (the “**System**”), which commenced on July 1, 2015. The System operates through the development of a partnership between the State

Board and the School District. The System receives flexibility from certain state rules and regulations in exchange for greater accountability. There is an emphasis on school-based leadership and decision making as evidenced by the development of the System and school level governance teams.

### **Insurance Coverage and Governmental Immunity**

*Governmental Immunity.* Under State law, the defense of sovereign immunity is available to the School District, except for actions for the breach of written contracts and actions for the recovery of damages for a claim for which motor vehicle liability insurance protection has been provided, but only to the extent of the motor vehicle liability insurance provided. The School District, however, may be unable to rely upon the defense of sovereign immunity and may be subject to liability in the event of suits alleging causes of action founded upon various federal laws, such as suits filed pursuant to 42 U.S.C. § 1983 alleging the deprivation of federal constitutional or statutory rights of an individual and suits alleging anti-competitive practices and violations of the federal antitrust laws by the School District in the exercise of its delegated powers.

*Risk Management.* The Board of Education acts to protect the School District against loss and liability by carrying liability insurance or is self-insured for the types of claims and in amounts that are customary for similar entities for those categories of claims that are not subject to the defense of sovereign immunity. Liability coverage includes general liability, auto liability, law enforcement liability, and public officials' errors and omissions liability. The School District also carries property coverage (including auto physical damage) and crime coverage (including employee dishonesty and money and securities coverage). The School District's current liability and property coverage expires on June 30, 2024. The School District also maintains the State-required workers compensation insurance.

The School District maintains cybersecurity protocols and ongoing training for employees. The School District's information technology department provides periodic training (approximately monthly) for employees. Employees in more sensitive areas, such as finance, also attend seminars put on by third party vendors in order to remain current on issues related to cyber threats and bolstering District protections. The School District's auditors also devote a section of the audit to cybersecurity as part of its review of the School District's internal controls. The School District also carries cybersecurity insurance with a private insurance carrier. The School District's current cybersecurity coverage expires on June 30, 2024.

In the opinion of the School District's Superintendent, the School District's insurance strategies provide adequate financial protection for the School District.

The School District is self-insured with regard to unemployment compensation claims and in amounts that are customary for similar entities for those categories of claims that are not subject to the defense of sovereign immunity. It accounts for claims within the same fund that the employee's salary and benefits were paid. Claims are accounted for with expenditures and liability being reported when it is probable that a loss has occurred, and the amount of that loss can be reasonably estimated. Reference is made to Note 8 of the School District's financial statements included as APPENDIX A for a discussion of the School District's risk management program. The School District requires payment and performance surety bonds and builders risk insurance of all contractors and subcontractors involved in construction related to the School District's facilities, including the Project.

## **COUNTY ECONOMIC AND DEMOGRAPHIC INFORMATION**

### **Introduction**

Taylor County was the 98<sup>th</sup> county formed in Georgia, and was created on January 15, 1852, by an act of the Georgia General Assembly from portions of Macon, Marion and Talbot counties. The County was named for Zachary Taylor, the twelfth president of the United States. The County is located approximately 108 miles south of Atlanta and 50 miles southwest of Macon. The County has a total area of 380 square miles, of which 377 square miles is land and 3.0 square miles is water. The County is dissected by the Fall Line geological formation. The upper half of the county is located in the Piedmont region and consists of gently rolling hills and clay-based soils. The lower half of the

county is located in the Upper Atlantic Coastal Plain and is flat with sandy soil. The Flint River marks the entirety of the county's northeastern border.

The County is driven by a largely agricultural economy. Peaches, strawberries, pecans, peanuts, watermelons, and cotton are the most commonly raised crops. Lumbering is also important to the local economy. The County is heavily forested in most areas due in part to the many large plantation pine farms. There are also many desirable hardwood forests, especially along the Flint River basin and tributary streams. The southwestern portion of the county is covered with large sandhills that have given rise to several stable sand mining operations.

The dominant tree species are southern red oak, post oak, longleaf pine, loblolly pine, sweetgum, and red maple. Taylor County contains the largest stands of Atlantic white cedar in the state of Georgia. These stands can be found along much of Whitewater and Little Whitewater creeks and are at the heart of a growing movement to conserve these unique plant communities for posterity.

The vast majority of the County is located in the Upper Flint River sub-basin of the ACF River Basin (Apalachicola-Chattahoochee-Flint River Basin), with the exception of a tiny corner of the County just north of Georgia, which is located in the Middle Chattahoochee River-Walter F. George Lake sub-basin of the same ACF River Basin.

The County is governed by, and generally acts through, a five (5) member Board of Commissioners and a full time County Manager. The present Board of Commissioners are Milton Harris (Chairman), Tameka Harris (Vice-Chairman), Cicero Latimore, W. Robert Peacock, and Randall F. Nelson. The present County Manager is Amanda Queen.

### **Population and Median Age Data of the County**

The following table sets forth the estimated population and median age of the County for the years 2018 – 2022, as estimated by the American Community Survey Estimates. In 2020, the County’s census population was estimated at 7,816, ranking it the 138<sup>th</sup> most populous county in Georgia. The county seat is Butler with a 2020 census population of 1,881. The other municipality incorporated in the County is Reynolds with the population of 926.

<u>Year</u>	<u>Population</u>	<u>Median Age</u>
2018	8,193	44.4
2019	8,116	45.2
2020	8,126	44.0
2021	7,857	42.7
2022	7,799	43.2

Source: U.S. Bureau of Census, American Community Survey 5-year estimates.

### **Population by Age**

The following table presents estimated population percentages by age for the County for 2022:

<u>Under 20 Years</u>	<u>20 to 44 Years</u>	<u>45 to 64 Years</u>	<u>65 Years and Over</u>
22.50%	28.80%	27.80%	20.90%

Source: U.S. Bureau of Census, American Community Survey 5-year estimates.

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## Level of Education

The following table presents the level of education for the County for 2022:

Not Completing High School	26.00%
High School Graduate	38.80
Some College, No Degree	12.90
Associate Degree	5.90
Bachelor's Degree	10.30
Graduate or Professional Degree	6.10
 Percent High School Graduate or Higher	 74.00%

Source: U.S. Bureau of Census, American Community Survey 5-year estimates; Population Age 25 and older.

## Per Capita Income

Set forth below is per capita income data for the County, the State of Georgia, and the United States.

<u>Year</u>	<u>County</u>	<u>State</u>	<u>United States</u>
2018	\$31,212	\$46,626	\$53,309
2019	33,107	48,535	55,547
2020	35,174	51,469	59,153
2021	39,674	56,184	64,430
2022	38,099	56,589	65,470

Source: U.S. Department of Commerce – Bureau of Economic Analysis.

## Banking Deposits

Set forth below is banking deposit data for the County:

<u>Year</u>	<u>Number of Banking Institutions<sup>1</sup></u>	<u>Total Deposits in Financial Institutions (\$000)<sup>2</sup></u>
2019	3	\$105,071
2020	3	121,664
2021	3	124,927
2022	3	133,145
2023	3	127,351

<sup>1</sup> Number of Banking Institutions inside of market as of June 30 of each year.

<sup>2</sup> Total Deposits in Financial Institutions inside of market as of June 30 of each year.

Sources: Georgia Department of Banking and Finance

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## Median Home Value

The following table shows the median home value for the County, the State, and the United States for census years 2018 through 2022.

<u>Year</u>	<u>County</u>	<u>State</u>	<u>United States</u>
2018	\$82,700	\$166,800	\$204,900
2019	83,600	176,000	217,500
2020	87,100	190,200	229,800
2021	87,300	206,700	244,900
2022	90,100	245,900	281,900

Source: U.S. Bureau of Census, American Community Survey 5-year estimates.

## Labor Statistics

The following table shows the total average annual labor force in the County, the County unemployment rate, the State unemployment rate, and the United States unemployment rate for calendar years 2019 through 2023.

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Labor Force	3,047	2,770	2,889	2,591	2,717
County Unemployment Rate	4.3%	7.2%	6.1%	5.2%	4.2%
State Unemployment Rate	3.6%	6.5%	3.9%	3.1%	3.2%
United States Unemployment Rate	3.7%	8.1%	5.3%	3.6%	3.6%

Source: Georgia Department of Labor; United States Department of Labor, Bureau of Statistics.

## Largest Employers

Set forth below are the ten largest employers located in the County as of the fourth quarter of 2023.

<u>Employer</u> <sup>1</sup>	<u>Industry</u>	<u>Number of Employees</u>
Blattner Energy, Inc.	Energy Services	- <sup>2</sup>
Depcom Power, Inc.	Energy Services	- <sup>2</sup>
Flint Electric Membership Corporation	Energy Services	229
Georgia Recovery Campus, LLC	Healthcare	105
MF & H Textiles Inc.	Textiles	53
Public Service Communications, Inc.	Communication Technology	33
Public Service Telephone Co, Inc.	Communication Technology	43
Taylor County	Government	88
Taylor County Health Care, LLC	Healthcare	77
Taylor County School District	Education	228

<sup>1</sup> Represents employment covered by unemployment insurance. Employers are listed alphabetically by area, not by the number of employees.

<sup>2</sup> Number of employees was not authorized to be disclosed by employer.

Source: Georgia Department of Labor Area Labor Profile, as provided by the Taylor County Development Authority.

## Industry Mix

The following table shows the industry mix for the County for the third quarter of 2023. The table is intended to provide information regarding the types of industries employing residents of Taylor County and the compensation paid to those employees. The table does not provide information with respect to all industries and firms. It is based upon and includes only those industries and firms that participate in the State Unemployment Insurance Program.

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INDUSTRY	Average Number of Establishments	Average Monthly Employment	Average Monthly Percent	Average Weekly Wages
<b>Goods-Producing</b>	<b>29</b>	<b>435</b>	<b>27.3</b>	<b>971</b>
Agriculture, Forestry, Fishing & Hunting	6	12	0.8	738
Mining	1	*	*	*
Construction	15	323	20.3	989
Manufacturing	7	61	3.8	855
Fabricated Metal Product	1	*	*	*
Food	2	*	*	*
Miscellaneous	1	*	*	*
Printing and Related Support Activities	1	*	*	*
Textile Mills	1	*	*	*
Wood Product	1	*	*	*
<b>Service-Providing</b>	<b>122</b>	<b>739</b>	<b>46.3</b>	<b>1,116</b>
Utilities	2	*	*	*
Wholesale Trade	7	22	1.4	838
Retail Trade	28	141	8.8	586
Transportation and Warehousing	8	42	2.6	1,292
Information	3	*	*	*
Finance and Insurance	9	18	1.1	766
Real Estate and Rental and Leasing	5	*	*	*
Professional Scientific & Technical Svc	7	61	3.8	1,878
Management of Companies and Enterprises	4	*	*	*
Admin., Support, Waste Mgmt., Remediation	18	43	2.7	1,271
Health Care and Social Assistance	12	175	11.0	925
Arts, Entertainment, and Recreation	4	*	*	*
Accommodation and Food Services	7	46	2.9	317
Other Services (except Public Admin.)	8	24	1.5	773
<b>Unclassified - industry not assigned</b>	<b>12</b>	<b>10</b>	<b>0.6</b>	<b>715</b>
<b>Total - Private Sector</b>	<b>163</b>	<b>1,184</b>	<b>74.2</b>	<b>1,060</b>
<b>Total - Government</b>	<b>20</b>	<b>409</b>	<b>25.6</b>	<b>773</b>
Federal Government	5	14	0.9	1,206
State Government	4	41	2.6	664
Local Government	11	354	22.2	769
<b>ALL INDUSTRIES</b>	<b>183</b>	<b>1,595</b>	<b>100.0</b>	<b>985</b>

Note: \*Denotes confidential data relating to individual employers and cannot be released. These data use the North American Industrial Classification System (NAICS) categories. Average weekly wage is derived by dividing gross payroll dollars paid to all employees - both hourly and salaried - by the average number of employees who had earnings; average earnings are then divided by the number of weeks in a reporting period to obtain weekly figures. Figures in other columns may not sum accurately due to rounding. All data represent the 3rd Quarter of 2023.

Source: Georgia Department of Labor. These data represent jobs that are covered by unemployment insurance laws.  
Area: Taylor County

### Commercial Services

The County has one local newspaper, the *Taylor County News*, which is published weekly. Cable television is available to the residents of the County through Flint Cable Communications. There are two hotels and 8 meeting facilities, including a school auditorium. The largest meeting facilities are the school auditorium seating approximately 400-500 people and the Flint Energies building, seating approximately 200 people.



## **Recreation**

The Georgia Strawberry Festival is held in the spring in Reynolds, Georgia and the Taylor Made Festival in Butler, in the fall. Fall Line Sandhills Wildlife Management Area (“WMA”) offers opportunities for hunting, geocaching and wildlife viewing on 1,576 acres. Visitors to the WMA may see rare and threatened animals and plants, such as Southeastern kestrels (a type of falcon), Bachman's sparrows, gopher tortoises, southern hognose snakes, gopher frogs, striped newts, federally endangered pondberry, sandhill golden-aster, Pickering's morning-glory, and lax watermilfoil. The Flint River boat ramp gives paddlers access to this scenic waterway with sandbars suitable for camping, fishing and swimming. The Silver Dollar Raceway is a quarter mile drag racing track offers regular weekend races and RV camping. There are two parks in the County. They offer picnic shelters, playgrounds, walking tracks, tennis courts, volleyball courts, baseball/softball fields, football fields, and soccer fields. The Recreational Department offers youth programs such as baseball, softball, t-ball, football, basketball, soccer, and cheerleading.

## **Utilities**

Water is provided to portions of the County by the City of Butler and the City of Reynolds Water Departments with wells providing water to the remainder of the County. Electricity is provided by the Georgia Power and Flint Energy.

Telephone services are available through Public Service Telephone. Cable television is provided by Flint Cable TV and satellite television is available through DirectTV. Internet is made available to the incorporated areas and parts of the unincorporated areas of the County through AT&T Internet Service, Exede Satellite Internet, Allconnect Internet Service.

## **Medical Services**

The County’s location between Macon and Columbus gives residents access to major hospital services in those two cities. Locally, medical care is available from CareConnect, which offers complete family healthcare services, and Taylor County Health Department, which operates a clinic in Butler to help maintain overall good health in the County and to address any threats to community health. Skilled nursing and rehabilitation services are available from Taylor County Health & Rehabilitation.

The Taylor County Health Department is one of 16 county health departments that make up the West Central Health District and provides preventive health services to the citizens of Taylor County so that individuals can achieve and/or maintain optimum health status. The Health Department collaborates with local, district and state agencies to provide a variety of services to include the following: Children’s Services; Immunizations, Women Infants and Children (WIC), Health Check Screenings, Hearing, Vision and Dental Screenings and Children 1st Services. Adult Services include Immunizations, SHAPP (Hypertension Services), Family Planning, Breast Test & More, Infectious Disease treatment and follow-up, Presumptive Eligibility, Medicaid applications and Pregnancy Testing.

## **Higher Education**

South Georgia Technical College Adult Education Site is located in the County and is ranked 3<sup>rd</sup> in the nation for technical colleges. Other higher education colleges and universities located within a short driving distance of the County include: Central Georgia Technical College (21 miles), Columbus Technical College (48 miles), Miller-Motte Technical College – Columbus (46 miles), Columbus State University (46 miles), Embry-Riddle Aeronautical University at Robins Air Force Base (43 miles), Fort Valley State University (25 miles), Georgia College & State University-Robins Air Force Base campus (41 miles), Georgia Southwestern State University (38 miles), Georgia Military College – Warner Robins Campus (41 miles), Gordon State College (42 miles), Middle Georgia State University (41 miles), Mercer University (48 miles), Troy University – Phenix City Campus (54 miles), University of Oklahoma at Fort Benning (60 miles) and Wesleyan College (45 miles).

## **Transportation**

Midway between Macon and Columbus, the County has become a magnet for businesses seeking an accessible location with plenty of land for development. Perched at the intersection of two four-lane highways, Georgia 96 and U.S. 19, the County is highly accessible by road, rail or air. Residents, visitors and entrepreneurs are strategically positioned to enjoy the luxury of proximity to modern amenities while maintaining a rural nature, sheltered from urban challenges. The County's location, only a one and a half (1.5) hour drive to Hartsfield-Jackson Atlanta International Airport, just three (3) hours from the Port of Savannah, and only 1 hour to the Cordele Inland Port, provides easy access to businesses. The County is close to: I-75 – 35 miles, I-16 – 50 miles, I-10 – 200 miles, Cordele Inland Port – 72 miles, Hartsfield-Jackson Atlanta International Airport – 96 miles, Port of Savannah – 198 miles.

Butler Municipal Airport is located one mile north of Butler's central business district and is owned and operated by Taylor County. The primary runway is 75 feet wide by 5,002 feet long and constructed of asphalt. The Taylor County /Butler Industrial Park is served by rail, enabling local businesses to reach world markets through the Port of Savannah, the largest single container terminal in North America.

## **LEGAL MATTERS**

### **Litigation**

The School District, like other similar bodies, is subject to a variety of suits and proceedings arising in the ordinary conduct of its affairs. The School District, after reviewing the current status of all pending and threatened litigation believes that, while the outcome of litigation cannot be predicted, the final settlement of all lawsuits which have been filed and of any actions or claims pending or threatened against the School District or its officials in such capacity are adequately covered by insurance or will not have a material adverse effect upon the financial position or results of operations of the School District.

There is no litigation now pending or, to the knowledge of the School District, threatened against the School District (i) which restrains or enjoins the issuance or delivery of the Bonds, the reimposition of the Sales Tax, the levy of an ad valorem tax for the payment of the Bonds, or the use of the proceeds of the Bonds or (ii) which questions or contests the validity of the Bonds or the proceedings and authority under which they are to be issued and the Sales Tax is to be reimposed and an ad valorem tax is to be levied to pay the Bonds. Neither the creation, organization, or existence of the School District, nor the title of the present members or other officials of the Board of Education to their respective offices, is being contested or questioned.

