

PRELIMINARY OFFICIAL STATEMENT DATED OCTOBER 21, 2026

NEW ISSUE
(Book-Entry Only)

RATINGS:
Standard & Poor's: "AA+/Stable" (Intercept Program)
"A+/Stable" (Underlying)
See "MISCELLANEOUS - Ratings" herein.

In the opinion of Bond Counsel, under current law and subject to conditions described under the caption "LEGAL MATTERS – Opinion of Bond Counsel," interest on the Series 2026 Bonds (including any original issue discount properly allocable to a holder thereof) (1) is excluded from gross income for Federal income tax purposes and (2) is not a specific "item of tax preference" for purposes of the federal alternative minimum tax; provided however that 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 alternative minimum tax imposed on corporations. A holder may be subject to other Federal tax consequences as described in the Section herein entitled "LEGAL MATTERS – Opinion of Bond Counsel." In the opinion of Bond Counsel, under current law and subject to conditions described under the caption "LEGAL MATTERS – Opinion of Bond Counsel," interest on the Series 2026 Bonds is exempt from present State of Georgia income taxation.

\$32,000,000*

WHITE COUNTY SCHOOL DISTRICT (GEORGIA) General Obligation School Bonds, Series 2026

Dated: Date of Delivery

Due: February 1, as shown below

The General Obligation School Bonds, Series 2026 (the "Series 2026 Bonds") are being issued by the White County School District (the "District"), a political subdivision of the State of Georgia, for the purpose of financing a portion of the costs of (i) acquiring, constructing, equipping and furnishing new school buildings and facilities, (ii) adding to, constructing, renovating, repairing, demolishing, improving and equipping existing school buildings and school system facilities, including playgrounds, physical education facilities, athletic facilities, student activity facilities, parking areas and other school facilities, (iii) acquiring safety and security equipment and infrastructure for schools, system facilities, and buses, (iv) acquiring land and conducting site preparation for current and future School District purposes, (v) acquiring computers and computer technology equipment and software, including tablets and laptops, (vi) acquiring heating, air conditioning and energy efficiency equipment, (vii) acquiring textbooks and other instructional materials and electronic media, as well as school buses, transportation and maintenance equipment and band equipment, and (viii) paying the expenses incident to accomplish the foregoing, and for the purpose of payment of a portion of the interest on such debt. See "PLAN OF FINANCING" herein.

The Series 2026 Bonds are general obligations of the District and are payable, as to both principal and interest, from the general funds of the District, including ad valorem taxes which may be levied. The Series 2026 Bonds are also payable from any state appropriation to which the District may be entitled, which the State of Georgia Board of Education is required to withhold from the District and transfer to the Debt Service Fund Custodian for the Series 2026 Bonds under certain circumstances. See "THE SERIES 2026 BONDS - Security and Sources of Payment for the Series 2026 Bonds" herein.

Interest on the Series 2026 Bonds is payable semiannually on February 1 and August 1 of each year, commencing on August 1, 2027. All Series 2026 Bonds bear interest from their date of issuance. See "INTRODUCTION - Description of the Series 2026 Bonds" herein.

The Series 2026 Bonds are not subject to redemption prior to maturity. See "THE SERIES 2026 BONDS – Series 2026 Bonds Not Redeemable Prior to Maturity" herein.

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, AND YIELDS

Maturity (February 1)	Principal Amount*	Interest Rate	Yield	CUSIP Number
2028				
2029				
2030				
2031				
2032				

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 Series 2026 Bonds are offered when, as, and if issued by the District and accepted by the Underwriter, subject to prior sale and to withdrawal or modification of the offer without notice, and are subject to the approving opinion of Stewart, Melvin & Frost, LLP, Gainesville, Georgia, Bond Counsel. Certain legal matters will be passed on for the District by its general counsel, Periera, Kirby, Kinsinger & Nguyen, LLP, Gainesville, Georgia, for the District and the Underwriter by Stewart, Melvin & Frost, LLP, Gainesville, Georgia, Disclosure Counsel. The Series 2026 Bonds in definitive form are expected to be delivered to The Depository Trust Company, New York, New York, on or about November 17, 2026.*

RAYMOND JAMES®

Dated: _____, 2026

*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.

WHITE COUNTY SCHOOL DISTRICT

ELECTED OFFICIALS

White County Board of Education

Missy Jarrard, Chairman
Charlie Thomas, Jr., Vice Chairman
John Solmon
Linda Erbele
Jon Estes

ADMINISTRATIVE OFFICIALS

Dr. Jonathan Stribling, *Superintendent*
Julie C. Dorsey, *Interim Finance Director*

SPECIAL SERVICES

Auditors

State of Georgia Department of Audits
Atlanta, Georgia

General Counsel

Periera, Kirby, Kinsinger & Nguyen, LLP
Gainesville, Georgia

Bond Counsel and Disclosure Counsel

Stewart, Melvin & Frost, LLP
Gainesville, Georgia

Underwriter

Raymond James & Associates, Inc.
Atlanta, Georgia

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OFFICIAL STATEMENT
of the
WHITE COUNTY SCHOOL DISTRICT (GEORGIA)
relating to its
\$32,000,000* GENERAL OBLIGATION SCHOOL BONDS,
SERIES 2026

INTRODUCTION

The purpose of this Official Statement, which includes the cover page and the Appendices hereto, is to furnish certain information in connection with the sale by the White County School District of \$32,000,000* in aggregate principal amount of its General Obligation School Bonds, Series 2026 (the "Series 2026 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, and the documents summarized or described herein. Potential investors should fully review the entire Official Statement. The offering of the Bonds to potential investors is made only by means of the entire Official Statement, including the Appendices 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 hereto.

The District

The White County School District (the "District"), the issuer of the Series 2026 Bonds, is a political subdivision of the State of Georgia. The District is coextensive with the territorial limits of White County, Georgia (the "County"). For more complete information, see "**THE DISTRICT**" herein.

Security and Sources of Payment for the Bonds

The Series 2026 Bonds are general obligations of the District and are payable, as to both principal and interest, from the general funds of the District, including ad valorem taxes which may be levied, without limitation as to rate or amount, upon all taxable property within the territorial limits of the District subject to taxation for school bond purposes. The Series 2026 Bonds are also payable from any state appropriation to which the District may be entitled, which the State of Georgia Board of Education is required to withhold from the District and transfer to the Debt Service Fund Custodian for the Series 2026 Bonds under certain circumstances. The District intends to pay the Series 2026 Bonds from the proceeds of a special purpose educational sales tax. For more complete and detailed information, see "**THE SERIES 2026 BONDS - Security and Sources of Payment for the Series 2026 Bonds,**" "**DISTRICT SALES TAX**" and "**DISTRICT AD VALOREM TAXATION**" herein.