### **Opinion of Bond Counsel**

Legal matters incident to the authorization, validity, and issuance of the Bonds are subject to the unqualified approving opinion of Butler Snow LLP, Macon, Georgia, Bond Counsel, whose opinion will be available at the time of delivery of the Bonds. It is anticipated that the approving opinion will be in substantially the form attached to this Official Statement as APPENDIX C.

### **Validation Proceedings**

The Bonds were validated by judgment of the Superior Court of Taylor County, Georgia on April 8, 2024. Under State law, the judgment of validation is final and conclusive with respect to the validity of the Bonds.

### **Closing Certificates**

The School District will deliver to the Underwriter a certificate that (i) no litigation is pending or threatened against it that would have a material effect on the issuance or validity of the Bonds or the levy and collection of an ad valorem tax to pay the Bonds or on the financial condition of the School District, and (ii) the information contained in this Official Statement does not contain any misrepresentation of a material fact and does not omit to state any

material fact necessary to make the statements herein contained, in light of the circumstances under which they were made, not misleading.

## **FEDERAL TAX MATTERS**

### **General Matters**

In the opinion of Butler Snow LLP, Bond Counsel, under existing laws, regulations, rulings and judicial decisions, interest on the Bonds (including any original issue discount properly allocable to the owner of a Bond) is excludable from gross income for federal income tax purposes. Bond Counsel is further of the opinion that interest on the Bonds is not a specific preference item for purposes of the federal alternative minimum tax; however, such interest is taken into account in determining the annual adjusted financial statement income of applicable corporations (as defined in Section 59(k) of the Code) for the purpose of computing the alternative minimum tax imposed on corporations. The opinion described above assumes the accuracy of certain representations and compliance by the School District with covenants designed to satisfy the requirements of the Internal Revenue Code of 1986, as amended to the date of delivery of the Bonds (the “Code”) that must be met subsequent to the issuance of the Bonds. Failure to comply with such requirements could cause interest on the Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds. The School District has covenanted to comply with such requirements. Bond Counsel has expressed no opinion regarding other federal tax consequences arising with respect to the Bonds.

The accrual or receipt of interest on the Bonds may otherwise affect the federal income tax liability of the owners of the Bonds. The extent of these other tax consequences will depend on such owners’ particular tax status and other items of income or deduction. Bond Counsel has expressed no opinion regarding any such consequences. Purchasers of the Bonds, particularly purchasers that are corporations (including S corporations and foreign corporations operating branches in the United States of America), property or casualty insurance companies, banks, thrifts or other financial institutions, certain recipients of social security or railroad retirement benefits, taxpayers entitled to claim the earned income credit, taxpayers entitled to claim the refundable credit in Section 36B of the Code for coverage under a qualified health plan or taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, should consult their tax advisors as to the tax consequences of purchasing or owning the Bonds.

### **Bank Qualified Designation**

The Bonds have been designated by the School District as “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Code.

### **Original Issue Discount\***

The Bonds that have an original yield above their respective interest rates, as shown on the inside cover of this Official Statement (collectively, the “Discount Bonds”), are being sold at an original issue discount. The difference between the initial public offering prices of such Discount Bonds and their stated amounts to be paid at maturity constitutes original issue discount treated in the same manner for federal income tax purposes as interest, as described above.

The amount of original issue discount that is treated as having accrued with respect to a Discount Bond or is otherwise required to be recognized in gross income is added to the cost basis of the owner of the bond in determining, for federal income tax purposes, gain or loss upon disposition of such Discount Bond (including its sale, redemption or payment at maturity). Amounts received on disposition of such Discount Bond that are attributable to accrued or otherwise recognized original issue discount will be treated as federally tax-exempt interest, rather than as taxable gain, for federal income tax purposes.

Original issue discount is treated as compounding semiannually, at a rate determined by reference to the yield to maturity of each individual Discount Bond, on days that are determined by reference to the maturity date of such Discount Bond. The amount treated as original issue discount on such Discount Bond for a particular semiannual

accrual period is equal to (a) the product of (i) the yield to maturity for such Discount Bond (determined by compounding at the close of each accrual period) and (ii) the amount that would have been the tax basis of such Discount Bond at the beginning of the particular accrual period if held by the original purchaser, less (b) the amount of any interest payable for such Discount Bond during the accrual period. The tax basis for purposes of the preceding sentence is determined by adding to the initial public offering price on such Discount Bond the sum of the amounts that have been treated as original issue discount for such purposes during all prior periods. If such Discount Bond is sold between semiannual compounding dates, original issue discount that would have been accrued for that semiannual compounding period for federal income tax purposes is to be apportioned in equal amounts among the days in such compounding period.

Owners of Discount Bonds should consult their tax advisors with respect to the determination and treatment of original issue discount accrued as of any date, with respect to when such original issue discount must be recognized as an item of gross income and with respect to the state and local tax consequences of owning a Discount Bond. Subsequent purchasers of Discount Bonds that purchase such Discount Bonds for a price that is higher or lower than the “adjusted issue price” of the Discount Bonds at the time of purchase should consult their tax advisors as to the effect on the accrual of original issue discount.

### **Original Issue Premium\***

The Bonds that have an original yield below their respective interest rates, as shown on the inside cover of this Official Statement (collectively, the “**Premium Bonds**”), are being sold at a premium. An amount equal to the excess of the issue price of a Premium Bond over its stated redemption price at maturity constitutes premium on such Premium Bond. A purchaser of a Premium Bond must amortize any premium over such Premium Bond’s term using constant yield principles, based on the purchaser’s yield to maturity (or, in the case of Premium Bonds callable prior to their maturity, generally by amortizing the premium to the call date, based on the purchaser’s yield to the call date and giving effect to any call premium). As premium is amortized, the amount of the amortization offsets a corresponding amount of interest for the period, and the purchaser’s basis in such Premium Bond is reduced by a corresponding amount resulting in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes upon a sale or disposition of such Premium Bond prior to its maturity. Even though the purchaser’s basis may be reduced, no federal income tax deduction is allowed. Purchasers of the Premium Bonds should consult their tax advisors with respect to the determination and treatment of premium for federal income tax purposes and with respect to the state and local tax consequences of owning a Premium Bond.

### **Backup Withholding**

As a result of the enactment of the Tax Increase Prevention and Reconciliation Act of 2005, interest on federally tax-exempt obligations such as the Bonds is subject to information reporting in a manner similar to interest paid on taxable obligations. Backup withholding may be imposed on payments to any owner of the Bonds that fail to provide certain required information including an accurate taxpayer identification number to any person required to collect such information pursuant to Section 6049 of the Code. The reporting requirement does not in and of itself affect or alter the excludability of interest on the Bonds from gross income for federal income tax purposes or any other federal tax consequence of purchasing, holding, or selling federally tax-exempt obligations.

### **Changes in Federal and State Tax Law**

From time to time, there are legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to under this heading “FEDERAL TAX MATTERS” and “STATE TAX MATTERS” below or adversely affect the market value of the Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted it would apply to bonds issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value of the Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Bonds or the market value thereof would be impacted thereby. Purchasers of the Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives, or litigation. The opinions expressed by Bond Counsel are based on existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Bonds, and Bond Counsel has

expressed no opinion as of any date subsequent thereto or with respect to any pending legislation, regulatory initiatives, or litigation.

**PROSPECTIVE PURCHASERS OF THE BONDS ARE ADVISED TO CONSULT THEIR OWN TAX ADVISORS PRIOR TO ANY PURCHASE OF THE BONDS AS TO THE IMPACT OF THE CODE UPON THEIR ACQUISITION, HOLDING OR DISPOSITION OF THE BONDS.**

### STATE TAX MATTERS

In the opinion of Bond Counsel, under existing statutes, interest on the Bonds is exempt from all present state income taxation within the State. Interest on the Bonds may or may not be subject to state or local income taxation in jurisdictions other than Georgia under applicable state or local laws. Purchasers of the Bonds should consult their tax advisors as to the taxable status of the Bonds in a particular state or local jurisdiction other than Georgia.

### MISCELLANEOUS

#### Rating

Moody's Investor Service, Inc. ("**Moody's**") has assigned the Bonds the rating of "Aa1" based on the understanding that the School District will participate in the State Aid Intercept program. The School District has also received an underlying stand-alone rating of "A2" from Moody's. The ratings reflect only the view of the rating agency, and an explanation of the significance of such rating may be obtained from the rating agency furnishing such rating, at the following address: Moody's Investors Service, Inc., 7 World Trade Center, 250 Greenwich Street, New York, New York 10007. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies, and assumptions of its own. There is no assurance that such rating will remain unchanged for any given period of time or that they will not be revised downward or withdrawn entirely by the rating agency furnishing the same, if, in its judgment, circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the liquidity and market price of the Bonds.

#### Underwriting

*General.* The Underwriter has agreed to purchase the Bonds pursuant to the Bond Purchase Agreement (the "**Bond Purchase Agreement**") entered into between the School District and the Underwriter. The price and other terms regarding underwriting of the Bonds were established through negotiation. The Underwriter has agreed to purchase the Bonds at a purchase price of \$\_\_\_\_\_ (par plus/minus original issue premium/discount of \$\_\_\_\_\_ less Underwriter's discount of \$\_\_\_\_\_).

The Bond Purchase Agreement provides that the Underwriter will purchase all of the Bonds, if any are purchased, with the obligation to make such purchase being subject to certain terms and conditions set forth in the Bond Purchase Agreement. The Underwriter intends to offer the Bonds to the public initially at the offering prices shown on the cover page hereof, which prices may subsequently change without any requirement of prior notice. The Underwriter reserves the right to join with other dealers and underwriters in offering the Bonds to the public. The Underwriter may offer and sell the Bonds to certain dealers at prices lower than the public offering.

*Secondary Market.* No assurance can be given concerning the future existence of a secondary market for the Bonds or its maintenance by the Underwriter or others, and prospective purchasers of the Bonds should therefore be prepared to hold their Bonds to maturity.

*Information Provided by the Underwriter.* The Underwriter and its affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing, and brokerage activities. The Underwriter and its affiliates have, from time to time, performed, and may in the future perform, various investment banking services for the School District for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the Underwriter and its affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (which may include bank loans and/or credit default swaps) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of the School District.

### **Independent Auditors**

The general-purpose financial statements of the School District as of June 30, 2023, and for the year then ended, attached hereto as part of APPENDIX A, have been audited by the State of Georgia Department of Audits and Accounts, Atlanta, Georgia, to the extent and for the period indicated in its report thereon, which appears in APPENDIX A. Such financial statements have been included herein in reliance upon the report of the State of Georgia Department of Audits and Accounts, given upon the authority of such agency as experts in accounting and auditing. The State of Georgia Department of Audits and Accounts, as a matter of policy, does not sign written consents to the inclusion of its audit reports in Official Statements and, pursuant to such policy, has not signed and will not sign a written consent to the inclusion of its audit report in APPENDIX A to this Official Statement. The State of Georgia Department of Audits and Accounts could use the defense of sovereign immunity against any claim based upon its negligence in performing the audit of the School District's general purpose financial statements.

Accordingly, the School District will not obtain a consent letter from its auditor, the State of Georgia Department of Audits and Accounts, for the inclusion of the audit report in this Official Statement. The School District's auditor, the State of Georgia Department of Audits and Accounts, has not been engaged to perform, and has not performed, since the date of its report included herein any procedures on the financial statements addressed in that report. The State of Georgia Department of Audits and Accounts also has not performed any procedures relating to this Official Statement.

### **Additional Information**

Use of the words "shall," "must," or "will" in this Official Statement in summaries of documents or laws to describe future events or continuing obligations is not intended as a representation that such event will occur or obligation will be fulfilled but only that the document or law contemplates or requires such event to occur or obligation to be fulfilled.

Any statements made in this Official Statement involving estimates or matters of opinion, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates or matters of opinion will be realized. Neither this Official Statement nor any statement which may have been made orally or in writing is to be construed as a contract with the owners of the Bonds.

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**CERTIFICATION**

The School District has authorized the use and distribution of this Official Statement by the Underwriter in connection with the offering of the Bonds.

**TAYLOR COUNTY SCHOOL DISTRICT**

By: ***PRELIMINARY OFFICIAL STATEMENT***

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Chairperson, Taylor County Board of Education

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**APPENDIX A**

**FINANCIAL STATEMENTS OF THE SCHOOL DISTRICT  
FOR FISCAL YEAR ENDED JUNE 30, 2023**

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ANNUAL FINANCIAL REPORT • FISCAL YEAR 2023

# Taylor County Board of Education Butler, Georgia

Including Independent Auditor's Report

Greg S. Griffin | State Auditor



**DOAA**

Georgia Department  
of Audits & Accounts

# Taylor County Board of Education

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**Financial**



## INDEPENDENT AUDITOR'S REPORT

The Honorable Brian P. Kemp, Governor of Georgia  
Members of the General Assembly of the State of Georgia  
Members of the State Board of Education  
and  
Mrs. Jennifer Albritton, Superintendent and Members of the  
Taylor County Board of Education

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities and each major fund of the Taylor County Board of Education (School District) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the School District as of June 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

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

We are required to be independent of the School District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Responsibilities of Management for the Financial Statements***

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

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

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

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

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and required supplementary information 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 GAAS, 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 appropriate evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District's basic financial statements. The accompanying supplementary information, as listed in the table of contents, is presented for the purposes of additional analysis and is not a required part of the basic financial statements. The *Schedule of Expenditures of Federal Awards* is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The supplementary 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 13, 2024 on our consideration of the School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control over financial reporting and compliance.

A copy of this report has been filed as a permanent record and made available to the press of the State, as provided for by Official Code of Georgia Annotated section 50-6-24.

Respectfully submitted,



Greg S. Griffin  
State Auditor

March 13, 2024

TAYLOR COUNTY BOARD OF EDUCATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

## INTRODUCTION

The discussion and analysis of the Taylor County Board of Education's (the School District) financial performance provides an overview of the School District's financial activities for the fiscal years ended June 30, 2023 and June 30, 2022. 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 financial statements and the notes to the basic financial statements to enhance their understanding of the School District's financial performance.

## FINANCIAL HIGHLIGHTS

Key financial highlights for the fiscal year 2023 are as follows:

- On the government-wide financial statements, the School District's net position at June 30, 2023 was \$32.6 million. Net position reflects the difference between all assets and deferred outflows of resources of the School District (including capital assets, net of depreciation) and all liabilities, both short-term and long-term, and deferred inflows of resources. The net position reported last year at June 30, 2022 was \$13.2 million. The School District had an increase in its net position of \$19.4 million mainly due to an increase in capital assets related to the construction of a new school.
- Over the last several years, the implementation of GASB Statements regarding the financial reporting of pension and other postemployment benefit liabilities has caused a deficit balance in the unrestricted net position on the government wide financial statements. This should not be considered a financial weakness as these costs are spread out over multiple years well into the future.
- General revenues accounted for \$8.4 million in revenue or 20.6% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$32.3 million or 79.4% of total revenues of \$40.6 million.
- The School District had \$21.3 million in expenses related to governmental activities; however, \$14.4 million of these expenses were offset by program specific charges for services and operating grants and contributions. General revenues (primarily taxes) of \$8.4 million were available to provide for these programs. Program specific revenues in the form of capital grants and contributions were \$17.8 million. These funds were used in the construction of a new school and purchase new buses.
- The current ratio, which measures the School District's ability to transform current assets into cash and pay its short-term liabilities, was 3.9 for the fiscal year ended June 30, 2023. Generally, a ratio greater than 2.0 is considered very financially stable.
- The general fund (the primary operating fund), presented on a current financial resource basis, ended the fiscal year with a fund balance of \$7.2 million, a decrease of approximately \$3.2 million from the June 30, 2022 fund balance of \$10.4 million. The decrease is primarily due to a transfer to our capital projects fund.

## OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts; management's discussion and analysis, the basic financial statements and supplementary information. The basic financial statements include two levels of statements that present different views of the School District. These include the government-wide and fund financial statements.

TAYLOR COUNTY BOARD OF EDUCATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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

The fund financial statements focus on individual parts, reporting the School District's operation in more detail. The governmental funds statements disclose how basic services are financed in the short-term as well as what remains for future spending.

The fund financial statements reflect the School District's most significant funds. For the years ending June 30, 2023 and 2022, the general fund, capital projects fund, and debt service fund represent the most significant funds.

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

### **Government-Wide Statements**

The government-wide statements report information about the School District as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position includes all of the School District's assets and liabilities. All of the current fiscal year's revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid.

The two government-wide statements report the School District's net position and how it has changed. Net position, the difference between the School District's assets, deferred outflows of resources, liabilities and deferred inflows of resources, is one way to measure the School District's overall financial health or position. Over time, increases or decreases in net position are an indication of whether its financial health is improving or deteriorating. Changes may be the result of many factors, including those not under the School District's control, such as the property tax base, facility conditions, required educational programs and other factors.

In the Statement of Net Position and the Statement of Activities, the School District has one distinct type of activity:

- **Governmental Activities** – All of the School District's programs and services are reported here including instruction, support services, operation and maintenance of plant, pupil transportation, food service, student activity accounts and various others.

### **Fund Financial Statements**

The School District's fund financial statements provide detailed information about the most significant funds, not the School District as a whole. Some funds are required by State law and some by bond requirements. The School District's major governmental funds are the general fund, the capital projects fund, and the debt service fund.

**Governmental Funds** - The School District's activities are reported in governmental funds, which focus on the determination of financial position and change in financial position, not on income determination. These funds are reported using the modified accrual method of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School District's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can

TAYLOR COUNTY BOARD OF EDUCATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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 are reconciled to the financial statements.

**FINANCIAL ANALYSIS OF 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 fiscal years 2023 and 2022.

**Table 1  
Net Position**

	Governmental Activities	
	Fiscal Year 2023	Fiscal Year 2022
<b>Assets</b>		
Current and Other Assets	\$ 28,035,067	\$ 35,380,308
Intangible Right-to-Use Assets, Net	31,059	48,357
Capital Assets, Net	49,546,810	20,666,456
<b>Total Assets</b>	<b>77,612,936</b>	<b>56,095,121</b>
<b>Deferred Outflows of Resources</b>		
Related to Defined Benefit Pension Plan	9,500,620	4,197,112
Related to OPEB Plan	2,623,610	2,850,985
<b>Total Deferred Outflows</b>	<b>12,124,230</b>	<b>7,048,097</b>
<b>Liabilities</b>		
Current and Other Liabilities	7,167,726	4,566,920
Long-Term Liabilities	43,729,310	31,277,971
<b>Total Liabilities</b>	<b>50,897,036</b>	<b>35,844,891</b>
<b>Deferred Inflows of Resources</b>		
Related to Defined Benefit Pension Plan	590,156	8,528,067
Related to OPEB Plan	5,688,396	5,565,445
<b>Total Deferred Inflows</b>	<b>6,278,552</b>	<b>14,093,512</b>
<b>Net Position</b>		
Net Investment in Capital Assets	29,814,440	11,132,496
Restricted	19,513,309	15,018,659
Unrestricted (Deficit)	(16,766,171)	(12,946,340)
<b>Total Net Position</b>	<b>\$ 32,561,578</b>	<b>\$ 13,204,815</b>

The net position increased \$19.4 million from the prior year, mainly due to an increase in capital assets related to the construction of a new school.

TAYLOR COUNTY BOARD OF EDUCATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Table 2 shows the changes in net position for fiscal years ending June 30, 2023 and June 30, 2022.

**Table 2**  
**Change in Net Position**

	Governmental Activities	
	Fiscal Year	Fiscal Year
	2023	2022
<b>Revenues</b>		
Program Revenues:		
Charges for Services	\$ 537,873	\$ 480,024
Operating Grants and Contributions	13,887,920	19,097,942
Capital Grants and Contributions	17,827,262	6,587,205
Total Program Revenues	<u>32,253,055</u>	<u>26,165,171</u>
General Revenues:		
Taxes		
Property Taxes		
For Maintenance and Operations	5,117,943	4,770,177
Railroad Cars	-	47,177
Sales Taxes		
Special Purpose Local Option Sales Tax		
For Capital Projects	442,854	78,798
For Debt Service	1,054,650	1,054,575
Other Taxes	31,328	16,416
Grants and Contributions not		
Restricted to Specific Programs	1,040,284	1,363,851
Investment Earnings	460,252	31,110
Miscellaneous	220,110	278,266
Total General Revenues	<u>8,367,421</u>	<u>7,640,370</u>
Total Revenues	<u>40,620,476</u>	<u>33,805,541</u>
<b>Program Expenses:</b>		
Instruction	12,401,655	11,537,582
Support Services		
Pupil Services	818,035	744,366
Improvement of Instructional Services	614,978	492,226
Educational Media Services	394,642	297,698
General Administration	633,287	517,196
School Administration	748,427	623,840
Business Administration	249,069	228,009
Maintenance and Operation of Plant	1,800,506	1,746,434
Student Transportation Services	885,178	943,563
Other Support Services	8,000	13,150
Operations of Non-Instructional Services		
Enterprise Operations	535,851	385,402
Food Services	1,761,202	1,802,833
Interest on Short-Term and Long-Term Debt	412,883	427,964
Total Expenses	<u>21,263,713</u>	<u>19,760,263</u>
Increase (Decrease) in Net Position	<u>\$ 19,356,763</u>	<u>\$ 14,045,278</u>

Program revenues, in the form of charges for services, operating grants and contributions, and capital grants and contributions increased over \$6.1 million for governmental activities. This increase is largely due to Georgia State Financing and Investment Commission funds.

TAYLOR COUNTY BOARD OF EDUCATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

**Governmental Activities**

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services and the net cost of services. Net cost of services can be defined as the total cost less fees generated by the activities and intergovernmental revenue provided for specific programs. The net cost reflects the financial burden on the School District's taxpayers by each activity.

**Table 3  
Governmental Activities**

	Total Cost of Services		Net Cost of Services	
	Fiscal Year 2023	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2022
Instruction	\$ 12,401,655	\$ 11,537,582	\$ (12,044,043)	\$ (8,855,409)
Support Services:				
Pupil Services	818,035	744,366	(397,754)	324,474
Improvement of Instructional Services	614,978	492,226	340,689	210,644
Educational Media Services	394,642	297,698	213,672	94,749
General Administration	633,287	517,196	168,995	34,102
School Administration	748,427	623,840	139,924	(33,304)
Business Administration	249,069	228,009	192,025	201,093
Maintenance and Operation of Plant	1,800,506	1,746,434	701,783	1,083,080
Student Transportation Services	885,178	943,563	(53,307)	476,127
Other Support Services	8,000	13,150	-	-
Operations of Non-Instructional Services:				
Enterprise Operations	535,851	385,402	184,672	80,955
Food Services	1,761,202	1,802,833	(848,882)	(449,383)
Interest on Short-Term and Long-Term Debt	412,883	427,964	412,883	427,964
<b>Total Expenses</b>	<b>\$ 21,263,713</b>	<b>\$ 19,760,263</b>	<b>\$ (10,989,343)</b>	<b>\$ (6,404,908)</b>

Expenses increased \$1.5 million from the prior year, and the net costs of providing services decreased around \$4.6 million. The net cost decrease is due to Georgia State Financing and Investment Commission funds.

**FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS**

The School District's governmental funds are accounted for using the modified accrual basis of accounting. The governmental funds had total revenues and other financing sources of \$44.7 million and total expenditures and other financing uses of \$54.6 million. There was a decrease in the fund balance totaling approximately \$9.9 million for the governmental funds as a whole. This decrease is largely due to the expenditures related to the construction of a new school facility.

**General Fund Budgeting Highlights**

The School District's budget is prepared according to Georgia Law. The most significant budgeted fund is the general fund, funded primarily through state revenue and local property tax revenue. During the course of fiscal years 2023 and 2022, the School District amended its general fund budget as needed.

TAYLOR COUNTY BOARD OF EDUCATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

During fiscal year 2023 the general fund had final actual revenues totaling \$21.0 million, which represented an increase from the final budgeted amount of \$16.1 million by \$4.9 million. This difference was due to the fact that the School District traditionally estimates revenue on a conservative basis to avoid shortfalls in actual revenues. Additionally, the School District did not include revenues for school activity accounts (included in miscellaneous revenues and charges for services) or for food services (included in federal revenue) in the final budget.

Final actual expenditures during fiscal year 2023 totaling \$20.2 million represented an increase from the final budgeted amount of \$17.3 million by \$2.9 million. The increase in actual expenditures versus final budget expenditures was due to the fact that the School District traditionally estimates expenses on a conservative basis. Additionally, the School District did not include expenses for school activity accounts (included in Enterprise Operations), food services (included in food Services Operation), Emergency Connectivity funds, and E-rate funds in the final budget.

**CAPITAL ASSETS AND INTANGIBLE RIGHT-TO-USE ASSETS**

At the fiscal years ended June 30, 2023 and June 30, 2022, the School District had \$49.6 and \$20.7 million, respectively, invested in capital assets, net of accumulated depreciation and amortization. These assets are made up of a broad range of capital assets, including land; buildings; transportation, food service and maintenance equipment. The increase is mainly due to the construction of a new school. Table 4 reflects a summary of these balances, by class, net of accumulated depreciation.

**Table 4**  
**Capital Assets and Intangible Right-to-Use Assets**  
**(Net of Depreciation/Amortization)**

	Governmental Activities	
	Fiscal Year	Fiscal Year
	2023	2022
Land	\$ 575,247	\$ 575,247
Construction in Progress	39,230,143	10,192,736
Building and Improvements	8,856,588	9,181,385
Equipment	826,113	633,588
Right-to-Use Equipment	31,059	48,357
Land Improvements	58,719	83,500
	\$ 49,577,869	\$ 20,714,813

Additional information about the School District's capital assets can be found in the Notes to the Basic Financial Statements.

TAYLOR COUNTY BOARD OF EDUCATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

**DEBT ADMINISTRATION**

At June 30, 2023, the School District had \$14.9 million in total debt outstanding with \$0.7 million due within one year. The decrease is due to the amortization of the bond premium and the principal payment during fiscal year 2023. Table 5 summarizes bond debt outstanding at June 30, 2023.

**Table 5  
Debt at June 30**

	Governmental Activities	
	Fiscal Year 2023	Fiscal Year 2022
	Due within One Year	\$ 672,149
Due in More Than One Year	14,260,263	14,932,412
Total	\$ 14,932,412	\$ 15,588,518

Additional information about the School District’s debt can be found in the Notes to the Basic Financial Statements.

**CURRENT ISSUES**

In fiscal year 2023, the School District continued construction of a new facility consisting of grades three through twelve. The State approved the capital outlay project application for the construction with the School District being eligible for \$27 million in state funds to be used toward the project.

In fiscal year 2020, the School District issued bonds to provide additional funding for the construction project. ESPLOST funds will be used to retire the bond debt. It will take approximately 17 more years to retire the debt, thus the School District plans to continue seeking the renewal of the ESPLOST in the years to come.

The School District’s millage rate for fiscal year 2023 was 14.83. The net digest is expected to increase slightly for fiscal year 2024. The board will most likely levy close to the same amount of tax in fiscal year 2024. Sales tax revenue is expected to remain at current levels. It is anticipated that this pressure to provide local monies to meet mandated educational requirements and operational costs will continue.

**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 Jennifer Albritton, Superintendent at the Taylor County Board of Education, P.O. Box 1930, 23 Mulberry Street, Butler, Georgia 31006. You may also email your questions to [albritton.jennifer@taylorcountyschools.org](mailto:albritton.jennifer@taylorcountyschools.org).



**Taylor County Board of Education**

TAYLOR COUNTY BOARD OF EDUCATION  
STATEMENT OF NET POSITION  
JUNE 30, 2023

EXHIBIT "A"

	GOVERNMENTAL ACTIVITIES
<u>ASSETS</u>	
Cash and Cash Equivalents	\$ 23,617,356.69
Accounts Receivable, Net	
Taxes	504,813.50
State Government	2,951,110.17
Federal Government	814,561.88
Other	5,975.99
Inventories	141,248.49
Intangible Right-to-Use Assets (Net of Accumulated Amortization)	31,059.00
Capital Assets, Non-Depreciable	39,805,390.16
Capital Assets, Depreciable (Net of Accumulated Depreciation)	9,741,419.87
Total Assets	77,612,935.75
 <u>DEFERRED OUTFLOWS OF RESOURCES</u>	
Related to Defined Benefit Pension Plan	9,500,620.02
Related to OPEB Plan	2,623,610.00
Total Deferred Outflows of Resources	12,124,230.02
 <u>LIABILITIES</u>	
Accounts Payable	403,640.68
Salaries and Benefits Payable	1,752,236.19
Interest Payable	180,332.00
Contracts Payable	1,414,642.65
Retainages Payable	3,416,374.07
Deposits and Unearned Revenues	500.00
Net Pension Liability	19,807,879.00
Net OPEB Liability	8,989,019.00
Long-Term Liabilities	
Due Within One Year	672,149.00
Due in More Than One Year	14,260,262.85
Total Liabilities	50,897,035.44
 <u>DEFERRED INFLOWS OF RESOURCES</u>	
Related to Defined Benefit Pension Plan	590,156.00
Related to OPEB Plan	5,688,396.00
Total Deferred Inflows of Resources	6,278,552.00
 <u>NET POSITION</u>	
Net Investment in Capital Assets	29,814,440.46
Restricted for	
Continuation of Federal Programs	1,284,246.19
Debt Service	3,541,320.30
Capital Projects	14,687,742.28
Unrestricted (Deficit)	(16,766,170.90)
Total Net Position	\$ 32,561,578.33

TAYLOR COUNTY BOARD OF EDUCATION  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2023

EXHIBIT "B"

	PROGRAM REVENUES				NET (EXPENSES) REVENUES AND CHANGES IN NET POSITION
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	
<b>GOVERNMENTAL ACTIVITIES</b>					
Instruction	\$ 12,401,654.65	\$ 121,053.81	\$ 8,153,695.85	\$ 16,170,948.10	\$ 12,044,043.11
Support Services					
Pupil Services	818,034.83	-	778,757.78	437,030.94	397,753.89
Improvement of Instructional Services	614,977.83	-	274,288.70	-	(340,689.13)
Educational Media Services	394,641.92	-	180,970.00	-	(213,671.92)
General Administration	633,286.88	-	464,292.21	-	(168,994.67)
School Administration	748,426.51	-	608,503.00	-	(139,923.51)
Business Administration	249,068.52	-	-	57,043.70	(192,024.82)
Maintenance and Operation of Plant	1,800,506.40	-	567,053.53	531,669.58	(701,783.29)
Student Transportation Services	885,178.08	-	762,264.82	176,220.00	53,306.74
Other Support Services	8,000.00	-	8,000.00	-	-
Operations of Non-Instructional Services					
Enterprise Operations	535,850.68	351,178.71	-	-	(184,671.97)
Food Services	1,761,202.00	65,640.04	2,090,094.00	454,349.40	848,881.44
Interest on Long-Term Debt	412,883.00	-	-	-	(412,883.00)
<b>Total Governmental Activities</b>	<b>\$ 21,263,711.30</b>	<b>\$ 537,872.56</b>	<b>\$ 13,887,919.89</b>	<b>\$ 17,827,261.72</b>	<b>10,989,342.87</b>
<b>General Revenues</b>					
Taxes					
Property Taxes					
For Maintenance and Operations					
5,117,942.96					
Sales Taxes					
Special Purpose Local Option Sales Tax					
For Debt Services					
1,054,650.00					
For Capital Projects					
442,853.65					
Other Sales Tax					
31,327.75					
Grants and Contributions not Restricted to Specific Programs					
1,040,284.00					
Investment Earnings					
460,251.63					
Miscellaneous					
220,110.38					
<b>Total General Revenues</b>					
<b>8,367,420.37</b>					
Change in Net Position					
19,356,763.24					
Net Position - Beginning of Year					
13,204,815.09					
Net Position - End of Year					
<b>\$ 32,561,578.33</b>					

TAYLOR COUNTY BOARD OF EDUCATION  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2023

EXHIBIT "C"

	GENERAL FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTAL
<u>ASSETS</u>				
Cash and Cash Equivalents	\$ 7,126,920.34	\$ 12,768,784.05	\$ 3,721,652.30	\$ 23,617,356.69
Accounts Receivable, Net				
Taxes	394,312.94	110,500.56	-	504,813.50
State Government	1,134,127.00	1,816,983.17	-	2,951,110.17
Federal Government	814,561.88	-	-	814,561.88
Other	5,975.99	-	-	5,975.99
Inventories	141,248.49	-	-	141,248.49
Total Assets	\$ 9,617,146.64	\$ 14,696,267.78	\$ 3,721,652.30	\$ 28,035,066.72
<u>LIABILITIES</u>				
Accounts Payable	\$ 395,115.18	\$ 8,525.50	\$ -	\$ 403,640.68
Salaries and Benefits Payable	1,752,236.19	-	-	1,752,236.19
Contracts Payable	-	1,414,642.65	-	1,414,642.65
Retainages Payable	-	3,416,374.07	-	3,416,374.07
Deposits and Unearned Revenues	500.00	-	-	500.00
Total Liabilities	2,147,851.37	4,839,542.22	-	6,987,393.59
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Unavailable Revenue - Property Taxes	229,235.54	-	-	229,235.54
<u>FUND BALANCES</u>				
Nonspendable	141,248.49	-	-	141,248.49
Restricted	1,142,997.70	9,856,725.56	3,721,652.30	14,721,375.56
Assigned	342,467.19	-	-	342,467.19
Unassigned	5,613,346.35	-	-	5,613,346.35
Total Fund Balances	7,240,059.73	9,856,725.56	3,721,652.30	20,818,437.59
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 9,617,146.64	\$ 14,696,267.78	\$ 3,721,652.30	\$ 28,035,066.72

TAYLOR COUNTY BOARD OF EDUCATION  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
JUNE 30, 2023

EXHIBIT "D"

Total fund balances - governmental funds (Exhibit "C")	\$	20,818,437.59
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
Land	\$ 575,246.82	
Construction in progress	39,230,143.34	
Buildings and improvements	17,339,279.32	
Equipment	3,727,836.90	
Land improvements	680,049.32	
Accumulated depreciation	<u>(12,005,745.67)</u>	49,546,810.03
Right-to-use assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
Leased machinery and equipment	\$ 67,355.00	
Accumulated amortization - Right-to-use assets	<u>(36,296.00)</u>	31,059.00
Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Net pension liability	\$ (19,807,879.00)	
Net OPEB liability	<u>(8,989,019.00)</u>	(28,796,898.00)
Deferred outflows and inflows of resources related to pensions/OPEB are applicable to future periods and, therefore, are not reported in the funds.		
Related to pensions	\$ 8,910,464.02	
Related to OPEB	<u>(3,064,786.00)</u>	5,845,678.02
Taxes that are not available to pay for current period expenditures are deferred in the funds.		
		229,235.54
Long-term liabilities, and related accrued interest, are not due and payable in the current period and therefore are not reported in the funds.		
Bonds payable	\$ (12,750,000.00)	
Accrued interest payable	(180,332.00)	
Lease liability payable	(31,059.00)	
Unamortized bond premiums	<u>(2,151,352.85)</u>	<u>(15,112,743.85)</u>
Net position of governmental activities (Exhibit "A")	\$	<u><u>32,561,578.33</u></u>