Purpose of the Bonds

The proceeds of the Series 2026 Bonds, net of underwriter's discount and other issuance costs, will be used to pay a portion of the costs of (i) acquiring, constructing, equipping and furnishing new school buildings and facilities, (ii) adding to, constructing, renovating, repairing, demolishing, improving and equipping existing school buildings and school system facilities, including playgrounds, physical education facilities, athletic facilities, student activity facilities, parking areas and other school facilities, (iii) acquiring safety and security equipment and infrastructure for schools, system facilities, and buses, (iv) acquiring land and conducting site preparation for current and future School District purposes, (v) acquiring computers and computer technology equipment and software, including tablets and laptops, (vi) acquiring heating, air conditioning and energy efficiency equipment, (vii) acquiring textbooks and other instructional materials and electronic media, as well as school buses, transportation and maintenance equipment and band equipment, and (viii) paying the expenses incident to accomplish the foregoing, and for the purpose of payment of a portion of the interest on such debt. For more complete information, see "**PLAN OF FINANCING**" herein.

*Throughout this Preliminary Official Statement, the asterisk indicates information which is preliminary and subject to change.

Description of the Series 2026 Bonds

Series 2026 Bonds Non-callable. The Series 2026 Bonds are not subject to redemption prior to their respective maturities.

Denominations. The Series 2026 Bonds are issuable in denominations of \$5,000 or any integral multiple thereof.

Book-Entry of Series 2026 Bonds. Each of the Series 2026 Bonds will be issued as fully registered certificates in the denomination of one certificate per aggregate principal amount of the stated maturity thereof, and, when issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company (“DTC”), New York, New York, an automated depository for securities and clearing house for securities transactions, which will act as securities depository for the Series 2026 Bonds. Purchasers will not receive certificates representing their ownership interest in the Series 2026 Bonds purchased. Purchases of beneficial interests in the Series 2026 Bonds will be made in book-entry only form (without certificates), in authorized denominations, and, under certain circumstances as more fully described in this Official Statement, such beneficial interests are exchangeable for one or more fully registered certificates of like principal amount and maturity in authorized denominations. For more complete information, see “**THE SERIES 2026 BONDS - Book-Entry Only System**” herein.

Payments. So long as DTC or its nominee, Cede & Co., is the registered owner of the Series 2026 Bonds, payments of the principal of, premium, if any, and interest on the Series 2026 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 Series 2026 Bonds.

For a more complete description of the Series 2026 Bonds, see “**THE SERIES 2026 BONDS**” herein.

Tax Exemption

In the opinion of Bond Counsel, under existing law, (a) interest on the Series 2026 Bonds (including any original issue discount properly allocable to a holder thereof) is excluded from gross income for federal income tax purposes, (b) interest on the Series 2026 Bonds is not a specific “item of tax preference” for purposes of the federal alternative minimum tax, provided however that 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 (the “Code”), for the purpose of computing alternative minimum tax imposed on corporations, and (c) interest on the Series 2026 Bonds is exempt from present State of Georgia income taxation, subject to the conditions and limitations described herein. See **Appendix B** for the form of opinion Bond Counsel proposes to deliver in connection with the issuance of the Series 2026 Bonds. For a more complete discussion of such opinion and certain tax consequences incident to the ownership of the Series 2026 Bonds, including certain exceptions to the tax treatment of interest, see “**LEGAL MATTERS--Opinion of Bond Counsel, – Bond Premium, and – Collateral Federal Tax Consequences**” herein.

Bond Registrar and Paying Agent

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

Professionals Involved in the Offering

Certain legal matters pertaining to the District and its authorization and issuance of the Bonds are subject to the approving opinion of Stewart, Melvin & Frost, LLP, Gainesville, Georgia, Bond Counsel. 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 B**. Certain legal matters will be passed on for the District by its general counsel, Periera, Kirby, Kinsinger & Nguyen, LLP, Gainesville, Georgia, and for the District and the Underwriter by Stewart, Melvin & Frost, LLP, Gainesville, Georgia, Disclosure Counsel. The general purpose financial statements of the District as of June 30, 2025, 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** hereto. See “**MISCELLANEOUS - Experts**” herein.

Authority for Issuance

The Series 2026 Bonds are being issued in accordance with the Constitution of the State of Georgia and pursuant to the authority granted by the laws of the State of Georgia, and pursuant to a Bond Resolution of the Board of Education of White County (the “Board”) adopted on July 20, 2026, and a Supplemental Bond Resolution adopted by the Board on _____, 2026 (collectively, the “Bond Resolution”), authorizing the issuance of the Series 2026 Bonds. The issuance of the Bonds was approved by a majority vote of voters in the District voting in an election held on May 19, 2026. For more complete information, see “**THE SERIES 2026 BONDS - Authority for Issuance**” herein.

Offering and Delivery of the Series 2026 Bonds

The Series 2026 Bonds are offered when, as, and if issued by the District and accepted by the Underwriter, subject to prior sale and to withdrawal or modification of the offer without notice. The Series 2026 Bonds in definitive form are expected to be delivered to The Depository Trust Company, New York, New York, on or about November 17, 2026.*

Continuing Disclosure

The District has covenanted for the benefit of the owners of the Series 2026 Bonds in a Continuing Disclosure Certificate (the “Disclosure Certificate”) to provide (a) certain financial information and operating data relating to the District (the “Operating and Financial Data”) annually to the Municipal Securities Rulemaking Board (the “MSRB”), the present nationally recognized municipal securities information repository, through its Electronic Municipal Market Access system (“EMMA”), and to the state information repository (the “SIR”), if any, and (b) notices of the occurrence of certain events (the “Significant Events Notices”), to the MSRB through EMMA and to the SIR, if any. The form of the Disclosure Certificate containing the District’s undertaking to provide Operating and Financial Data and Significant Events Notices is set forth in Appendix C hereto. The covenants have been made in order to assist the Underwriter in complying with Securities and Exchange Commission Rule 15c2-12 (the “Rule”). As of the date of this Official Statement, there is no SIR in the State of Georgia.

In addition to the requirements of the Rule discussed above, Securities and Exchange Commission Rule 15c2-12(f)(3) requires that this Official Statement set forth any instances in the previous five years in which the District failed to comply in all material respects with any previous continuing disclosure undertakings.