TAYLOR COUNTY BOARD OF EDUCATION  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2023

EXHIBIT "E"

	GENERAL FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTAL
<b>REVENUES</b>				
Property Taxes	\$ 5,178,590.00	\$ -	\$ -	\$ 5,178,590.00
Sales Taxes	31,327.75	442,853.65	1,054,650.00	1,528,831.40
State Funds	10,549,668.62	17,651,041.72	-	28,200,710.34
Federal Funds	4,520,580.26	-	-	4,520,580.26
Charges for Services	537,872.56	-	-	537,872.56
Investment Earnings	-	408,819.54	51,432.09	460,251.63
Miscellaneous	220,110.38	-	-	220,110.38
Total Revenues	<u>21,038,149.57</u>	<u>18,502,714.91</u>	<u>1,106,082.09</u>	<u>40,646,946.57</u>
<b>EXPENDITURES</b>				
Current				
Instruction	11,786,753.88	135,460.15	-	11,922,214.03
Support Services				
Pupil Services	789,898.75	-	-	789,898.75
Improvement of Instructional Services	588,347.04	-	-	588,347.04
Educational Media Services	389,500.41	-	-	389,500.41
General Administration	608,438.48	13,320.90	-	621,759.38
School Administration	729,351.91	-	-	729,351.91
Business Administration	247,032.77	-	-	247,032.77
Maintenance and Operation of Plant	1,641,515.11	157,463.03	-	1,798,978.14
Student Transportation Services	1,060,735.12	67,224.80	-	1,127,959.92
Other Support Services	8,000.00	-	-	8,000.00
Enterprise Operations	535,850.68	-	-	535,850.68
Food Services Operation	1,788,456.46	-	-	1,788,456.46
Capital Outlay	-	28,935,398.49	-	28,935,398.49
Debt Services				
Principal	-	-	505,000.00	505,000.00
Dues and Fees	-	-	1,075.00	1,075.00
Interest	-	-	548,575.00	548,575.00
Total Expenditures	<u>20,173,880.61</u>	<u>29,308,867.37</u>	<u>1,054,650.00</u>	<u>50,537,397.98</u>
Revenues over (under) Expenditures	<u>864,268.96</u>	<u>(10,806,152.46)</u>	<u>51,432.09</u>	<u>(9,890,451.41)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	4,048,633.92	-	4,048,633.92
Transfers Out	(4,048,633.92)	-	-	(4,048,633.92)
Total Other Financing Sources (Uses)	<u>(4,048,633.92)</u>	<u>4,048,633.92</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(3,184,364.96)	(6,757,518.54)	51,432.09	(9,890,451.41)
Fund Balances - Beginning	<u>10,424,424.69</u>	<u>16,614,244.10</u>	<u>3,670,220.21</u>	<u>30,708,889.00</u>
Fund Balances - Ending	<u>\$ 7,240,059.73</u>	<u>\$ 9,856,725.56</u>	<u>\$ 3,721,652.30</u>	<u>\$ 20,818,437.59</u>

TAYLOR COUNTY BOARD OF EDUCATION  
 RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF  
 REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 TO THE STATEMENT OF ACTIVITIES  
 JUNE 30, 2023

EXHIBIT "F"

Net change in fund balances total governmental funds (Exhibit "E") \$ (9,890,451.41)

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 capital assets is allocated over their estimated useful lives as depreciation expense.

Capital outlay	\$ 29,353,490.80	
Depreciation expense	(473,136.64)	
Amortization expense	<u>(17,298.00)</u>	28,863,056.16

Taxes reported in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.

(60,647.04)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and the difference between the carrying value of refunded debt and the acquisition cost of refunded debt when debt is first issued. These amounts are deferred and amortized in the Statement of Activities.

Bond principal retirements	\$ 505,000.00	
Lease liability payments	19,391.00	
Amortization of bond premium	<u>131,715.00</u>	656,106.00

District pension/OPEB contributions are reported as expenditures in the governmental funds when made. However, they are reported as deferred outflows of resources in the Statement of Net Position because the reported net pension/OPEB liability is measured a year before the District's report date. Pension/OPEB expense, which is the change in the net pension/OPEB liability adjusted for changes in deferred outflows and inflows of resources related to pensions/OPEB, is reported in the Statement of Activities.

Pension expense	\$ (930,939.47)	
OPEB expense	<u>714,587.00</u>	(216,352.47)

Some items 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.

Net decrease in accrued interest		<u>5,052.00</u>
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Change in net position of governmental activities (Exhibit "B") \$ 19,356,763.24

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## NOTE 1: DESCRIPTION OF SCHOOL DISTRICT AND REPORTING ENTITY

### Reporting Entity

The Taylor County Board of Education (School District) was established under the laws of the State of Georgia and operates under the guidance of a 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 the organizations that compose its legal entity.

## NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

### Basis of Presentation

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

#### *Government-Wide Statements:*

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

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

1. **Net investment in capital assets** consists of the School District's total investment in capital assets, net of accumulated depreciation, and reduced by outstanding debt obligations related to those capital assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of net investment in capital assets.
2. **Restricted net position** consists of resources for which the School District is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties or imposed by law through constitutional provisions or enabling legislation.
3. **Unrestricted net position** consists of resources not meeting the definition of the two preceding categories. Unrestricted net position often has constraints on resources imposed by management which can be removed or modified.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the School District's governmental activities.

TAYLOR COUNTY BOARD OF EDUCATION  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023

EXHIBIT "G"

Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expenses (expenses of the School District related to the administration and support of the School District's programs, such as office and maintenance personnel and accounting) are not allocated to programs.

Program revenues include (a) charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

### *Fund Financial Statements*

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

The School District reports the following major governmental funds:

- The general fund is the School District's primary operating fund. It accounts for and reports all financial resources not accounted for and reported in another fund.
- The capital projects fund accounts for and reports financial resources including Education Special Purpose Local Option Sales Tax (ESPLOST), bond proceeds and grants from Georgia State Financing and Investment Commission that are restricted, committed or assigned for capital outlay expenditures, including the acquisition or construction of capital facilities and other capital assets.
- The debt service fund accounts for and reports financial resources that are restricted, committed, or assigned including taxes (sales) legally restricted for the payment of general long-term principal and interest.

### **Basis of Accounting**

The basis of accounting determines when transactions are reported on the financial statements. The government-wide fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the School District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, sales taxes, grants and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from sales taxes is recognized in the fiscal year in which the underlying transaction (sale) takes place. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

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

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The School District considers certain revenues reported in the governmental funds to be

TAYLOR COUNTY BOARD OF EDUCATION  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023

EXHIBIT "G"

available if they are collected within 60 days after year-end. The School District considers all intergovernmental revenues to be available if they are collected within 90 days after year-end. Property taxes, sales taxes and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, which are recognized as expenditures to the extent they have matured. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term liabilities and acquisitions under leases are reported as other financing sources.

The School District funds certain programs by a combination of specific cost-reimbursement grants, categorical grants, and general revenues. Thus, when program costs are incurred, there are both restricted and unrestricted resources available to finance the program. It is the School District's policy to first apply grant resources to such programs followed by cost-reimbursement grants, then general revenues.

### New Accounting Pronouncements

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

### Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand, demand deposits, investments in the State of Georgia local government investment pool (Georgia Fund 1) and short-term investments with original maturities of three months or less from the date of acquisition in authorized financial institutions. Official Code of Georgia Annotated (O.C.G.A.) §45-8-14 authorizes the School District to deposit its funds in one or more solvent banks, insured Federal savings and loan associations or insured chartered building and loan associations.

### Receivables

Receivables consist of amounts due from property and sales taxes, grant reimbursements due on Federal, State or other grants for expenditures made but not reimbursed and other receivables disclosed from information available. Receivables are recorded when either the asset or revenue recognition criteria has been met. Receivables recorded on the basic financial statements do not include any amounts which would necessitate the need for an allowance for uncollectible receivables.

### Inventories

#### *Food Inventories*

On the basic financial statements, inventories of donated food commodities used in the preparation of meals are reported at their Federally assigned value and purchased foods inventories are reported at cost (calculated on the first-in, first-out basis). The School District uses the consumption method to account for inventories whereby donated food commodities are recorded as an asset and as revenue

TAYLOR COUNTY BOARD OF EDUCATION  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 JUNE 30, 2023

EXHIBIT "G"

when received, and expenses/expenditures are recorded as the inventory items are used. Purchased foods are recorded as an asset when purchased and expenses/expenditures are recorded as the inventory items are used.

**Capital Assets**

On the government-wide financial statements, capital assets are recorded at cost where historical records are available and at estimated historical cost based on appraisals or deflated current replacement cost where no historical records exist. Donated capital assets are recorded at the acquisition value on the date donated. The cost of normal maintenance and repairs that do not add to the value of assets or materially extend the useful lives of the assets is not capitalized. The School District does not capitalize book collections or works of art.

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

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

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

	Capitalization Policy	Estimated Useful Life
Land	Any Amount	N/A
Land Improvements	\$ 10,000.00	15 years
Buildings and	\$ 10,000.00	Up to 60 years
Equipment	\$ 10,000.00	5 to 25 years
Intangible Assets	\$ 300,000.00	50 years

**Intangible Right-To-Use Assets**

Leases, as a lessee, are included as intangible right-to-use assets and lease obligations on the Statement of Net Position. An intangible right-to-use asset represents the School District's right to use an underlying asset for the lease term. Lease obligations represent the School District's liability to make lease payments arising from the lease agreement. Intangible right-to-use assets and lease obligations are recognized based on the present value of lease payments over the lease term, where the initial term exceeds 12 months. Residual value guarantees and the value of an option to extend or terminate a lease are reflected to the extent it is reasonably certain to be paid or exercised. Variable payments based on future performance or usage are not included in the measurement of the lease liability. Intangible right-to-use assets are amortized using a straight-line basis over the shorter of the lease term or useful life of the underlying asset.

Capitalization thresholds of intangible right-to-use assets reported in the government-wide statements are the same as those assets acquired through normal acquisition.

TAYLOR COUNTY BOARD OF EDUCATION  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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EXHIBIT "G"

### Leases as Lessee

The School District is a lessee for noncancellable leases of copiers owned by 3rd parties.

At the commencement of a lease, the School District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The right-to-use lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on the straight-line basis over the shorter of the useful life of the asset or the lease term.

Key estimates and judgments related to leases include how the School District determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments:

The lease agreements entered into by the School District as lessee do not contain stated interest rates. Therefore, the School District has used its estimated incremental borrowing rate as the discount rate for the leases. The School District has estimated this incremental borrowing rate to be 5.3% for the leases in which the School District is currently involved as the lessee.

The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments the School District will make over the lease term.

The School District monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and lease liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with current and long-term debt on the statement of net position.

### Deferred Outflows/Inflows of Resources

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

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

### Long-Term Liabilities and Bond Discounts/Premiums

In the School District's government-wide financial statements, outstanding debt is reported as liabilities. Bond premiums and discounts and the difference between the reacquisition price and the net carrying value of refunded debt are deferred and amortized over the life of the bonds using the straight-line method. To conform to generally accepted accounting principles, bond premiums and discounts should be amortized using the effective interest method. The effect of this deviation is deemed to be immaterial to the fair presentation of the basic financial statements. Bond issuance costs are recognized as an outflow of resources in the fiscal year in which the bonds are issued.

TAYLOR COUNTY BOARD OF EDUCATION  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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EXHIBIT "G"

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

### Pensions

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

### Post-Employment Benefits Other Than Pensions (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 Post-Employment Benefit Fund (School OPEB Fund) and additions to/deductions from School OPEB Fund fiduciary net position have been determined on the same basis as they are reported by School OPEB Fund. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

### Fund Balances

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

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

**Nonspendable** consists of resources that cannot be spent either because they are in a nonspendable form or because they are legally or contractually required to be maintained intact.

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

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

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

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

TAYLOR COUNTY BOARD OF EDUCATION  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023

EXHIBIT "G"

**Use of Estimates**

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

**Property Taxes**

The Taylor County Board of Commissioners adopted the property tax levy for the 2022 tax digest year (calendar year) on September 22, 2022 (levy date) based on property values as of January 1, 2022. Taxes were due on December 20, 2022 (lien date). Taxes collected within the current fiscal year or within 60 days after year-end on the 2022 tax digest are reported as revenue in the governmental funds for fiscal year 2023. The Taylor County Tax Commissioner bills and collects the property taxes for the School District, withholds 2.5% of taxes collected as a fee for tax collection and remits the balance of taxes collected to the School District. Property tax revenues, at the fund reporting level, during the fiscal year ended June 30, 2023, for maintenance and operations amounted to \$4,770,328.04.

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

School Operations	<u>14.83</u> mills
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Additionally, Title Ad Valorem Tax revenues, at the fund reporting level, amounted to \$408,261.96 during fiscal year ended June 30, 2023.

**Sales Taxes**

Education Special Purpose Local Option Sales Tax (ESPLOST), at the fund reporting level, during the year amounted to \$1,497,503.65 and is to be used for capital outlay for educational purposes or debt service. This sales tax was authorized by local referendum and the sales tax must be re-authorized at least every five years.

**NOTE 3: BUDGETARY DATA**

The budget is a complete financial plan for the School District's fiscal year and is based upon careful estimates of expenditures together with probable funding sources. The budget is legally adopted each year for the general fund. There is no statutory prohibition regarding over expenditure of the budget at any level. The budget for all governmental funds, except the various school activity (principal) accounts and food service operations, is prepared and adopted by fund, function and object. The legal level of budgetary control was established by the Board at the aggregate function level. The budget for the general fund was prepared in accordance with accounting principles generally accepted in the United States of America.

The budgetary process begins with the School District's administration presenting an initial budget for the Board's review. The administration makes revisions as necessary based on the Board's guidelines, and a tentative budget is approved. After approval of this tentative budget by the Board, such budget is advertised at least once in a newspaper of general circulation in the locality, as well as the School District's website. At the next regularly scheduled meeting of the Board after advertisement, the Board receives comments on the tentative budget, makes revisions as necessary and adopts a final budget. The

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approved budget is then submitted, in accordance with provisions of O.C.G.A. §20-2-167(c), to the Georgia Department of Education. The Board may increase or decrease the budget at any time during the year. All unexpended budget authority lapses at fiscal year-end.

The Superintendent is authorized by the Board to approve adjustments within the budget function of any amount not to exceed the total budget. If expenditure of funds is anticipated to be more than the total budgeted amount, the Superintendent shall request Board approval for the budget amendment. Any position or expenditure not previously approved in the annual budget that exceeds \$5,000.00 shall require Board approval unless the Superintendent deems the position or purchase an emergency. In such case, the expenditure shall be reported to the Board at its regularly scheduled meeting. Under no circumstance is the Superintendent or other staff person authorized to spend funds that exceed the total budget without approval by the Board.

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

**NOTE 4: DEPOSITS AND CASH EQUIVALENTS**

**Collateralization of Deposits**

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

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

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



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Federal Land Bank, the Federal Home Loan Bank, the Federal Intermediate Credit Bank, the Central Bank for Cooperatives, the Farm Credit Banks, the Federal Home Loan Mortgage Association, and the Federal National Mortgage Association.

**Categorization of Deposits**

Custodial credit risk is the risk that in the event of a bank failure, the School District's deposits may not be returned to it. The School District does not have a deposit policy for custodial credit risk. At June 30, 2023, the School District had deposits with a carrying amount of \$14,812,880.16, and a bank balance of \$16,005,999.18. The bank balances insured by Federal depository insurance were \$500,000.00.

At June 30, 2023, \$15,505,999.18 of the School District's bank balances was exposed to custodial credit risk. This balance was in the State's Secure Deposit Program (SDP).

The School District participates in the State's Secure Deposit Program (SDP), a multi-bank pledging pool. The SDP requires participating banks that accept public deposits in Georgia to operate under the policy and procedures of the program. The Georgia Office of State Treasurer (OST) sets the collateral requirements and pledging level for each covered depository. There are four tiers of collateralization levels specifying percentages of eligible securities to secure covered deposits: 25%, 50%, 75%, and 110%. The SDP also provides for collateral levels to be increased in the amount of up to 125% if economic or financial conditions warrants. The program lists the types of eligible criteria. The OST approves authorized custodians.

In accordance with the SDP, if a covered depository defaults, losses to public depositors are first satisfied with any applicable insurance, followed by demands of payment under any letters of credit or sale of the covered depository collateral. If necessary, any remaining losses are to be satisfied by assessments made against the other participating covered depositories. Therefore, for disclosure purposes, all deposits of the SDP are considered to be fully collateralized.

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

Cash and cash equivalents		
Statement of Net Position	\$	23,617,356.69
Less:		
Investment pools reported as cash and cash equivalents		
Georgia Fund 1		8,804,476.53
Total carrying value of deposits - June 30, 2023	\$	14,812,880.16

**Categorization of Cash Equivalents**

The School District reported cash equivalents of \$8,804,476.53 in Georgia Fund 1, a local government investment pool, which is included in the cash balances above. Georgia Fund 1 is not registered with the SEC as an investment company and does not operate in a manner consistent with the SEC's Rule 2a-7 of the Investment Company Act of 1940. The investment is valued at the pool's share price, \$1.00 per share, which approximates fair value. The pool is an AAAs rated investment pool by Fitch. The weighted average maturity of Georgia Fund 1 may not exceed 60 days. The weighted average maturity for Georgia Fund 1 on June 30, 2023 was 28 days.

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Georgia Fund 1, administered by the State of Georgia, Office of the State Treasurer, is not required to be categorized since the School District did not own any specific identifiable securities in the pool. The investment policy of the State of Georgia, Office of the State Treasurer for the Georgia Fund 1, does not provide for investment in derivatives or similar investments. Additional information on the Georgia Fund 1 is disclosed in the State of Georgia Annual Comprehensive Financial Report, which is publicly available at <https://sao.georgia.gov/statewide-reporting/acfr>.

**NOTE 5: CAPITAL ASSETS AND INTANGIBLE RIGHT-TO-USE ASSETS**

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

	Balances July, 1 2022	Increases	Decreases	Balances June 30, 2023
Governmental Activities				
Capital Assets,				
Not Being Depreciated:				
Land	\$ 575,246.82	\$ -	\$ -	\$ 575,246.82
Construction in Progress	10,192,735.53	29,037,407.81	-	39,230,143.34
 Total Capital Assets				
Not Being Depreciated	10,767,982.35	29,037,407.81	-	39,805,390.16
 Capital Assets,				
Being Depreciated:				
Buildings and Improvements	17,365,899.32	-	26,620.00	17,339,279.32
Equipment	3,411,753.91	316,082.99	-	3,727,836.90
Land Improvements	680,049.32	-	-	680,049.32
 Less Accumulated Depreciation:				
Buildings and Improvements	8,184,513.78	324,797.88	26,620.00	8,482,691.66
Equipment	2,778,166.05	123,557.47	-	2,901,723.52
Land Improvements	596,549.20	24,781.29	-	621,330.49
 Total Capital Assets				
Being Depreciated, Net	9,898,473.52	(157,053.65)	-	9,741,419.87
 Governmental Activities				
Capital Assets - Net	\$ 20,666,455.87	\$ 28,880,354.16	\$ -	\$ 49,546,810.03

Current year depreciation expense by function is as follows:

Instruction		\$ 341,744.92
Support Services		
Pupil Services	\$ 11,790.03	
Business Administration	1,538.90	
Maintenance and Operation of Plant	13,568.15	
Student Transportation Services	92,237.40	119,134.48
Food Services		12,257.24
		\$ 473,136.64

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The following is a summary of changes in the intangible right-to-use assets for governmental activities during the fiscal year:

	Balances July 1, 2022	Increases	Decreases	Balances June 30, 2023
Governmental Activities				
Intangible Right-to-Use Assets				
Equipment	\$ 67,355.00	\$ -	\$ -	\$ 67,355.00
Less Accumulated Amortization:				
Equipment	<u>(18,998.00)</u>	<u>(17,298.00)</u>	<u>-</u>	<u>(36,296.00)</u>
Governmental Activities				
Intangible Right-to-Use Assets - Net	<u>\$ 48,357.00</u>	<u>\$ (17,298.00)</u>	<u>\$ -</u>	<u>\$ 31,059.00</u>

Current year amortization expense by function is as follows:

Instruction		\$	14,703.30
Support Services			
Educational Media Services	\$		518.94
General Administration			691.92
School Administration			1,037.88
Business Administration			<u>345.96</u>
			<u>2,594.70</u>
		\$	<u>17,298.00</u>

**NOTE 6: INTERFUND TRANSFERS**

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

	Transfers From
Transfers to	General Fund
Capital Projects Fund	\$ <u>4,048,633.92</u>

Transfers are used to move local funds from the general fund to the capital projects fund for capital construction projects.

**NOTE 7: LONG-TERM LIABILITIES**

The changes in long-term liabilities during the fiscal year for governmental activities were as follows:

	Governmental Activities				
	Balance July 1, 2022	Additions	Deductions	Balance June 30, 2023	Due Within One Year
	General Obligation (G.O.) Bonds	\$ 13,255,000.00	\$ -	\$ 505,000.00	\$ 12,750,000.00
Unamortized Bond Premiums	2,283,067.85	-	131,715.00	2,151,352.85	131,715.00
Leases	<u>50,450.00</u>	<u>-</u>	<u>19,391.00</u>	<u>31,059.00</u>	<u>20,434.00</u>
	<u>\$ 15,588,517.85</u>	<u>\$ -</u>	<u>\$ 656,106.00</u>	<u>\$ 14,932,411.85</u>	<u>\$ 672,149.00</u>

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**General Obligation Bonds**

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

The School District had no unused line of credit or outstanding notes from direct borrowings and direct placements related to governmental activities as of June 30, 2023. In the event the entity is unable to make the principal and interest payments using proceeds from the Education Special Purpose Local Option Sales Tax (ESPLOST), the debt will be satisfied from a direct annual ad valorem tax levied upon all taxable property within the School District. Additional security is provided by the State of Georgia Intercept Program which allows for state appropriations entitled to the School District to be transferred to the Debt Service Account Custodian for the payment of debt.

Of the total amount originally authorized, \$1,255,000.00 remains unissued. General obligation bonds currently outstanding are as follows:

Description	Interest Rates	Issue Date	Maturity Date	Amount Issued	Amount Outstanding
General Government - Series 2020	3.00% - 5.00%	2/11/2020	9/1/2039	\$ 13,745,000.00	\$ 12,750,000.00

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

Fiscal Year Ended June 30:	General Obligation Debt		Unamortized
	Principal	Interest	Bond Premium
2024	\$ 520,000.00	\$ 530,600.00	\$ 131,715.00
2025	540,000.00	509,400.00	131,715.00
2026	560,000.00	484,600.00	131,715.00
2027	590,000.00	455,850.00	131,715.00
2028	620,000.00	425,600.00	131,715.00
2029 - 2033	3,570,000.00	1,653,250.00	658,575.00
2034 - 2038	4,350,000.00	849,000.00	658,575.00
2039 - 2040	2,000,000.00	80,800.00	175,627.85
Total Principal and Interest	\$ 12,750,000.00	\$ 4,989,100.00	\$ 2,151,352.85

**Leases**

The School District has acquired copiers under the provisions of various contracts that convey control of the right to use another entity's asset for a period of time in an exchange-like transaction. These contracts are classified as leases for accounting purposes.

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The following is a summary of the carrying values of intangible right-to-use assets under lease at June 30, 2023:

	Governmental Activities
Equipment	\$ 67,355.00
Less: Accumulated Amortizaion	36,296.00
	\$ 31,059.00

Leases currently outstanding are as follows:

Purpose	Interest Rate	Issue Date	Maturity Date	Amount Issued	Amount Outstanding
Xerox Copiers	5.30%	7/1/2021	12/1/2024	\$ 67,355.00	\$ 31,059.00

The following is a schedule of total lease payments:

Fiscal Year Ended June 30:	Principal	Interest
2024	\$ 20,434.00	\$ 1,144.00
2025	10,625.00	163.00
Total Principal and Interest	\$ 31,059.00	\$ 1,307.00

**NOTE 8: RISK MANAGEMENT**

**Insurance**

The School District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors or omissions; job related illness or injuries to employees; and natural disasters.

***Georgia School Boards Association Risk Management Fund***

The School District participates in the Georgia School Boards Association Risk Management Fund (the Fund), a public entity risk pool organized on August 1, 1994, to develop and administer a plan to reduce risk of loss on account of general liability, motor vehicle liability, errors and omissions liability, cyber risk and property damage, including safety engineering and other loss prevention and control techniques, and to administer the Fund including the processing and defense of claims brought against members of the Fund. The School District pays an annual contribution to the Fund for coverage. Reinsurance is provided to the Fund through agreements by the Fund with insurance companies according to their specialty for property (including coverage for flood and earthquake), machinery breakdown, general liability, errors and omissions, crime, cyber risk and automobile risks. Reinsurance limits and retentions vary by line of coverage.

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**Workers' Compensation**

*Georgia Education Workers' Compensation Trust*

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

**Unemployment Compensation**

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

The School District has not incurred any liabilities for unemployment compensation during the past two fiscal years.

**Surety Bond**

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

Position Covered	Amount
Superintendent	\$ 50,000.00

**NOTE 9: FUND BALANCE CLASSIFICATION DETAILS**

The School District's financial statements include the following amounts presented in the aggregate at June 30, 2023:

Nonspendable			
Inventories		\$	141,248.49
Restricted			
Continuation of Federal Programs	\$	1,142,997.70	
Capital Projects		9,856,725.56	
Debt Service		3,721,652.30	14,721,375.56
Assigned			
School Activity Accounts			342,467.19
Unassigned			5,613,346.35
Fund Balance, June 30, 2023		\$	20,818,437.59

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

**NOTE 10: BROADBAND SPECTRUM AGREEMENT**

Effective April 15, 2008, the School District entered into a 30-year use agreement with Public Service Wireless, Inc. for the use of excess spectrum capacity on Education Broadband Service licenses currently held by the School District. These licenses were granted to the School District by the Federal Communications Commission. The agreement requires monthly payments over the term of the agreement, of which \$8,400.00 was recognized during fiscal year 2023 as a general revenue on the Statement of Activities.

**NOTE 11: SIGNIFICANT COMMITMENTS**

**Commitments under Construction Contracts**

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

Project	Unearned Executed Contracts (1)	Payments through June 30, 2023 (2)	Funding Available From State (1)
Taylor 3-12 Facility	\$ 12,554,541.18	\$ 36,136,547.60	\$ 2,697,501.59

- (1) The amounts described are not reflected in the basic financial statements.
- (2) Payments include contracts and retainages payable at year-end.

**NOTE 12: SIGNIFICANT CONTINGENT LIABILITIES**

**Federal Grants**

Amounts received or receivable principally from the Federal government are subject to audit and review by grantor agencies. This could result in requests for reimbursement to the grantor agency for any costs which are disallowed under grant terms. Any disallowances resulting from the grantor audit may become a liability of the School District. However, the School District believes that such disallowances, if any, will be immaterial to its overall financial position.

**NOTE 13: OTHER POST-EMPLOYMENT BENEFITS (OPEB)**

**Georgia School Personnel Post-Employment Health Benefit Fund**

**Plan Description:** Certified teachers and non-certified public school 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 post-employment healthcare plan, reported as an employee trust fund and administered by a Board of Community Health (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 Board.

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

**Contributions:** As established by the Board, the School OPEB Fund is substantially funded on a pay-as-you-go basis; that is, annual cost of providing benefits will be financed in the same year as claims occur. Contributions to the School OPEB Fund from the School District were \$339,193.00 for the year ended June 30, 2023. Active employees are not required to contribute to the School OPEB Fund.

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

At June 30, 2023, the School District reported a liability of \$8,989,019.00 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2022. The total OPEB liability used to calculate the net OPEB liability was based on an actuarial valuation as of June 30, 2021. An expected total OPEB liability as of June 30, 2022 was determined using standard roll-forward techniques. The School District's proportion of the net OPEB liability was actuarially determined based on employer contributions during the fiscal year ended June 30, 2022. At June 30, 2022, the School District's proportion was 0.090769%, which was a decrease of 0.002058% from its proportion measured as of June 30, 2021.



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For the year ended June 30, 2023, the School District recognized OPEB expense of (\$375,394.00). At June 30, 2023, the School District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	OPEB	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 358,802.00	\$ 3,532,957.00
Changes of assumptions	1,369,046.00	1,818,042.00
Net difference between projected and actual earnings on OPEB plan investments	54,830.00	-
Changes in proportion and differences between School District contributions and proportionate share of contributions	501,739.00	337,397.00
School District contributions subsequent to the measurement date	339,193.00	-
Total	\$ 2,623,610.00	\$ 5,688,396.00

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

Year Ended June 30:	OPEB
2024	\$ (963,201.00)
2025	\$ (752,128.00)
2026	\$ (538,556.00)
2027	\$ (703,566.00)
2028	\$ (396,732.00)
Thereafter	\$ (49,796.00)

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

**OPEB:**

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

The Plan currently uses mortality tables that vary by age, gender, and health status (i.e. disabled or not disabled) as follows:

- For TRS members: Post-retirement mortality rates for service retirements and beneficiaries were based on the Pub-2010 Teachers Headcount Weighted Below Median Healthy Retiree mortality table (ages set forward one year and adjusted 106%) with the MP-2019 Projection scale applied generationally. The rates of improvement were reduced by 20% for all years prior to the ultimate rate. Post-retirement mortality rates for disability retirements were based on the Pub-2010 Teachers Mortality Table for Disabled Retirees (ages set forward one year and adjusted 106%) with the MP-2019 Projection scale applied generationally. The rates of improvement were reduced by 20% for all years prior to the ultimate rate. The Pub-2010 Teachers Headcount Weighted Below Median Employee mortality table with ages set forward one year and adjusted 106% was used for death prior to retirement. Future improvement in mortality rates was assumed using the MP-2019 Projection scale generationally. These rates of improvement were reduced by 20% for all years prior to the ultimate rate.
- For PSERS members: Pre-retirement mortality rates were based on the Pub-2010 General Employee Mortality Table, with no adjustment, with the MP-2019 Projections scale applied generationally. Post-retirement mortality rates for service retirements were based on the Pub-2010 General Healthy Annuitant Mortality Table (ages set forward one year and adjusted 101% for males and 103% for females) with the MP-2019 Projection scale applied generationally. Post-retirement mortality rates for disability retirements were based on the Pub-2010 General

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Disabled Mortality Table (ages set back three years for males and adjusted 103% for males and 106% for females) with the MP-2019 Projections scaled applied generationally. Post-retirement mortality rates for beneficiaries were based on the Pub-2010 General Contingent Survivor Mortality Table (ages set forward two years and adjust 104% for males and 99% for females) with the MP-2019 Project 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 five-year period ending June 30, 2018, with the exception of the assumed annual rate of inflation with 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 employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculation.

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

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

\* Net of inflation

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

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 JUNE 30, 2023

EXHIBIT "G"

**Sensitivity of the School District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate:** The following presents the School District's proportionate share of the net OPEB liability calculated using the discount rate of 3.57%, as well as what the School District's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.57%) or 1-percentage-point higher (4.57%) than the current discount rate:

	1% Decrease (2.57%)	Current Discount Rate (3.57%)	1% Increase (4.57%)
School District's proportionate share of the Net OPEB liability	\$ 10,167,660.00	\$ 8,989,019.00	\$ 7,990,069.00

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

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
School District's proportionate share of the Net OPEB liability	\$ 7,745,115.00	\$ 8,989,019.00	\$ 10,517,773.00

**OPEB Plan Fiduciary Net Position:** Detailed information about the OPEB plan's fiduciary net position is available in the Annual Comprehensive Financial Report, which is publicly available at <https://sao.georgia.gov/statewide-reporting/acfr>.

**NOTE 14: RETIREMENT PLANS**

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

**Teachers Retirement System of Georgia (TRS)**

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

**Benefits Provided:** TRS provides service retirement, disability retirement, and death benefits. Normal retirement benefits are determined as 2% of the average of the employee's two highest paid consecutive years of service, multiplied by the number of years of creditable service up to 40 years. An employee is eligible for normal service retirement after 30 years of creditable service, regardless of age, or after 10 years of service and attainment of age 60. Ten years of service is required for disability and death benefits eligibility. Disability benefits are based on the employee's creditable service and

TAYLOR COUNTY BOARD OF EDUCATION  
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EXHIBIT "G"

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. 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. For the current fiscal year, employer contributions to the pension plan were \$1,718,626.02 from the School District.

### Public School Employees Retirement System (PSERS)

**Plan Description:** PSERS is a cost-sharing multiple-employer defined benefit pension plan established by the Georgia General Assembly in 1969 for the purpose of providing retirement allowances for public school employees who are not eligible for membership in the Teachers Retirement System of Georgia. The 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](http://www.ers.ga.gov/financials).

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

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

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

Individuals who became members prior to July 1, 2012 contribute \$4 per month for nine months each fiscal year. Individuals who became members on or after July 1, 2012 contribute \$10 per month for nine months each fiscal year. The State of Georgia, although not the employer of PSERS members, is required by statute to make employer contributions actuarially determined and approved and certified by the PSERS Board of Trustees. The current fiscal year contribution was \$37,044.00.

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EXHIBIT "G"

***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 of \$19,807,879.00 for its proportionate share of the net pension liability for TRS.

The net pension liability for TRS and 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 TRS proportion was 0.061000%, which was a decrease of 0.002719% from its proportion measured as of June 30, 2021.

At June 30, 2023, the School District did not have a PSERS liability for a proportionate share of the net pension liability because of a Special Funding Situation with the State of Georgia, which is responsible for the net pension liability of the plan. The amount of the State's proportionate share of the net pension liability associated with the School District is \$283,401.00.

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

For the year ended June 30, 2023, the School District recognized pension expense of \$2,641,038.00 for TRS and \$71,219.00 for PSERS and revenue of \$71,219.00 for PSERS. The revenue is support provided by the State of Georgia.

**TAYLOR COUNTY BOARD OF EDUCATION  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023**

**EXHIBIT "G"**

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

	TRS	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 822,230.00	\$ 103,105.00
Changes of assumptions	2,981,718.00	-
Net difference between projected and actual earnings on pension plan investments	3,891,685.00	-
Changes in proportion and differences between School District contributions and proportionate share of contributions	86,361.00	487,051.00
School District contributions subsequent to the measurement date	1,718,626.02	-
Total	\$ 9,500,620.02	\$ 590,156.00

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

Year Ended June 30:	TRS
2024	\$ 1,877,863.00
2025	\$ 1,484,871.00
2026	\$ 1,058,482.00
2027	\$ 2,770,622.00

TAYLOR COUNTY BOARD OF EDUCATION  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023

EXHIBIT "G"

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

**Teachers Retirement System:**

Inflation	2.50%
Salary increases	3.00% – 8.75%, average, including inflation
Investment rate of return	6.90%, net of pension plan investment expense, including inflation
Post-retirement benefit increases	1.50% semi-annually

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

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2013 – June 30, 2018, with the exception of the investment rate of return and payroll growth assumption.