In connection with the issuance of its General Obligation School Bonds, Series 2016 and Series 2021 (the “Prior Bonds”) and pursuant to undertakings (the “Prior Undertakings”) delivered contemporaneously with the issuance of the Prior Bonds, the District covenanted to provide operating and financial data and material events notices. The Prior Undertakings require the District to file an annual report consisting of audited financial statements and certain financial and operating data of the District within one year after the end of the District’s fiscal year ending June 30 of each year. During the previous five years, the District filed all annual reports required by the Prior Undertakings by the due date. During the previous five years, the District timely filed on EMMA its audited financial statements for fiscal years 2021 through 2025. In order to ensure that the District complied with the Prior Undertakings, the District hired Raymond James & Associates, Inc. (“Raymond James”), Atlanta, Georgia, to act as the District’s dissemination agent assisting with compliance with the Prior Undertaking. The District intends to continue its agreement with Raymond James to assist the District with compliance with the Prior Undertakings and any future undertakings, and the District’s finance director has been given the primary responsibility for such compliance on behalf of the District.

Other Information

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

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 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 District's expectations with regard thereto or any change in events, conditions, or circumstances on which any such statement is based.

This Official Statement and the Appendices hereto contain brief descriptions of, among other matters, the District, the Series 2026 Bonds, and the security and sources of payment for the Series 2026 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 Series 2026 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 District of a charge for copying, mailing, and handling, from Dr. Jonathan Stribling, Superintendent, White County Board of Education, 136 Warriors Path, Cleveland, Georgia 30528; telephone (706)865-2315. During the period of the offering of the Series 2026 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., Two Buckhead Plaza, Suite 702, 3050 Peachtree Road, NW, Atlanta, Georgia 30305, telephone (404) 240-6840.

The Series 2026 Bonds have not been registered under the Securities Act of 1933, and the Bond Resolution has not been qualified under the Trust Indenture Act of 1939, in reliance on exemptions contained in such Acts.

This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Series 2026 Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation, or sale.

No dealer, broker, salesman, or other person has been authorized by the District or the Underwriter to give any information or to make any representations other than those contained in this Official Statement, and, if given or made, such other information or representations should not be relied upon as having been authorized by the District or the Underwriter. Except where otherwise indicated, all information contained in this Official Statement has been provided by the District. The information set forth herein has been obtained by the District from sources which are believed to be reliable but is not guaranteed as to accuracy or completeness by the District or the Underwriter. The information contained herein is subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall under any circumstances create an implication that there has been no change in the affairs of the District or the other matters described herein since the date hereof or the earlier dates set forth herein as of which certain information contained herein is given.

In connection with this offering, the Underwriter may over-allot or effect transactions which stabilize or maintain the market prices of the Series 2026 Bonds at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

PLAN OF FINANCING

Estimated Sources and Applications of Funds

The sources and applications of funds in connection with the issuance of the Series 2026 Bonds are estimated below.

Estimated Sources of Funds:	
Par Amount of Series 2026 Bonds	\$32,000,000.00*
Original Issue Premium	
Estimated Interest Earnings During Construction	
Total Sources of Funds	
Estimated Applications of Funds:	
Capital Projects	
Costs of Issuance ¹	
Total Applications of Funds	

¹ Includes legal and accounting fees, underwriter's discount, Bond Registrar's and Paying Agent's fees, printing and shipping costs, validation court costs, and other costs of issuance.

The Projects

In preparation for the election on May 19, 2026, at which the voters of White County authorized the issuance of the Series 2026 Bonds and the reimposition of the sales and use tax for educational purposes (the "Sales Tax") for a five-year period expected to begin on January 1, 2027, the District developed a list of facility needs to be funded from the proceeds of the Series 2026 Bonds. Said projects are described below and are collectively referred to as the "Projects." The Projects are designed, in part, to update facilities, equipment, and technology to offer parity of educational opportunities throughout the District.

The total cost of the Projects is currently estimated to exceed \$32 million. Some of the larger elements of the Projects involve renovations and modifications to White County High School and the athletic complex at the high school, renovations and modifications to Jack P. Nix Elementary School, improvements to the middle school stadium, renovations and modifications at Mt. Yonah Elementary School, improvements at the Warrior Academy, renovations and modifications at Tesnatee Gap Elementary School, and technology upgrades across the District.

The District has developed a plan to finance the Projects that relies on a combination of proceeds of the Series 2026 Bonds, investment earnings on the proceeds, proceeds of the Sales Tax, and Georgia Department of Education capital outlay funds. The District expects that these sources of funds will be sufficient to provide funding for the Projects.

The expected completion date of the Projects is July, 2029. The District estimates that it will expend the bond proceeds on or before August, 2029.

The District issued a request for proposals and hired a construction management firm in relation to the renovation of Jack P. Nix Elementary School, improvements at Mt. Yonah Elementary School, and improvements at White County High School and the athletic complex. The construction manager will be required to submit plans to the State of Georgia Department of Education for approval as necessary. The construction manager will advertise in the local newspaper for bids, as well as posting the bid packages on various other websites available to construction contractors, and after the advertisements and postings run for thirty days, the construction manager will award the subcontracts for the construction based on bid prices and qualifications. This same process will be followed for the other Projects.

Change of Use of Series 2026 Bond Proceeds

The notice of the election regarding the issuance of the Series 2026 Bonds stated that the purposes for which the Bonds are being issued are to provide funds to pay or be applied toward the cost of (i) acquiring, constructing, equipping and furnishing new school buildings and facilities, (ii) adding to, constructing, renovating, repairing, demolishing, improving and equipping existing school buildings and school system facilities, including playgrounds, physical education facilities, athletic facilities, student activity facilities, parking areas and other school facilities, (iii) acquiring safety and security equipment and infrastructure for schools, system facilities, and buses, (iv) acquiring land and conducting site preparation for current and future School District purposes, (v) acquiring computers and computer technology equipment and software, including tablets and laptops, (vi) acquiring heating, air conditioning and energy efficiency equipment, (vii) acquiring textbooks and other instructional materials and electronic media, as well as school buses, transportation and maintenance equipment and band equipment, and (viii) paying expenses incident to accomplishing the foregoing, and for the purpose of payment of a portion of the interest on such debt.

Section 36-82-4.2 of the Official Code of Georgia Annotated allows the Board, subsequent to the issuance of the Series 2026 Bonds, to adopt a resolution by a two-thirds' majority vote of the Board declaring that (1) a portion of the proceeds of the Series 2026 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 Series 2026 Bonds is no longer practicable or feasible. Such resolution must (a) set forth the reason the proceeds of the Series 2026 Bonds were not expended for the purpose stated in the election notice and (b) state the purpose for which the proceeds of the Series 2026 Bonds will be expended. Upon the adoption of such a resolution, the Board will be authorized to expend such proceeds of the Series 2026 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 District; provided the District, not earlier than ten days prior to expending such Series 2026 Bond proceeds, publishes the resolution described above once in the official White County organ. In addition, the District must send a copy of the resolution described above by registered or certified mail to the Paying Agent for the Series 2026 Bonds.

THE SERIES 2026 BONDS

Description

The Series 2026 Bonds, as initially issued, will be dated as of their date of issuance and will bear interest at the rates specified on the cover page of this Official Statement (computed on the basis of a 360-day year of twelve 30-day months), payable semiannually on each February 1 and August 1, commencing August 1, 2027. Interest on the Series 2026 Bonds is payable by check or draft mailed to the registered owner of record as of the January 15 or July 15 immediately preceding the applicable interest payment date, at such owner's address as it appears on the registration books of the District, maintained by the Bond Registrar, or at such other address as is furnished in writing by such registered owner to the Bond Registrar. Prior to any record date, any owner of Series 2026 Bonds in an aggregate principal amount of not less than \$500,000, by written instructions filed with the Paying Agent, may instruct that interest payments be made by wire transfer. The Series 2026 Bonds will mature on the dates and in the amounts set forth on the cover page of this Official Statement. The principal of the Series 2026 Bonds will be payable upon the presentation and surrender of the Series 2026 Bonds at the corporate trust office of Regions Bank, Atlanta, Georgia, as Paying Agent.

The Series 2026 Bonds are issuable only as fully registered bonds, without coupons, in any authorized denomination. Purchases of beneficial ownership interests in the Series 2026 Bonds will be made in book-entry form and purchasers will not receive certificates representing interests in the Series 2026 Bonds so purchased. If the book-entry system is discontinued, Series 2026 Bonds will be delivered as described in the Bond Resolution, and beneficial owners of the Series 2026 Bonds will become the registered owners of the Series 2026 Bonds. See **"THE BONDS - Book-Entry Only System"** herein.

Series 2026 Bonds Not Redeemable Prior to Maturity

The Series 2026 Bonds are **not** subject to redemption prior to their respective maturities.

Security and Sources of Payment for the Series 2026 Bonds

The Series 2026 Bonds will constitute valid and legally binding general obligations of the District, and the principal of and interest on the Series 2026 Bonds are payable from the general funds of the District, including ad valorem taxes levied, without limitation as to rate or amount, upon all taxable property within the District subject to taxation for school bond purposes, including real and personal property, privately owned utilities, motor vehicles, and mobile homes. The District intends to pay the Series 2026 Bonds from the proceeds of a special purpose educational sales tax. See **“DISTRICT SALES TAX”** herein for a discussion of the District educational sales tax.

Prior to the issuance of the Series 2026 Bonds, the Board of Commissioners of White County, upon the recommendation of the Board, as required by law, will levy an ad valorem tax on all taxable property within the territorial limits of White County subject to taxation for school bond purposes in an amount sufficient to pay the principal of and interest on the Series 2026 Bonds as the same become due and payable.

See **“DISTRICT DEBT STRUCTURE”** herein for a discussion of the District’s outstanding debt and legal ability to incur future indebtedness. See **“DISTRICT AD VALOREM TAXATION”** herein for a discussion of District ad valorem taxation.

Prior to the issuance of the Series 2026 Bonds, the Board, pursuant to Section 20-2-480 of the Official Code of Georgia Annotated, will notify the State of Georgia Board of Education of the proposed issuance of the Series 2026 Bonds and authorize and direct the State of Georgia Board of Education to withhold from the District sufficient moneys from any state appropriation to which the District may be entitled and to apply so much as shall be necessary to the payment of the principal of and interest on the Series 2026 Bonds then due. Pursuant to Section 20-2-170 of the Official Code of Georgia Annotated, if the State of Georgia Board of Education has received the notification described in the preceding sentence and if at any time the State of Georgia Board of Education is notified by the Paying Agent, as custodian of the Debt Service Fund created by the Bond Resolution (the “Debt Service Fund Custodian”), that the District has failed to effect the punctual payment of the principal of or interest on the Series 2026 Bonds, the State of Georgia Board of Education is authorized to and shall withhold from any state appropriation to which the District may be entitled and apply so much thereof as shall be necessary to the payment of the principal of and interest on the Series 2026 Bonds then due.

Under the terms of the Bond Resolution, the District is required to deposit with the Debt Service Fund Custodian on or before each January 10 and July 10 (or, if such day is not a business day, the next succeeding business day) amounts sufficient to pay in full the principal of and interest on the Series 2026 Bonds on the following February 1 or August 1, respectively. Under the terms of the Bond Resolution, if on any January 10 or July 10 (or, if such day is not a business day, the next succeeding business day) the Debt Service Fund Custodian has not received from the District amounts sufficient to pay in full the principal of and interest on the Series 2026 Bonds on the following February 1 or August 1, respectively, then the Debt Service Fund Custodian is required to notify the State of Georgia Board of Education by January 15 or July 15, respectively, of the amount of any such deficiency. Under the terms of the Bond Resolution, all funds received by the Debt Service Fund Custodian from the State of Georgia Board of Education to pay principal of and interest on the Series 2026 Bonds must be held by the Debt Service Fund Custodian in trust until paid to the Paying Agent for the Series 2026 Bonds to make the payments on the Series 2026 Bonds on such February 1 or August 1.

The amounts subject to interception by the State of Georgia Board of Education for the benefit of the owners of the Series 2026 Bonds will depend upon the amount and timing of annual appropriations made by the General Assembly of the State of Georgia to the District. See **“DISTRICT FINANCIAL INFORMATION - Five Year General Fund History”** herein for the amounts paid to the District by the State of Georgia for general operating purposes over the District’s past five fiscal years. The State of Georgia paid to the District for general operating purposes during fiscal year ending June 30, 2025 approximately \$26,991,087 and during fiscal year ending June 30, 2026 approximately \$28,122,882. The District expects to receive at least \$28,224,234 from the State of Georgia for general operating purposes during fiscal year 2027. The State of Georgia disburses the amount committed to the District for each fiscal year in 12 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 of Georgia Board of Education to the Paying Agent for the benefit of the owners of the Series 2026 Bonds will depend upon the ability of the State of Georgia Board of

Education to promptly liquidate investments of money appropriated but not disbursed by the General Assembly of the State of Georgia to the 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 District or the timing of the payment of any amounts subject to interception by the State of Georgia Board of Education to the Debt Service Fund Custodian.