**Public School Employees Retirement System:**

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



TAYLOR COUNTY BOARD OF EDUCATION  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 JUNE 30, 2023

EXHIBIT "G"

Mortality rates are as follows:

- The Pub-2010 General Employee Table, with no adjustments, projected generationally with the MP-2019 scale is used for both males and females while in active service.
- The Pub-2010 Family of Tables projected generationally with the MP-2019 Scale and with further adjustments are used for post-retirement mortality assumptions as follows:

<u>Participant Type</u>	<u>Membership Table</u>	<u>Set Forward (+)/ Setback (-)</u>	<u>Adjustment to Rates</u>
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.

The long-term expected rate of return on TRS and PSERS pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected 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 allocation and estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>TRS/PSERS Target Allocation</u>	<u>Long-Term Expected Real Rate of Return*</u>
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%
Alternative	5.00%	10.50%
Total	100.00%	

\* Rates shown are net of inflation

**Discount Rate:** The discount rate used to measure the total TRS pension liability was 6.90%. The discount rate used to measure the total and PSERS pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer and 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 TRS and PSERS pension plans' fiduciary net position were projected to be

TAYLOR COUNTY BOARD OF EDUCATION  
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 JUNE 30, 2023

EXHIBIT "G"

available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the School District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate:** The following presents the School District's proportionate share of the net pension liability calculated using the discount rate of 6.90%, 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:

<b>Teachers Retirement System:</b>	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
School District's proportionate share of the net pension liability	\$ 29,883,530.00	\$ 19,807,879.00	\$ 11,579,778.00

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

**NOTE 15: TAX ABATEMENTS**

Taylor County enters into property tax abatement agreements with local businesses for the purpose of attracting or retaining businesses within their jurisdictions. The abatements may be granted to any business located within or promising to relocate to Taylor County.

For the fiscal year ended June 30, 2023, Taylor County abated property taxes due to the School District that were levied on September 22, 2022 and due on December 20, 2022 totaling \$3,267,008.45 for a property tax abatement on personal property and some real property to solar farms. The company provides a payment in lieu of taxes of \$628,633.92.

**NOTE 16: RELATED PARTY TRANSACTIONS**

The School District purchased a utility trailer from Phillip E. Lloyd. Phillip E. Lloyd is the husband of Amy P. Lloyd, Finance Director. The purchase price was \$2,900.00.

**NOTE 17: SUBSEQUENT EVENTS**

In the subsequent fiscal year, voters approved the continuation of the SPLOST referendum. This also authorized the School District to issue general obligation bonds in the amount not more than \$5,000,000.00. The proceeds from these bonds will be used for capital outlay projects. The School District has not issued any of these bonds as of the report date.

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TAYLOR COUNTY BOARD OF EDUCATION  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
 TEACHERS RETIREMENT SYSTEM OF GEORGIA

SCHEDULE "1"

For the Year Ended June 30	School District's proportion of the Net Pension Liability (NPL)	School District's proportionate share of the NPL	State of Georgia's proportionate share of the NPL associated with the School District	Total	School District's covered payroll	School District's proportionate share of the NPL as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2023	0.061000%	\$ 19,807,879.00	\$ -	\$ 19,807,879.00	\$ 8,288,235.69	238.99%	72.85%
2022	0.063719%	\$ 5,635,521.00	\$ -	\$ 5,635,521.00	\$ 8,299,138.95	67.90%	92.03%
2021	0.063023%	\$ 15,266,637.00	\$ -	\$ 15,266,637.00	\$ 8,125,438.00	187.89%	77.01%
2020	0.062934%	\$ 13,532,512.00	\$ -	\$ 13,532,512.00	\$ 7,680,554.37	176.19%	78.56%
2019	0.065688%	\$ 12,193,100.00	\$ -	\$ 12,193,100.00	\$ 7,824,493.00	155.83%	80.27%
2018	0.067987%	\$ 12,635,593.00	\$ -	\$ 12,635,593.00	\$ 7,817,172.00	161.64%	79.33%
2017	0.068976%	\$ 14,230,518.00	\$ -	\$ 14,230,518.00	\$ 7,571,028.00	187.96%	76.06%
2016	0.067855%	\$ 10,330,250.00	\$ -	\$ 10,330,250.00	\$ 7,162,433.00	144.23%	81.44%
2015	0.068571%	\$ 8,663,041.00	\$ -	\$ 8,663,041.00	\$ 6,997,077.00	123.81%	84.03%

TAYLOR COUNTY BOARD OF EDUCATION  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF CONTRIBUTIONS  
 TEACHERS RETIREMENT SYSTEM OF GEORGIA

SCHEDULE "2"

For the Year Ended June 30	Contractually required contribution	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	School District's covered payroll	Contribution as a percentage of covered payroll
2023	\$ 1,718,626.02	\$ 1,718,626.02	\$ -	\$ 8,601,736.66	19.98%
2022	\$ 1,641,899.49	\$ 1,641,899.49	\$ -	\$ 8,288,235.69	19.81%
2021	\$ 1,581,814.00	\$ 1,581,814.00	\$ -	\$ 8,299,138.95	19.06%
2020	\$ 1,717,720.00	\$ 1,717,720.00	\$ -	\$ 8,125,438.00	21.14%
2019	\$ 1,605,237.00	\$ 1,605,237.00	\$ -	\$ 7,680,554.37	20.90%
2018	\$ 1,315,326.00	\$ 1,315,326.00	\$ -	\$ 7,824,493.00	16.81%
2017	\$ 1,115,386.00	\$ 1,115,386.00	\$ -	\$ 7,817,172.00	14.27%
2016	\$ 1,080,385.00	\$ 1,080,385.00	\$ -	\$ 7,571,028.00	14.27%
2015	\$ 941,860.00	\$ 941,860.00	\$ -	\$ 7,162,433.00	13.15%
2014	\$ 859,241.00	\$ 859,241.00	\$ -	\$ 6,997,077.00	12.28%

TAYLOR COUNTY BOARD OF EDUCATION  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
 PUBLIC SCHOOL EMPLOYEES RETIREMENT SYSTEM OF GEORGIA

SCHEDULE "3"

For the Year Ended June 30	School District's proportion of the Net Pension Liability (NPL)	School District's proportionate share of the NPL	State of Georgia's proportionate share of the NPL associated with the School District	Total	School District's covered payroll	School District's proportionate share of the NPL as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2023	0.00%	\$ -	\$ 283,401.00	\$ 283,401.00	\$ 578,132.43	N/A	81.21%
2022	0.00%	\$ -	\$ 30,408.00	\$ 30,408.00	\$ 580,213.41	N/A	98.00%
2021	0.00%	\$ -	\$ 203,219.00	\$ 203,219.00	\$ 574,827.48	N/A	84.45%
2020	0.00%	\$ -	\$ 190,880.00	\$ 190,880.00	\$ 561,451.00	N/A	85.02%
2019	0.00%	\$ -	\$ 176,323.00	\$ 176,323.00	\$ 568,868.00	N/A	85.26%
2018	0.00%	\$ -	\$ 163,371.00	\$ 163,371.00	\$ 520,146.00	N/A	85.69%
2017	0.00%	\$ -	\$ 227,089.00	\$ 227,089.00	\$ 513,714.00	N/A	81.00%
2016	0.00%	\$ -	\$ 152,577.00	\$ 152,577.00	\$ 492,222.00	N/A	87.00%
2015	0.00%	\$ -	\$ 137,785.00	\$ 137,785.00	\$ 517,548.00	N/A	88.29%

TAYLOR COUNTY BOARD OF EDUCATION  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY  
 SCHOOL OPEB FUND

SCHEDULE "4"

For the Year Ended June 30	School District's proportion of the Net OPEB Liability (NOL)	School District's proportionate share of the NOL	State of Georgia's proportionate share of the NOL associated with the School District	Total	School District's covered-employee payroll	School District's proportionate share of the NOL as a percentage of its covered- employee payroll	Plan fiduciary net position as a percentage of the total OPEB liability
2023	0.090769%	\$ 8,989,019.00	\$ -	\$ 8,989,019.00	\$ 8,039,900.74	111.81%	6.17%
2022	0.092827%	\$ 10,053,932.00	\$ -	\$ 10,053,932.00	\$ 7,718,634.61	130.26%	6.14%
2021	0.090149%	\$ 13,240,789.00	\$ -	\$ 13,240,789.00	\$ 7,319,211.21	180.90%	3.99%
2020	0.087939%	\$ 10,792,002.00	\$ -	\$ 10,792,002.00	\$ 6,875,653.00	156.96%	4.63%
2019	0.087529%	\$ 11,124,668.00	\$ -	\$ 11,124,668.00	\$ 6,923,463.00	160.68%	2.93%
2018	0.089890%	\$ 12,630,071.00	\$ -	\$ 12,630,071.00	\$ 6,573,361.00	192.14%	1.61%

TAYLOR COUNTY BOARD OF EDUCATION  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF CONTRIBUTIONS  
 SCHOOL OPEB FUND

SCHEDULE "5"

For the Year Ended June 30	Contractually required contribution	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	School District's covered-employee payroll	Contribution as a percentage of covered-employee payroll
2023	\$ 339,193.00	\$ 339,193.00	\$ -	\$ 10,599,690.54	3.20%
2022	\$ 328,197.00	\$ 328,197.00	\$ -	\$ 8,039,900.74	4.08%
2021	\$ 345,301.00	\$ 345,301.00	\$ -	\$ 7,718,634.61	4.47%
2020	\$ 304,862.00	\$ 304,862.00	\$ -	\$ 7,319,211.21	4.17%
2019	\$ 473,616.00	\$ 473,616.00	\$ -	\$ 6,875,653.00	6.89%
2018	\$ 453,654.00	\$ 453,654.00	\$ -	\$ 6,923,463.00	6.55%



**Teachers Retirement System**

**Change of benefit terms:** There have been no changes in benefit terms.

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

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

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

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

**Public School Employees Retirement System**

**Changes of benefit terms:** There have been no changes in benefit terms.

**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).

A new funding policy was initially adopted by the Board on March 15, 2018, and most recently amended on December 17, 2020. Because of this new funding policy, the assumed investment rate of return was reduced from 7.50% to 7.40% for the June 30, 2017 actuarial valuation and further reduced from 7.40% to 7.30% for the June 30, 2018 actuarial valuation.

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

**School OPEB Fund**

**Changes of benefit terms:** There have been no changes in benefit terms.

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

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

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

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

June 30, 2015 valuation: Decremental and underlying inflation assumptions were changed to reflect 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% as of June 30, 2019, and to 2.22% as of June 30, 2020.

TAYLOR COUNTY BOARD OF EDUCATION  
GENERAL FUND

SCHEDULE "7"

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2023

	NONAPPROPRIATED BUDGETS		ACTUAL AMOUNTS	VARIANCE OVER/UNDER
	ORIGINAL (1) (2)	FINAL (1) (2)		
<b>REVENUES</b>				
Property Taxes	\$ 4,400,000.00	\$ 4,400,000.00	\$ 5,178,590.00	\$ 778,590.00
Sales Taxes	12,000.00	12,000.00	31,327.75	19,327.75
State Funds	9,319,394.00	9,699,277.52	10,549,668.62	850,391.10
Federal Funds	445,298.00	1,938,842.30	4,520,580.26	2,581,737.96
Charges for Services	15,000.00	15,000.00	537,872.56	522,872.56
Miscellaneous	72,000.00	72,000.00	220,110.38	148,110.38
Total Revenues	<u>14,263,692.00</u>	<u>16,137,119.82</u>	<u>21,038,149.57</u>	<u>4,901,029.75</u>
<b>EXPENDITURES</b>				
Current				
Instruction	9,937,519.00	11,064,980.52	11,786,753.88	(721,773.36)
Support Services				
Pupil Services	548,516.00	872,554.00	789,898.75	82,655.25
Improvement of Instructional Services	337,531.00	692,787.30	588,347.04	104,440.26
Educational Media Services	387,348.00	387,348.00	389,500.41	(2,152.41)
General Administration	551,550.00	552,550.00	608,438.48	(55,888.48)
School Administration	914,262.00	921,429.00	729,351.91	192,077.09
Business Administration	264,585.00	264,585.00	247,032.77	17,552.23
Maintenance and Operation of Plant	1,439,019.00	1,489,019.00	1,641,515.11	(152,496.11)
Student Transportation Services	995,115.00	1,028,620.00	1,060,735.12	(32,115.12)
Other Support Services	8,000.00	8,000.00	8,000.00	-
Enterprise Operations	-	-	535,850.68	(535,850.68)
Food Services Operation	-	-	1,788,456.46	(1,788,456.46)
Total Expenditures	<u>15,383,445.00</u>	<u>17,281,872.82</u>	<u>20,173,880.61</u>	<u>(2,892,007.79)</u>
Excess of Revenues over (under) Expenditures	(1,119,753.00)	(1,144,753.00)	864,268.96	2,009,021.96
<b>OTHER FINANCING USES</b>				
Other Uses	-	-	(4,048,633.92)	(4,048,633.92)
Net Change in Fund Balances	(1,119,753.00)	(1,144,753.00)	(3,184,364.96)	(2,039,611.96)
Fund Balances - Beginning	10,424,424.69	10,424,424.69	10,424,424.69	-
Adjustments	(10,353.00)	60,893.02	-	(60,893.02)
Fund Balances - Ending	<u>\$ 9,294,318.69</u>	<u>\$ 9,340,564.71</u>	<u>\$ 7,240,059.73</u>	<u>\$ (2,100,504.98)</u>

Notes to the Schedule of Revenues, Expenditures and Changes in Fund Balances Budget and Actual

(1) Original and Final Budget amounts do not include the budgeted revenues or expenditures of the various principal accounts.  
The actual revenues and expenditures of the various principal accounts are \$513,307.62 and \$535,850.68, respectively.

(2) Original and Final Budget amounts do not include the budgeted revenues or expenditures of the food service operations.  
The actual revenues and expenditures of the food service accounts are \$2,097,717.91 and \$1,800,144.54, respectively.

The accompanying schedule of revenues, expenditures and changes in fund balances budget and actual is presented on the modified accrual basis of accounting which is the basis of accounting used in the presentation of the fund financial statements.

TAYLOR COUNTY BOARD OF EDUCATION  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2023

SCHEDULE "8"

FUNDING AGENCY PROGRAM/GRANT	ASSISTANCE LISTING NUMBER	PASS- THROUGH ENTITY ID NUMBER	EXPENDITURES IN PERIOD
Agriculture, U. S. Department of			
Child Nutrition Cluster			
Pass-Through From Georgia Department of Education			
Food Services			
School Breakfast Program	10.553	235GA324N1199	\$ 669,698.00
National School Lunch Program	10.555	235GA324N1199	1,060,888.54
Fresh Fruit and Vegetable Program	10.582	235GA324L1603	<u>40,740.00</u>
Total Child Nutrition Cluster			<u>1,771,326.54</u>
Other Programs			
Pass-Through From Georgia Department of Education			
Food Services			
Child Nutrition Discretionary Grants Limited Availability	10.579	202321I500345	<u>50,356.04</u>
Total U. S. Department of Agriculture			<u>1,821,682.58</u>
Education, U. S. Department of			
Education Stabilization Fund			
Pass-Through From Georgia Department of Education			
COVID-19 - Elementary and Secondary School Emergency Relief Fund	84.425D	S425D210012	29,552.44
COVID-19 - American Rescue Plan Elementary and Secondary School Emergency Relief Fund	84.425U	S425U210012	392,118.66
COVID-19 - American Rescue Plan Elementary and Secondary School Emergency Relief Fund - Homeless Children and Youth	84.425W	S425W210011	<u>99,176.44</u>
Total Education Stabilization Fund			<u>520,847.54</u>
Special Education Cluster			
Pass-Through From Georgia Department of Education			
Special Education			
Grants to States	84.027A	H027A210073	11,954.00
Grants to States	84.027A	H027A220073	<u>315,847.58</u>
Total Special Education Cluster			<u>327,801.58</u>
Other Programs			
Pass-Through From Georgia Department of Education			
Career and Technical Education - Basic Grants to States	84.048A	V048A220010	21,801.00
Rural and Low-Income School Program	84.358B	S358B220010	37,220.64
Student Support and Academic Enrichment Program	84.424A	S424A220011	46,544.00
Supporting Effective Instruction State Grants	84.367A	S367A220001	78,399.00
Title I Grants to Local Educational Agencies	84.010A	S010A210010-21A	44,960.30
Title I Grants to Local Educational Agencies	84.010A	S010A220010	586,127.56
Twenty-First Century Community Learning Centers	84.287C	S287C220010	<u>280,192.44</u>
Total Other Programs			<u>1,095,244.94</u>
Total U. S. Department of Education			<u>1,943,894.06</u>
Federal Communications Commission, U.S.			
Direct			
COVID-19 - Emergency Connectivity Fund Program	32.009		<u>481,474.66</u>

TAYLOR COUNTY BOARD OF EDUCATION  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 YEAR ENDED JUNE 30, 2023

SCHEDULE "8"

FUNDING AGENCY PROGRAM/GRANT	ASSISTANCE LISTING NUMBER	PASS- THROUGH ENTITY ID NUMBER	EXPENDITURES IN PERIOD
Health and Human Services, U. S. Department of Pass-Through From Bright From the Start Georgia Department of Early Care and Learning COVID-19 - Child Care and Development Block Grant	93.575	2210GACCC5	<u>15,000.00</u>
Defense, U. S. Department of Direct Department of the Army R.O.T.C. Program	12. UNKNOWN		<u>78,035.80</u>
Total Expenditures of Federal Awards			\$ <u><u>4,340,087.10</u></u>

Notes to the Schedule of Expenditures of Federal Awards

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of the Taylor County Board of Education (the "Board") under programs of the federal government for the year ended June 30, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Board, it is not intended to and does not present the financial position or changes in net position of the Board.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3. Indirect Cost Rate