The realization of value from the pledge of the taxing power of the District to the payment of the Series 2026 Bonds upon any default will depend upon the exercise of various remedies specified by Georgia 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 Series 2026 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.

Section 36-80-5 of the Official Code of Georgia Annotated provides that no school district created under the Constitution or laws of the State of Georgia 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. Section 36-80-5 of the Official Code of Georgia Annotated 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 Georgia 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.

Bond Principal and Interest Requirements

Set forth below are the principal and interest payment requirements with respect to the Series 2026 Bonds and the principal and interest payment requirements with respect to the outstanding General Obligation School Bonds of the District, for the years shown below.

Fiscal Year Ending June 30	Prior Bonds ¹			Series 2026 Bonds		Total Debt Service Requirements	Combined Total Debt Service Requirements
	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service Requirements</u>	<u>Principal*</u>	<u>Interest</u>		
2027	\$4,125,000	\$416,750	\$4,541,750				
2028	4,210,000	210,500	4,420,500				
2029	--	--	--				
2030	--	--	--				
2031	--	--	--				
2032	--	--	--				
2033	--	--	--				
Totals	\$8,335,000	\$627,250	\$8,962,250				

¹ Represents remaining principal and interest on the District's Series 2021 Bonds. This remaining debt service on the Series 2021 Bonds will be paid from the proceeds of the Sixth Sales Tax which have already been collected by the District. See "DISTRICT SALES TAX" herein.

Book-Entry Only System

DTC will act as securities depository for the Series 2026 Bonds. The Series 2026 Bonds will be issued as fully-registered Series 2026 Bonds 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 Series 2026 Bond certificate will be issued for each 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 2.2 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, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Fixed Income Clearing Corporation and Emerging Markets Clearing Corporation, (NSCC, FICC and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. 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 and www.dtc.org.

Purchases of Series 2026 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2026 Bonds on DTC's records. The ownership interest of each actual purchaser of Series 2026 Bonds ("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 Series 2026 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 Series 2026 Bonds, except in the event that use of the book-entry system for the Series 2026 Bonds is discontinued.

To facilitate subsequent transfers, all the Series 2026 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 Series 2026 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of Series 2026 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2026 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 SHOULD MAKE APPROPRIATE ARRANGEMENTS WITH THEIR BROKER OR DEALER TO RECEIVE NOTICES (INCLUDING NOTICES OF REDEMPTION) AND OTHER INFORMATION REGARDING SERIES 2026 BONDS THAT MAY BE SO CONVEYED TO DIRECT PARTICIPANTS AND INDIRECT PARTICIPANTS.

Redemption notices shall be sent to DTC. If less than all of the Series 2026 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 Series 2026 Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Authority 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 Series 2026 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds and principal and interest payments on Series 2026 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 Authority or the Trustee, 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 District or the Paying Agent, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District 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.

DTC may discontinue providing its services as depository with respect to Series 2026 Bonds at any time by giving reasonable notice to the District or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, certificates for the Series 2026 Bonds are required to be printed and delivered.

The District may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, certificates for the Series 2026 Bonds will be printed and delivered.

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

NEITHER THE DISTRICT NOR THE PAYING AGENT NOR THE UNDERWRITER (OTHER THAN IN THEIR CAPACITY, IF ANY, AS A DIRECT PARTICIPANT OR AN INDIRECT PARTICIPANT) WILL HAVE ANY OBLIGATION TO THE DIRECT PARTICIPANTS OR THE INDIRECT PARTICIPANTS OR THE BENEFICIAL OWNERS WITH RESPECT TO DTC'S PROCEDURES OR ANY PROCEDURES OR ARRANGEMENTS BETWEEN DIRECT PARTICIPANTS, INDIRECT PARTICIPANTS AND BENEFICIAL OWNERS.

NEITHER THE DISTRICT NOR THE PAYING AGENT WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO PARTICIPANTS, BENEFICIAL OWNERS OR OTHER NOMINEES OF SUCH BENEFICIAL OWNERS FOR (1) SENDING TRANSACTION STATEMENTS; (2) MAINTAINING, SUPERVISING OR REVIEWING, THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY PARTICIPANT OR OTHER NOMINEES OF SUCH BENEFICIAL OWNERS; (3) PAYMENT OR THE TIMELINESS OF PAYMENT BY DTC TO ANY PARTICIPANT, OR BY ANY PARTICIPANT OR OTHER NOMINEES OF BENEFICIAL OWNERS TO ANY BENEFICIAL OWNER, OF ANY AMOUNT DUE IN RESPECT OF THE PRINCIPAL OF OR REDEMPTION PREMIUM, IF ANY, OR INTEREST ON SERIES 2026 BONDS; (4) DELIVERY OR TIMELY DELIVERY BY DTC TO ANY PARTICIPANT, OR BY ANY PARTICIPANT OR OTHER NOMINEES OF BENEFICIAL OWNERS TO ANY BENEFICIAL OWNERS, OF ANY NOTICE (INCLUDING NOTICE OF REDEMPTION) OR OTHER COMMUNICATION WHICH IS REQUIRED OR PERMITTED UNDER THE TERMS OF THE INDENTURE TO BE GIVEN TO HOLDERS OR OWNERS OF SERIES 2026 BONDS; (5) THE SELECTION OF THE BENEFICIAL OWNERS TO RECEIVE PAYMENT IN THE EVENT OF ANY PARTIAL REDEMPTION OF SERIES 2026 BONDS; OR (6) ANY ACTION TAKEN BY DTC OR ITS NOMINEE AS THE REGISTERED OWNER OF SERIES 2026 BONDS.

Authority for Issuance

Paragraph I(a) of Section V of Article IX of the Constitution of the State of Georgia 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. Paragraph VI of Section V of Article IX of the Constitution of the State of Georgia 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.

Paragraph III of Section V of Article IX of the Georgia Constitution provides that a political subdivision may provide for the refunding of outstanding bonded indebtedness without the necessity of a referendum being held therefor, provided that neither the term of the original debt is extended nor the interest rate of the original debt is increased. The principal amount of any debt issued in connection with such refunding may exceed the principal amount being refunded in order to reduce the total principal and interest payment requirements over the remaining term of the original issue. The original debt refunded shall not constitute debt within the meaning of Paragraph I, Section V, Article IX, but the refunding issue shall constitute a debt such as will count against the limitation on debt measured by 10 percent of assessed value of taxable property as expressed in Paragraph I, Section V, Article IX.