The Board has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

TAYLOR COUNTY BOARD OF EDUCATION  
SCHEDULE OF STATE REVENUE  
YEAR ENDED JUNE 30, 2023

SCHEDULE "9"

AGENCY/FUNDING	GOVERNMENTAL FUND TYPES		TOTAL
	GENERAL	CAPITAL PROJECTS	
	FUND	FUND	
<b>GRANTS</b>			
Bright From the Start:			
Georgia Department of Early Care and Learning			
Pre-Kindergarten Program	\$ 323,147.52	\$ -	\$ 323,147.52
Education, Georgia Department of			
Quality Basic Education			
Direct Instructional Cost			
Kindergarten Program	456,893.00	-	456,893.00
Kindergarten Program - Early Intervention Program	69,414.00	-	69,414.00
Primary Grades (1-3) Program	734,132.00	-	734,132.00
Primary Grades - Early Intervention (1-3) Program	547,851.00	-	547,851.00
Upper Elementary Grades (4-5) Program	347,233.00	-	347,233.00
Upper Elementary Grades - Early Intervention (4-5) Program	435,103.00	-	435,103.00
Middle School (6-8) Program	953,436.00	-	953,436.00
Vocational Laboratory (9-12) Program	821,791.00	-	821,791.00
Students with Disabilities	378,053.00	-	378,053.00
Gifted Student - Category VI	1,328,267.00	-	1,328,267.00
Remedial Education Program	127,416.00	-	127,416.00
Alternative Education Program	105,869.00	-	105,869.00
English Speakers of Other Languages (ESOL)	70,738.00	-	70,738.00
20 Days Additional Instruction	158,606.00	-	158,606.00
Staff and Professional Development	51,222.00	-	51,222.00
Principal Staff and Professional Development	27,938.00	-	27,938.00
Indirect Cost	1,224.00	-	1,224.00
Central Administration	406,747.00	-	406,747.00
School Administration	527,494.00	-	527,494.00
Facility Maintenance and Operations	309,362.00	-	309,362.00
Mid-Term Adjustment Hold-Harmless	8,574.00	-	8,574.00
Amended Formula Adjustment	53,832.00	-	53,832.00
Categorical Grants			
Pupil Transportation			
Regular	251,632.00	-	251,632.00
Nursing Services	46,126.00	-	46,126.00
Sparsity	80,576.00	-	80,576.00
Education Equalization Funding Grant	1,040,284.00	-	1,040,284.00
Other State Programs			
Computer Science Capacity Grant (CS4GA) Grant	4,500.00	-	4,500.00
Food Services	69,558.00	-	69,558.00
Hygiene Products	1,014.00	-	1,014.00
Math and Science Supplements	3,596.76	-	3,596.76
One Time QBE Adjustment-Health Insurance Increase 6 mos	376,920.00	-	376,920.00
School Bus Purchases - State Allotment	176,220.00	-	176,220.00
School Bus Safety Incentive Funding	28,225.00	-	28,225.00
Vocational Education	16,844.00	-	16,844.00
Vocational Supervisors	7,167.00	-	7,167.00
Georgia Emergency Management Agency			
Donations to LEA for COVID-19 Mitigation Project	165,619.34	-	165,619.34
Georgia State Financing and Investment Commission			
Reimbursement on Construction Projects	-	17,651,041.72	17,651,041.72
Office of the State Treasurer			
Public School Employees Retirement	37,044.00	-	37,044.00
	<u>\$ 10,549,668.62</u>	<u>\$ 17,651,041.72</u>	<u>\$ 28,200,710.34</u>

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TAYLOR COUNTY BOARD OF EDUCATION  
SCHEDULE OF APPROVED LOCAL OPTION SALES TAX PROJECTS  
YEAR ENDED JUNE 30, 2023

SCHEDULE "10"

	ORIGINAL ESTIMATED COST (1)	CURRENT ESTIMATED COSTS (2)	ESTIMATED COMPLETION DATE
<u>PROJECT 2012</u>			
(i) Rehabilitating, repairing, renovating, extending, equipping and improving existing School District facilities, including without limitation, additional classrooms, physical education and athletic facilities, roof replacements and repairs, mechanical system repairs and replacements, and wiring and infrastructure modifications;	\$ 2,695,000.00	\$ 1,695,000.00	6/30/2024
(ii) Additional parking and paving at School District facilities;	80,000.00	80,000.00	6/30/2024
(iii) Acquiring and installing system-wide instructional and administrative technology, safety and security equipment;	600,000.00	1,600,000.00	6/30/2024
(iv) Acquisition of school buses, vehicles and transportation equipment;	400,000.00	400,000.00	6/30/2024
(v) Acquisition of music, vocational, and physical education/athletic equipment;	25,000.00	150,000.00	6/30/2024
(vi) Acquisition of textbooks;	800,000.00	675,000.00	6/30/2024
(vii) Renovating existing administrative facilities; and	-	-	6/30/2024
(viii) Acquiring any necessary property, both real and personal, and paying costs incident to accomplishing the foregoing.	200,000.00	200,000.00	6/30/2024
Subtotal 2012 Projects	4,800,000.00	4,800,000.00	
 <u>PROJECT 2017</u>			
(i) Adding to, renovating, repairing, improving, furnishing, and equipping existing school buildings and facilities useful and desirable therewith, including but not limited to, additional classrooms, administrative facilities, roofing, physical education/athletic facilities, HVAC and other mechanical systems, paving and parking lots;	500,000.00	500,000.00	6/30/2024
(ii) Acquiring technology improvements, including safety and security improvements, computer technology hardware and software and infrastructure;	250,000.00	250,000.00	6/30/2024
(iii) Acquiring land;	350,000.00	389,000.00	6/30/2024
(iv) Acquisition of fine arts, physical education /athletic and vocational equipment and materials;	100,000.00	100,000.00	6/30/2024
(v) Acquiring, constructing and equipping new school facilities;	1,000,000.00	1,000,000.00	6/30/2024
(vi) Acquisition of textbooks, including ebooks and other instructional materials;	100,000.00	100,000.00	6/30/2024
(vii) Acquiring school buses and other school vehicles; and	100,000.00	61,000.00	6/30/2024
(viii) Acquiring any necessary property, both real and personal, to accomplishing the foregoing.	-	-	
Subtotal 2017 Projects	2,400,000.00	2,400,000.00	
 <u>PROJECT 2019</u>			
(i) Paying a portion of the principal and interest on the Bonds; and/or	4,616,137.00	4,616,137.00	6/30/2024
(ii) Paying all or a portion of the costs of the Projects of not more than \$4,800,000.00.	183,863.00	183,863.00	Completed
Subtotal 2019 Projects	4,800,000.00	4,800,000.00	
 Total	 \$ 12,000,000.00	 \$ 12,000,000.00	

TAYLOR COUNTY BOARD OF EDUCATION  
SCHEDULE OF APPROVED LOCAL OPTION SALES TAX PROJECTS  
YEAR ENDED JUNE 30, 2023

SCHEDULE "10"

	AMOUNT EXPENDED IN CURRENT YEAR (3)	AMOUNT EXPENDED IN PRIOR YEARS (3)	TOTAL COMPLETION COST	EXCESS PROCEEDS NOT EXPENDED
<u>PROJECT 2012</u>				
(i) Rehabilitating, repairing, renovating, extending, equipping and improving existing School District facilities, including without limitation, additional classrooms, physical education and athletic facilities, roof replacements and repairs, mechanical system repairs and replacements, and wiring and infrastructure modifications;	\$ 50,857.20	\$ 975,207.00	\$ -	\$ -
(ii) Additional parking and paving at School District facilities;	-	-	-	-
(iii) Acquiring and installing system-wide instructional and administrative technology, safety and security equipment;	172,743.93	1,398,510.35	-	-
(iv) Acquisition of school buses, vehicles and transportation equipment;	65,355.00	233,168.00	-	-
(v) Acquisition of music, vocational, and physical education/athletic equipment;	-	117,300.00	-	-
(vi) Acquisition of textbooks;	84,512.75	489,609.00	-	-
(vii) Renovating existing administrative facilities; and	-	-	-	-
(viii) Acquiring any necessary property, both real and personal, and paying costs incident to accomplishing the foregoing.	-	13,232.00	-	-
Subtotal 2012 Projects	<u>373,468.88</u>	<u>3,227,026.35</u>	<u>-</u>	<u>-</u>
<u>PROJECT 2017</u>				
(i) Adding to, renovating, repairing, improving, furnishing, and equipping existing school buildings and facilities useful and desirable therewith, including but not limited to, additional classrooms, administrative facilities, roofing, physical education/athletic facilities, HVAC and other mechanical systems, paving and parking lots;	-	-	-	-
(ii) Acquiring technology improvements, including safety and security improvements, computer technology hardware and software and infrastructure;	-	-	-	-
(iii) Acquiring land;	-	388,516.99	-	-
(iv) Acquisition of fine arts, physical education /athletic and vocational equipment and materials;	-	-	-	-
(v) Acquiring, constructing and equipping new school facilities;	-	-	-	-
(vi) Acquisition of textbooks, including ebooks and other instructional materials;	-	-	-	-
(vii) Acquiring school buses and other school vehicles; and	-	-	-	-
(viii) Acquiring any necessary property, both real and personal, to accomplishing the foregoing.	-	-	-	-
Subtotal 2017 Projects	<u>-</u>	<u>388,516.99</u>	<u>-</u>	<u>-</u>
<u>PROJECT 2019</u>				
(i) Paying a portion of the principal and interest on the Bonds; and/or	1,053,575.00	1,656,063.92	-	-
(ii) Paying all or a portion of the costs of the Projects of not more than \$4,800,000.00.	-	183,863.00	-	-
Subtotal 2019 Projects	<u>1,053,575.00</u>	<u>1,839,926.92</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 1,427,043.88</u>	<u>\$ 5,455,470.26</u>	<u>\$ -</u>	<u>\$ -</u>

- (1) The School District's original cost estimate as specified in the resolution calling for the imposition of the Local Option Sales Tax.  
(2) The School District's current estimate of total cost for the projects. Includes all cost from project inception to completion.  
(3) The voters of Taylor County approved the imposition of a 1% sales tax to fund the above projects 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 projects.



## **Section II**

### **Compliance and Internal Control Reports**



# DOAA

Georgia Department  
of Audits & Accounts

Greg S. Griffin  
State Auditor

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

The Honorable Brian P. Kemp, Governor of Georgia  
Members of the General Assembly of the State of Georgia  
Members of the State Board of Education  
and  
Mrs. Jennifer Albritton, Superintendent and Members of the  
Taylor County Board of Education

We have audited the financial statements of the governmental activities and each major fund of the Taylor County Board of Education (School District) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated March 13, 2024. We conducted our audit in accordance with the 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.

## **Report on Internal Control Over Financial Reporting**

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

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

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

## **Report on Compliance and Other Matters**

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

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School District'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 School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,



Greg S. Griffin  
State Auditor

March 13, 2024



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

The Honorable Brian P. Kemp, Governor of Georgia  
Members of the General Assembly of the State of Georgia  
Members of the State Board of Education  
and  
Mrs. Jennifer Albritton, Superintendent and Members of the  
Taylor County Board of Education

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited the Taylor County Board of Education's (School 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 School District's major federal programs for the year ended June 30, 2023. The School District's major federal programs are identified in the *Summary of Auditor's Results* section of the accompanying *Schedule of Findings and Questioned Costs*.

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

***Basis for Opinion on Each Major Federal Program***

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

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

## ***Responsibilities of Management for Compliance***

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

## ***Auditor's Responsibilities for the Audit of Compliance***

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

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

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

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

## **Report on Internal Control over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance

requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Greg S. Griffin". The signature is written in a cursive style with a horizontal line at the end.

Greg S. Griffin  
State Auditor

March 13, 2024

### **Section III**

#### **Auditee's Response to Prior Year Findings and Questioned Costs**

TAYLOR COUNTY BOARD OF EDUCATION  
AUDITEE'S RESPONSE  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
YEAR ENDED JUNE 30, 2023

**PRIOR YEAR FINANCIAL STATEMENT FINDINGS**

No matters were reported.

**PRIOR YEAR FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

No matters were reported.



## **Section IV**

### **Findings and Questioned Costs**

TAYLOR COUNTY BOARD OF EDUCATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2023

**I SUMMARY OF AUDITOR'S RESULTS**

**Financial Statements**

Type of auditor's report issued: Governmental Activities and Each Major Fund	Unmodified
Internal control over financial reporting:	
▪ Material weakness(es) identified?	No
▪ Significant deficiency(ies) identified?	None Reported
Noncompliance material to financial statements noted:	No

**Federal Awards**

Internal control over major programs:	
▪ Material weakness(es) identified?	No
▪ Significant deficiency(ies) identified?	None Reported
Type of auditor's report issued on compliance for major programs:	
All major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	No
Identification of major programs:	
<u>Assistance Listing Number</u> <u>Assistance Listing Program or Cluster Title</u>	
10.553, 10.555, 10.582        Child Nutrition Cluster	
Dollar threshold used to distinguish between Type A and Type B programs:	\$750,000.00
Auditee qualified as low-risk auditee?	No

**II FINANCIAL STATEMENT FINDINGS**

No matters were reported.

**III FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

No matters were reported.

## APPENDIX B

### BOOK-ENTRY ONLY SYSTEM OF REGISTRATION

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee), or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds, in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond Ordinance. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the School System as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal, interest, and redemption proceeds on the Bonds will be made to Cede& Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the School System or the Paying Agent on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the School System, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, interest, or redemption proceeds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the School System or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

A beneficial owner shall give notice to elect to have its Bonds purchased or tendered, through its Participant to a tender agent, and shall effect delivery of such Bonds by causing the Direct Participant to transfer the Participant's interest in the Bonds, on DTC's records, to the tender agent. The requirement for physical delivery of Bonds in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Bonds are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Bonds to the tender agent's DTC account.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the School System or the Registrar and Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The School System may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

*The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the School System believes to be reliable, but the School System takes no responsibility for the accuracy thereof.*

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**APPENDIX C**

**FORM OF OPINION OF BOND COUNSEL**

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[FORM OF BOND COUNSEL OPINION]

[Closing Date], 2024

Taylor County School District  
Butler, Georgia

Re: \$4,735,000\* Taylor County School District (Georgia) General Obligation Bonds,  
Series 2024

To the Addressees:

We have acted as Bond Counsel to our client, the Taylor County School District (the “**School District**”), in connection with the issuance by the School District of \$4,735,000\* in aggregate principal amount of Taylor County School District (Georgia) General Obligation Bonds, Series 2024, dated [Closing Date], 2024 (the “**Bonds**”). In such capacity, we have examined such law and such certified proceedings, certifications, and other documents as we have deemed necessary to render this opinion.

The Bonds are issued pursuant to and in accordance with the Constitution and laws of the State of Georgia, and a resolution of the Taylor County Board of Education (the “**Board of Education**”), acting for an on behalf of the School District, adopted on \_\_\_\_\_, 2024 (the “**Bond Resolution**”). All capitalized terms used herein but not defined shall have the meanings ascribed thereto in the Bond Resolution.

The Bonds are being issued for the purpose of financing the following projects: acquiring, constructing, repairing, improving, renovating, extending, upgrading, adding to, furnishing and/or equipping school buildings, athletic and support facilities, and/or infrastructure in the Taylor County School District useful or desirable in connection therewith, including acquiring any necessary property therefore, both real and personal, specifically including the following (1) acquiring, constructing and equipping athletic/physical education facilities at the combined 3rd through 12th grade campus; (2) constructing, repairing, improving, renovating, adding to, extending, and/or upgrading the Primary School facilities; (3) acquiring, constructing, repairing, improving, renovating, adding to, extending, upgrading, furnishing, and/or equipping school buildings, support and administrative facilities and buildings, athletic facilities and buildings, and/or infrastructure in the Taylor County School District useful or desirable in connection therewith, including acquiring any necessary property therefore, both real and personal; (4) acquiring vocational, fine arts, music, physical education and athletic equipment; (5) acquiring textbooks (including e-books) and technology, software, computer, safety, security, and/or fire protection equipment; (6) acquiring buses, vehicles, and/or transportation equipment; (7) acquiring real property (collectively, the “**Projects**”); and/or (8) paying capitalized interest and the costs of issuing the Bonds.

In rendering our opinions set forth below, we have (a) relied as to questions of fact material to our opinions, without undertaking to verify the same by independent investigation, upon certified proceedings, certifications, representations, and covenants of public officials and representatives of the School District and others furnished to us, including, without limitation,

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\* Preliminary, subject to change.

representations and covenants as to the use of the proceeds of the Bonds and the use and operation of the Projects, and (b) assumed continuous compliance by the School District with its representations and covenants contained in the Bond Resolution and the related financing documents.

Based upon the foregoing and subject to the qualifications that follow, it is our opinion as Bond Counsel that, under existing law on the date hereof:

1. The Bonds are valid and binding general obligations of the School District.
2. All taxable property in the territory of the School District is subject to *ad valorem* taxation for general obligation bond purposes without limitation as to rate or amount to pay the Bonds. The School District called an election on November 7, 2023 in all of the election districts of the School District to determine whether or not general obligation debt of the School District shall be issued. The Board of Education is required by law to include in its annual tax levy the principal and interest coming due on the Bonds to the extent that necessary funds are not provided from other sources.
3. Interest on the Bonds is excludable from the gross income of the owners thereof for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended to the date hereof (the “**Code**”), and interest on the Bonds is not treated as a specific item of tax preference under Section 57 of the Code in calculating the federal alternative minimum tax imposed by Section 55 of the Code; however, such interest is taken into account in determining the annual adjusted financial statement income of applicable corporations (as defined in Section 59(k) of the Code) for the purpose of computing the alternative minimum tax imposed on corporations. In rendering the opinions contained in this paragraph, we have assumed continuing compliance by the School District with the requirements of the Code that must be met after the issuance of the Bonds in order that interest on the Bonds be excludable from gross income of the owners thereof for federal income tax purposes. The failure to meet such requirements may cause interest on the Bonds to be included in gross income of the owners thereof for federal income tax purposes retroactive to the date of issuance of the Bonds. In the Bond Resolution and certain certificates and agreements, the School District has agreed to comply with or to require compliance with the requirements of the Code in order to maintain the excludability of interest on the Bonds from gross income of the owners thereof for federal income tax purposes.
4. Interest on the Bonds is exempt from present State of Georgia personal income taxes.