The Series 2026 Bonds were authorized to be issued pursuant to an election in the District held on May 19, 2026, called under a resolution adopted by the White County Board of Education on January 29, 2026, (the "Referendum Resolution"), and are being issued pursuant to the authority granted by Article 1 of Chapter 82 of Title 36 of the Official Code of Georgia Annotated ("O.C.G.A.") and O.C.G.A. Section 20-2-430. In addition, the Bonds are being issued pursuant to the Bond Resolution.

The Referendum Resolution calling the election and the notice of the election stipulated an interest rate for the Series 2026 Bonds not exceeding 6.0% per annum. The canvass of the election showed 4,480 "Yes" votes, 2,348 "No" votes, and there were 111 ballots cast without voting on the matter in the election. The issuance of the Bonds was approved by 66% of the voters casting votes in the election.

Disbursement and Investment of Bond Proceeds and Other Moneys

The proceeds of the sale of the Series 2026 Bonds will be held by and under the control of the District and will be disbursed by the District, as the District desires, to pay the costs of issuing the Series 2026 Bonds and the costs of the Projects described in "PLAN OF FINANCING – The Projects" herein.

Section 36-82-7 of the Official Code of Georgia Annotated provides that the proceeds of the Bonds may be invested and reinvested by the governing authority of the District in the following investments, and no others:

- (1) the local government investment pool created in Chapter 83 of Title 36 of the Official Code of Georgia Annotated;
- (2) bonds or obligations of the District or bonds or obligations of the State of Georgia or other counties, municipal corporations, and political subdivisions of the State of Georgia;
- (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) 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 clause (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; and

(7) 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.

The portion of the certificates of deposit described in clause (7) above 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 clause (3) above, obligations of the agencies of the United States government described in clause (4) above, or bonds, obligations, or project notes of public housing agencies, urban renewal agencies, or municipalities described in clause (5) above.

In addition, Section 36-83-4(a)(1) of the Official Code of Georgia Annotated authorizes the governing authority of the District, or the financial officer of the District to whom investment authority is delegated, to invest and reinvest any money subject to its control and jurisdiction in:

- (1) obligations of the State of Georgia or of other states;
- (2) obligations issued by the United States government;
- (3) obligations fully insured or guaranteed by the United States government or a United States government agency;
- (4) obligations of any corporation of the United States government;
- (5) prime bankers' acceptances;

- (6) the local government investment pool established by Section 36-83-8 of the Official Code of Georgia Annotated;
- (7) repurchase agreements; and
- (8) obligations of other political subdivisions of the State of Georgia.

Paragraph VI of Section V of Article IX of the Constitution of the State of Georgia requires the proceeds of the tax assessed and collected to pay the principal of and interest on the Series 2026 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 Series 2026 Bonds and to be held and kept separate and apart from all other revenues collected by the District.

Section 36-80-3 of the Official Code of Georgia Annotated provides that the governing body of the District, or the financial officer of the District to whom investment authority is delegated pursuant to Section 36-80-4 of the Official Code of Georgia Annotated, 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.

Section 45-8-14 of the Official Code of Georgia Annotated provides that the White County Board of Education 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 funds of the District.

Section 45-8-12 of the Official Code of Georgia Annotated prohibits the 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 market value of not less than 110 percent of the public funds being secured after the deduction of the amount of deposit insurance. Section 45-8-11 of the Official Code of Georgia Annotated allows the Superintendent or the finance officer of the 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 District presently deposits its general funds with United Bank, Cleveland, Georgia, and plans to deposit the proceeds of the sale of the Series 2026 Bonds and the proceeds of the Sales Tax with United Bank, Cleveland, Georgia. The District may, in its discretion, but subject to the provisions of Georgia law described in the above paragraph, deposit these funds with other financial institutions.

THE DISTRICT

Introduction

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

District Administration and Officials

Under Georgia law, the District is controlled and managed by the Board of Education of White County. The Board of Education was created under the Constitution of the State of Georgia to manage and control the school system of the District. In addition, various local acts have been passed by the General Assembly of the State of Georgia regarding the Board of Education of White County (the "Acts").

Under the Acts, the Board consists of five members. The members of the Board are elected at-large by the voters of the entire county. Four of the five memberships of the Board are designated as representing Education Districts 1-4, and the fifth member is the Chairman of the Board, who does not represent an Education District. Candidates offering for election to the Board must designate the position to which they seek election and may be elected only to such position. Members of the Board representing an Education District must reside in the Education District which they represent during their terms of office, and the Chairman of the Board must reside in the District during his term of office. Members of the Board may not be employed by or serve on the governing body of a private educational institution, may not be employed by the District, may not be employed by the State of Georgia Department of Education, or may not serve as a member of the State of Georgia Board of Education. Under the Acts, the members of the Board are elected to office for terms of four years or until their successors are elected and qualified.

Information concerning the current members of the Board of Education is set forth below:

<u>Name and Office Held</u>	<u>Expiration of Term</u>	<u>Number of Years in Office</u>	<u>Principal Occupation</u>
Missy Jarrard, <i>Chairman</i>	December 31, 2028	9	School Counselor
Charlie Thomas, Jr., <i>Vice-Chairman</i>	December 31, 2028	16	Farmer
John Solmon	December 31, 2026	7	Accountant
Linda Erbele	December 31, 2026	7	Freelance Writer
Jon Estes	December 31, 2028	9	Director & CEO, Woodlands Camp

The school superintendent of the District is the executive officer of the Board of Education and is employed by the Board of Education under written contract for a term of not less than one year. The school superintendent acts as the Secretary of the Board of Education, ex officio. No person will be eligible to be appointed or employed as school 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.

Dr. Jonathan Stribling is the superintendent of the school system and has full responsibility for overseeing the operation of the school system. Dr. Stribling has served the District in this capacity since April 2026. Dr. Stribling earned his Bachelor of Science degree from the University of Georgia in 1998. He earned an Educational Doctorate in Instructional Leadership from Lincoln Memorial University in 2021.

Julie Dorsey is the interim finance director for the school system. She has served the District in this capacity since August, 2026, when the then serving finance director resigned. Mrs. Dorsey previously served as finance director up until her retirement in May of 2023. Mrs. Dorsey earned her Bachelor of Business Administration degree from University of North Georgia where she majored in Accounting and Finance. Additionally, she has 20 years of finance experience with other Georgia school districts. Mrs. Dorsey also worked with the University of Georgia for 3 years as a business manager for the Enterprise Institute of Technology Services.

The District has hired Mandie Parker as finance director beginning November 2, 2026. Ms. Parker earned her Bachelor of Science in Accounting degree from Truett McConnell University and her Masters in Business Administration degree from Truett McConnell University. For the past four years she has worked as accounting manager at the Georgia Department of Education.

Operations

The District's school system serves all of the area within the territorial limits of White County. Funds for the general maintenance and operation of the District's school system are derived from local, state, and federal sources. Local revenues consist primarily of ad valorem property taxes. See "**DISTRICT AD VALOREM TAXATION**" herein. Funds received from the State of Georgia are determined by certain formulas, generally based upon the number of students served and the relative wealth of the school district in relation to other school districts in Georgia, established by the State of 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. During the District's five fiscal years ended June 30, 2022 through June 30, 2026, approximately 40.5% of the District's total revenues were derived from local sources, 46.4% from state sources, and 13.1% from federal sources. See "**DISTRICT FINANCIAL INFORMATION - Five Year General Fund History**" herein.

Schools

The School District's school system consists of four elementary schools, one middle school, and one high school. The School District's school system has a total enrollment of approximately 3,631 students as of September 15, 2026. Set forth below is information concerning the school system as of the beginning of the 2026-2027 school year.

<u>School Name</u>	<u>Grades</u>	<u>Size of Enrollment¹</u>
J. P. Nix Elementary School	K through 5	375
Mount Yonah Elementary School	Pre-K through 5	472
Mossy Creek Elementary School	Pre-K through 5	392
Tesnatee Gap Elementary School	Pre-K through 5	456
White County Middle School	6 through 8	836
White County High School	9 through 12	<u>1,100</u>
Total		3,631

¹ Enrollment as of September 15, 2026.

The School District has approximately 604 employees. Specialists are available in the fields of learning disabilities, behavior disorders and intellectual disabilities, as well as speech therapy and psychological testing for children.

All teachers in the school system hold bachelor's degrees, and many have master's degrees. Most have a continuing interest in professional and personal growth through formal study and staff development workshops.

All schools in the school system are accredited by the Georgia Accrediting Commission and have met the requirements for Standard Schools as set forth by the Georgia Department of Education. White County Middle School and White County High School are also accredited by the Southern Association of Colleges and Schools.

Enrollment

Set forth below is information concerning enrollment in the District's school system over the past five school years as of the beginning of each school year.

<u>School Year</u>	<u>Total Enrollment</u>
2026-27	3,631
2025-26	3,710
2024-25	3,782
2023-24	3,792
2022-23	3,827

Employees, Employee Relations, and Labor Organizations

The District's school system had approximately 604 full-time employees as of September 15, 2026 in the following categories:

	<u>Number</u>
Classroom Teachers	279
Administrators and Supervisors	30
Librarians, Guidance Counselors, and Psychologists	19
Professional/Technical Support	41
Aides, Clerical, and Attendance Officers	137
Transportation and Maintenance	60
Food Service and Custodians	<u>38</u>
Total	604

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

DISTRICT DEBT STRUCTURE

Summary of District Debt By Category

Set forth below is information concerning debt of the District as of June 30, 2026. The information set forth below should be read in conjunction with the District's financial statements included as **Appendix A** hereto.

<u>Category of Debt</u>	<u>Amount Authorized But Unissued*</u>	<u>Amount Outstanding (less Sinking Fund Installments Paid)</u>	<u>Amount To Be Outstanding Upon Issuance of Bonds</u>
General Obligation School Bonds ¹	\$32,000,000	\$8,335,000 ²	\$40,335,000*
Capital Leases ³	--	<u>129,708</u>	<u>129,708</u>
Total	\$32,000,000	\$8,464,708	\$40,464,708

¹ General obligations of the District to which its full faith and credit and taxing power are pledged.

² Represents remaining principal on the District's Series 2021 Bonds due April 1, 2027 and April 1, 2028. The remaining debt service on the Series 2021 Bonds will be paid from the proceeds of the Sixth Sales Tax which have already been collected by the District. See "DISTRICT SALES TAX" herein.

³ The financial obligations of the District under the leases do not constitute general obligations of the District to which its faith and credit or taxing power are pledged, but are subject to and dependent upon lawful appropriations of general revenues being made by the Board of Education to pay the lease payments due in each fiscal year under the leases. The District's obligations under the leases are from year to year only and do not constitute mandatory payment obligations of the District in any fiscal year in which funds are not appropriated by the Board of Education to pay the leases due in such fiscal year. The District's obligations under the leases and installment purchase contracts do not constitute debt of the District for purposes of the constitutional debt limit described in "DISTRICT DEBT STRUCTURE - Limitations on District Debt" herein and do not count against the District's debt limitation. For a description of a legal limitation on the ability of the District to enter into lease contracts subject to annual appropriation, see "DISTRICT DEBT STRUCTURE - Limitations on District Debt" herein.

There has never been a default in payment of the principal of or interest on any General Obligation School Bonds issued by the District.

Proposed Debt

The District anticipates that during the next five years it will not issue additional General Obligation School Bonds.

Debt Service Requirements

Set forth below are the debt service requirements of the District for its debt upon the issuance of the Series 2026 Bonds.

Fiscal Year Ending June 30	General Obligation Bonds ¹	Capital Leases	Total Debt Service Requirements ¹
2027	\$4,541,750	\$49,200	\$4,590,950
2028	4,420,000	49,200	4,469,200
2029	--	49,200	49,200
2030	--	--	--
2031	--	--	--
2032	--	--	--
2033	--	--	--
Total	\$8,962,250	\$147,600	\$9,109,350

¹ Does not include debt service on the Series 2026 Bonds; such debt service will be added to the table in the final Official Statement.

Limitations on District Debt

The Constitution of the State of Georgia provides that the 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 District voting at an election called to approve the obligations. In addition, under the Constitution of the State of Georgia, the District may not incur long-term obligations payable out of general property taxes in excess of 10 percent of the assessed value of all taxable property within the District.

Short-term obligations (those payable within the same calendar year in which they are incurred), lease and installment purchase obligations subject to annual appropriation (such as the Capital Leases described in “**DISTRICT DEBT STRUCTURE - Summary of District Debt by Category**” herein), and intergovernmental obligations are not subject to the legal limitations described above. In addition, refunded obligations cease to count against the District’s debt limitation upon being refunded.