The School District has designated the Bonds as “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Code, and, in the case of certain financial institutions (within the meaning of Section 265(b)(5) of the Code), a deduction is allowed for 80% of that portion of such financial institutions’ interest expense allocable to interest on the Bonds.

The opinions expressed in this opinion letter are subject to the following:



The rights of the owners of the Bonds and the enforceability of the Bonds and the Bond Resolution are limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights generally, and by equitable principles, whether considered at law or in equity.

In this opinion letter issued in our capacity as Bond Counsel, we are opining only upon those matters set forth herein, and we are not passing upon the accuracy, adequacy or completeness of statements made in connection with any offer or sale of the Bonds or upon any federal or state tax consequences arising from the receipt or accrual of interest on or the ownership or disposition of the Bonds, except those specifically addressed herein or upon any federal or state law with respect to the sale or distribution of the Bonds.

In rendering this opinion letter, we have acted as Bond Counsel for the sole purpose of rendering an opinion with respect to the legality and validity of the Bonds under the laws of the State of Georgia and with respect to the excludability of the interest on the Bonds from federal and State of Georgia income taxation.

We represent only the School District in connection with the issuance and delivery of the Bonds. This opinion letter is an expression of professional judgment regarding the matters expressly addressed herein. It is neither a guarantee of result nor an insurance policy with respect to the transaction or the future actions or performance of any party or entity. Our services have not included any financial or other non-legal advice. We express no opinion other than as herein expressly stated in this letter, and no expansion of our opinion may be made by implication or otherwise. The opinions herein are given as of the date hereof and are based upon statutes, regulations, rulings and court decisions in effect on the date hereof and not as of any future date. It should be noted that material changes regarding matters of fact and applicable law may hereafter occur. This opinion is given as the date hereof, and we expressly disclaim any undertaking or responsibility to review, revise, update or supplement this opinion letter subsequent to its date for any reason or to advise you of any change in the law, whether by reason of legislative or regulatory action, by judicial decision or otherwise, or of any change of facts or circumstances or of any facts or circumstances that may hereafter come to our attention or for any other reason.

Very truly yours,

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**APPENDIX D**

**FORM OF CONTINUING DISCLOSURE CERTIFICATE**

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## CONTINUING DISCLOSURE CERTIFICATE

This **CONTINUING DISCLOSURE CERTIFICATE** (this “**Disclosure Certificate**”) is dated and effective as of [\_\_\_\_\_], 2024 (the “**Effective Date**”), and is executed and delivered by the Taylor County School District (the “**School District**”) in connection with the issuance of \$4,735,000\* in aggregate principal amount of its General Obligation Bonds, Series 2024 (the “**Bonds**”). The School District hereby covenants and agrees as follows:

**SECTION 1. Purpose of this Disclosure Certificate.** This Disclosure Certificate is being executed and delivered by the School District for the benefit of the holders and beneficial owners of the Bonds and in order to assist the Participating Underwriter in complying with Rule 15c2-12(b)(5) of the Securities and Exchange Commission (the “**SEC**”).

**SECTION 2. Definitions.** In addition to the definitions set forth in the Resolution or parenthetically defined herein, which apply to any capitalized terms used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Report” shall mean any Annual Report provided by the School District pursuant to Sections 3 and 4 of this Disclosure Certificate.

“Beneficial Owner” or “beneficial owner” shall mean any person who (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any of the Bonds (including persons holding the Bonds through nominees, depositories or other intermediaries) or (b) is treated as the owner of any of the Bonds for federal income tax purposes.

“Bond Resolution” shall mean the resolution of the Board of Education of Taylor County adopted on [\_\_\_\_\_], 2024, pursuant to which the Bonds were issued, and any amendments or supplements thereto.

“Dissemination Agent” shall mean Raymond James & Associates, Inc. or any successor Dissemination Agent designated in writing by the School District, and which has filed with the School District a written acceptance of such designation.

“Fiscal Year” shall mean the period beginning on July 1 and ending on June 30, or such other 12-month period as may be adopted by the School District in accordance with law.

“Listed Events” shall mean any of the events listed in Section 5 of this Disclosure Certificate.

“MSRB” shall mean the Municipal Securities Rulemaking Board. As of the date hereof, the MSRB’s required method of filing is electronically via its Electronic Municipal Market Access (EMMA) system, which is currently available at <http://emma.msrb.org>.

“Official Statement” means the final Official Statement prepared in connection with the Bonds.

“Participating Underwriter” shall mean the original underwriter of the Bonds required to comply with the Rule in connection with an offering of the Bonds.

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the SEC under the Securities Exchange Act of 1934, as in effect on the date of this Disclosure Certificate.

“State” shall mean the State of Georgia.

SECTION 3. Provision of Annual Reports.

(a) Not later than 12 months after the end of each Fiscal Year, commencing with the School District’s Fiscal Year ended June 30, 2024, the School District shall provide, or cause the Dissemination Agent (if other than the School District) to provide, to the MSRB (in an electronic format as prescribed by the MSRB), an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report may be submitted as a single document or as separate documents comprising a package and may cross-reference other information as provided in Section 4 of this Disclosure Certificate. Notwithstanding the foregoing, the audited financial statements of the School District may be submitted separately from the balance of the Annual Report.

(b) Not later than 15 business days prior to the date specified in paragraph (a) of this Section 3 for providing the Annual Report to the MSRB (in an electronic format as prescribed by the MSRB), the School District shall provide the Annual Report to the Dissemination Agent (if other than the School District).

(c) If the School District is unable to provide an Annual Report to the MSRB by the date required in paragraph (a), the School District (or the Dissemination Agent, if one has been selected) shall send a notice to the MSRB (in an electronic format as prescribed by the MSRB) in substantially the form attached as Exhibit A.

SECTION 4. Content of Annual Reports. The School District’s Annual Report shall contain or incorporate by reference the following:

(a) The District’s audited financial statements, if any, prepared in accordance with generally accepted accounting principles (“GAAP”), audited by an independent certified public accountant or firm of certified public accountants. If audited annual financial statements are not available by the time specified in Section 3(a) above, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the Official Statement relating to the Bonds, and the audited financial statements, together with the audit report thereon, shall be filed in the same manner as the Annual Report when they become available.

(b) An update of the type of information identified in Exhibit B attached hereto, which is contained in tables of the Official Statement with respect to the Bonds.

Any and all of the items listed above may be incorporated by reference from other documents, including official statements, which are available to the public in the MSRB’s Internet Web Site or filed with the SEC. The District shall clearly identify each such other document so incorporated by reference.

SECTION 5. Reporting of Listed Events.

(a) The School District shall file or cause to be filed with the MSRB, in a timely manner not in excess of ten (10) business days after the occurrence of the event, notice of any of the events

listed below with respect to the Bonds. All of the events currently mandated by the Rule are listed below; however, some may not apply to the Bonds.

- (1) Principal and interest payment delinquencies;
- (2) Non-payment related defaults, *if material*;
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) Substitution of credit or liquidity providers or their failure to perform;
- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (7) Modifications to rights of bondholders, *if material*;
- (8) Bond calls, *if material*, and tender offers;
- (9) Defeasances;
- (10) Release, substitution or sale of property securing repayment of the Bonds,  
*if material*;
- (11) Rating changes;
- (12) Bankruptcy, insolvency, receivership or similar event of the obligated  
person;<sup>1</sup>
- (13) The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, *if material*;
- (14) Appointment of a successor or additional trustee or the change of name of a trustee, *if material*;

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<sup>1</sup> For the purposes of the event identified in subparagraph (b)(5)(i)(C)(12) of the Rule, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and official or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

(15) Incurrence of a financial obligation<sup>2</sup> of the obligated person, *if material*, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders, *if material*; and

(16) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation<sup>2</sup> of the obligated person, any of which reflect financial difficulties.

(b) Notwithstanding the foregoing, notice of Listed Events described in subsections (a) (8) and (9) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to the owners of the affected Bonds pursuant to the Bond Resolution.

(c) The content of any notice of the occurrence of a Listed Event shall be determined by the School District and shall be in substantially the form attached hereto as Exhibit C.

SECTION 6. Format; Identifying Information. All documents provided to the MSRB pursuant to this Disclosure Certificate shall be in the format prescribed by the MSRB and accompanied by identifying information as prescribed by the MSRB.

As of the date of this Disclosure Certificate, all documents submitted to the MSRB must be in portable document format (PDF) files configured to permit documents to be saved, viewed, printed and retransmitted by electronic means. In addition, such PDF files must be word-searchable, provided that diagrams, images and other non-textual elements are not required to be word-searchable.

SECTION 7. Termination of Reporting Obligation. The School District's obligations under this Disclosure Certificate shall terminate upon the earliest of: (i) the date of legal defeasance, prior redemption or payment in full of all of the Bonds; (ii) the date that the School District shall no longer constitute an "obligated person" within the meaning of the Rule; or (iii) the date on which those portions of the Rule which require this written undertaking are held to be invalid by a court of competent jurisdiction in a non-appealable action, have been repealed retroactively or otherwise do not apply to the Bonds.

SECTION 8. Dissemination Agent.

(a) The School District may, from time to time, appoint or engage a Dissemination Agent to assist the School District in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. If the School District elects not to appoint a successor Dissemination Agent, it shall perform the duties thereof under this Disclosure Certificate. The Dissemination Agent shall

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<sup>2</sup> For purposes of the events identified in subparagraphs (b)(5)(i)(C)(15) and (16) of the Rule, the term "financial obligation" is defined to mean a (A) debt obligation; (B) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (C) a guarantee of (A) or (B). The term "financial obligation" shall not include municipal securities as to which a final official statement has been otherwise provided to the MSRB consistent with the Rule. In complying with Listed Events (15) and (16), the Issuer intends to apply the guidance provided by the Rule or other applicable federal securities law, SEC Release No. 34-83885 (August 20, 2018) and any future guidance provided by the SEC or its staff.



have only such duties as are specifically set forth in this Disclosure Certificate and any other agreement between the School District and the Dissemination Agent.

(b) In addition to the filing duties on behalf of the School District described in this Disclosure Certificate, the Dissemination Agent shall:

(1) each year, prior to the date for providing the Annual Report, determine the appropriate electronic format prescribed by the MSRB;

(2) send written notice to the School District at least 45 days prior to the date the Annual Report is due stating that the Annual Report is due as provided in Section 3(a) hereof; and

(3) notify the School District that the Annual Report has been provided pursuant to this Disclosure Certificate and the date it was provided.

If the Annual Report (or any portion thereof) is not provided to the MSRB by the date required in Section (3)(a), the Dissemination Agent shall file with the MSRB a notice in substantially the form attached to this Disclosure Certificate as Exhibit A.

(c) The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate. The Dissemination Agent's obligation to deliver the information at the times and with the contents described herein shall be limited to the extent the School District has provided such information to the Dissemination Agent as required by this Disclosure Certificate. The Dissemination Agent shall have no duty with respect to the content of any disclosures or notice made pursuant to the terms hereof. The Dissemination Agent shall have no duty or obligation to review or verify any School District Annual Report, School District Audited Financial Statements, Listed Events or any other information, disclosures or notices provided to it by the School District and shall not be deemed to be acting in any fiduciary capacity for the School District, the Holders of the Bonds or any other party. The Dissemination Agent shall have no responsibility for the School District's failure to report a Listed Event to the Dissemination Agent. The Dissemination Agent shall have no duty to determine, or liability for failing to determine, whether the School District has complied with this Disclosure Certificate. The Dissemination Agent may conclusively rely upon certifications of the School District at all times.

To the extent allowed by applicable law, the School District agrees to indemnify and save the dissemination agent and its respective officers, directors, employees and agents, harmless against any loss, expense and liabilities which they may incur arising out of or in the exercise or performance of their powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the dissemination agent's gross negligence or willful misconduct.

(d) The Dissemination Agent may, from time to time, consult with legal counsel (either in-house or external) of its own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions hereof or its respective duties hereunder, and the Dissemination Agent shall in no event incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel. The fees and expenses of such counsel shall be payable by the School District.

SECTION 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the School District may amend this Disclosure Certificate and may waive any provision of this Disclosure Certificate, without the consent of the holders and beneficial owners of the Bonds, if such amendment or waiver does not, in and of itself, cause the undertakings herein (or action of any Participating Underwriter in reliance on the undertakings herein) to violate the Rule, but taking into account any subsequent change in or official interpretation of the Rule. The School District will provide notice of such amendment or waiver to the MSRB.

SECTION 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the School District from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the School District chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the School District shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 11. Default. In the event of a failure of the School District to comply with any provision of this Disclosure Certificate, any holder or beneficial owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the School District to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an event of default under the Resolution, and the sole remedy under this Disclosure Certificate in the event of any failure of the School District to comply with this Disclosure Certificate shall be an action to compel performance.

SECTION 12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the School District, the Participating Underwriter, and Beneficial Owners from time to time of the Bonds and shall create no rights in any other person or entity.

SECTION 13. Counterparts. This Disclosure Certificate may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 14. Governing Law. This Disclosure Certificate shall be governed by and construed in accordance with the laws of the State.

[Signature on Next Page]

(SEAL)

**BOARD OF EDUCATION OF TAYLOR  
COUNTY, ACTING FOR AND ON BEHALF  
OF THE TAYLOR COUNTY SCHOOL  
DISTRICT**

By: \_\_\_\_\_  
Wayne McInvale, Chairperson

Attest:

\_\_\_\_\_  
Jennifer Albritton, Superintendent and Ex-  
Officio Secretary  
Taylor County Board of Education

**EXHIBIT "A"**

**NOTICE OF FAILURE TO FILE ANNUAL REPORT**

Name of School District: Taylor County School District  
Name of Bond Issue: \$4,735,000\* Taylor County School District (Georgia) General  
Obligation Bonds, Series 2024  
Date of Issuance: [ \_\_ closing date \_\_\_\_\_ ], 2024  
CUSIP Number<sup>1</sup>: \_\_\_\_\_

NOTICE IS HEREBY GIVEN that the Taylor County School District has not provided an Annual Report due with respect to the above-named Bonds as required by its Continuing Disclosure Certificate, dated [ \_\_\_\_\_, 2024]. The School District anticipates that the Annual Report will be filed by \_\_\_\_\_, 20\_\_.

This notice is based on the best information available at the time of dissemination. Any questions regarding this notice should be directed to \_\_\_\_\_.

Dated: \_\_\_\_\_, 20\_\_.

**TAYLOR COUNTY SCHOOL DISTRICT**

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<sup>1</sup> No representation is made as to the correctness of the CUSIP number either as printed on the bonds or as contained herein, and reliance may only be placed on other bond identification contained herein.

**EXHIBIT “B”**

OFFICIAL STATEMENT TABLES TO BE UPDATED

The tables including in the School District’s Official Statement dated [\_\_\_\_\_], 2024 related to the Bonds titled as follows:

SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – Historical Collections

THE SCHOOL DISTRICT – Schools and Enrollment

THE SCHOOL DISTRICT – Enrollment

THE SCHOOL DISTRICT – Employees, Employee Relations, and Labor Organizations

SCHOOL DISTRICT DEBT STRUCTURE – Limitation on School District Debt – Computation of Legal Debt Margin

SCHOOL DISTRICT AD VALOREM TAXATION – Historical Property Tax Data

SCHOOL DISTRICT AD VALOREM TAXATION – Property Tax Levies and Collections

SCHOOL DISTRICT AD VALOREM TAXATION – Millage Rates

SCHOOL DISTRICT AD VALOREM TAXATION – Ten Largest Taxpayers

**EXHIBIT C**

**NOTICE OF THE OCCURRENCE OF [INSERT THE LISTED EVENT]**

**Relating to**

**\$4,735,000\* TAYLOR COUNTY SCHOOL DISTRICT (GEORGIA)  
GENERAL OBLIGATION BONDS, SERIES 2024  
CUSIP NUMBERS:<sup>1</sup>**

Notice is hereby given that [insert the Listed Event] has occurred. [Describe circumstances leading up to the event, action being taken and anticipated impact.]

This notice is based on the best information available at the time of dissemination and is not guaranteed as to accuracy or completeness. Any questions regarding this notice should be directed to [insert instructions for presenting securities, if applicable].

[Notice of the Listed Events described in Section 5(a)(9) shall include the following:

The School District hereby expressly reserves the right to redeem such refunded or defeased bonds prior to their stated maturity date in accordance with the optional/extraordinary redemption provisions of said defeased bonds.

AND

The Bonds have been defeased to [maturity/the first call date, which is \_\_\_\_\_]. This notice does not constitute a notice of redemption and no bonds should be delivered to the School District or the Paying Agent as a result of this mailing. A Notice of Redemption instructing you where to submit your bonds for payment will be mailed \_\_\_\_\_ to \_\_\_\_\_ days prior to the redemption date.]

Dated: \_\_\_\_\_, 20\_\_

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<sup>1</sup> No representation is made as to the correctness of the CUSIP number either as printed on the bonds or as contained herein, and reliance may only be placed on other bond identification contained herein.