As computed in the table below, based upon its 2025 assessed value (which is the most recent available assessed value) and after the issuance of the Series 2026 Bonds, the District could incur (upon necessary voter approval) approximately \$121,179,224* of long-term obligations payable out of general property taxes (or General Obligation School Bonds).

Computation of Legal Debt Margin	
General Obligation Bond Tax Digest as of January 1, 2025 ¹	\$1,615,142,241
Debt Limit (10% of Assessed Value)	\$ 161,514,224
Amount of Debt Applicable to Debt Limit ²	\$ 40,335,000*
Legal Debt Margin	\$ 121,179,224*

¹ The assessed value of the general obligation bond tax digest is estimated based upon an estimate of the amount of the exemptions for bond digest purposes determined by the White County Tax Commissioner.

² Comprised of the District’s Series 2021 Bonds outstanding as of June 30, 2026 in a principal amount of \$8,335,000, and the aggregate principal amount of the Series 2026 Bonds (\$32,000,000*).

Section 20-2-506(b)(4) of the Official Code of Georgia Annotated provides that lease and installment purchase contracts subject to annual appropriation must contain provisions limiting the total combined annual payments for such contracts and intergovernmental contracts in any calendar year to an amount equal to 7.5 percent of the total local

revenue collected for maintenance and operation of the District in the most recently completed fiscal year. The District presently has no such leases or installment purchase contracts.

Overlapping Debt

In addition to the District's debt obligations, property owners in the District are responsible for any debt obligations of other taxing entities in the proportion to which the jurisdiction of the 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 District as of June 30, 2025. Although the 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 which has this information available, and the amounts are based on information supplied by others.

<u>Name of Overlapping Entity</u>	<u>Amount of Outstanding Debt</u>	<u>Percent of Outstanding Debt Chargeable to Property in the District¹</u>	<u>Outstanding Debt Chargeable to Property in the District</u>
White County ²	\$1,456,556	100.0%	\$1,456,556
City of Cleveland ³	1,496,120	100.0%	1,496,120
City of Helen ⁴	5,090,498	100.0%	5,090,498
Total	\$8,043,174		\$8,043,174

¹ The percentage of each overlapping entity's outstanding debt chargeable to property in the District is calculated by dividing the gross assessed valuation of property in the District by the gross assessed valuation of property in the overlapping entity.

² The White County debt is comprised of intergovernmental contract debt totaling \$1,425,000 and promissory notes in the aggregate amount of \$31,556.

³ The City of Cleveland debt is comprised entirely of notes payable to the Georgia Environmental Facilities Authority ("GEFA").

⁴ The City of Helen debt is comprised of capital leases totaling \$91,649, intergovernmental contract debt totaling \$4,905,000, and notes payable to GEFA totaling \$93,849.

Tax Supported Debt Ratios

The following table sets forth certain debt ratios following issuance of the Series 2026 Bonds.

	<u>Tax Supported Debt*</u>	<u>Overlapping Tax Supported Debt</u>	<u>Overall Tax Supported Debt*</u>
Per Capita Debt ¹	\$1,357.78	\$269.89	\$1,627.67
Percentage of Bond Tax Digest ²	2.51%	0.50%	3.01%
Percentage of Fair Market Value ³	0.78%	0.16%	0.94%
Per Capita Debt as Percentage of Per Capita Income ⁴	2.53%	0.50%	3.03%

¹ Based upon 2025 census data population for White County of 29,802.

² Based upon 2025 General Obligation Bond Tax Digest of \$1,615,142,241.

³ Based on 2025 estimated actual value of \$5,179,594,623.

⁴ Based upon 2024 per capita personal income figure of \$53,597; information for 2024 is the latest information available at the county level.

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DISTRICT AD VALOREM TAXATION

Introduction

An important source of revenue to fund the operations of the District is ad valorem property taxes. Ad valorem property taxes accounted for an annual average of approximately 35.5% of District general fund revenues for the past five fiscal years of the District and are budgeted to account for approximately 34.6% of general fund revenues for the year ending June 30, 2027. Ad valorem property taxes are levied annually in mills (one tenth of one percent) upon each dollar of assessed property value.

Property Subject to Taxation

Ad valorem property taxes are levied, based upon value, against real and personal property within the District. There are, however, certain classes of property which 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, the District allows exemptions from ad valorem taxation for school purposes for (1) homesteads, or owner-occupied residences, of all persons, up to \$2,000 of assessed value (this exemption, however, is inapplicable to taxes levied to pay bonded indebtedness), (2) homesteads, or owner-occupied residences, of persons who are 65 years of age or older and who have net income, together with net income of a spouse residing in the homestead, not exceeding \$15,000 for the immediately preceding taxable year, up to \$15,000 of assessed value, (3) homesteads, or owner-occupied residences, of persons who are 62 years of age or older and who have net income, together with net income of a spouse residing in the homestead, not exceeding \$10,000 for the immediately preceding taxable year, up to \$10,000 of assessed value, (4) homesteads, or owner-occupied residences, of disabled veterans, or of an unremarried surviving spouse of a disabled veteran, not to exceed the greater of \$121,812 of assessed value or an amount determined under federal law, (5) homesteads, or owner-occupied residences, of an unremarried surviving spouse of a member of the United States armed forces killed in war or armed conflict, not to exceed the greater of \$121,812 of assessed value or an amount determined under federal law, (6) homesteads, or owner-occupied residences, of an unremarried surviving spouse of a peace officer or firefighter who was killed in the line of duty, for the full value of the homestead, (7) an adjusted base-year homestead exemption (starting in 2027), which provides an exemption equal to the difference between the homestead's adjusted base-year value (generally the value for the year prior to the homeowner's application for the exemption plus an inflation factor for each year since the exemption was first provided) and the current year's true value (see "**DISTRICT AD VALOREM TAXATION**" – **Recent Ad Valorem Tax Legislation**" herein), and (8) the inventory of companies that manufacture or warehouse goods in White County, known as the "freeport" exemption.

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. Georgia law requires taxable tangible property to be assessed, with certain exceptions, at 40 percent of its fair market value and to be taxed on a levy made by each tax jurisdiction according to 40 percent of the property's fair market value. Georgia law requires certain agricultural real property to be assessed for ad valorem property tax purposes at 75 percent of the value of which other real property is assessed, requires certain historical property to be valued at a lower fair market value for ad valorem property tax purposes, and requires certain agricultural, timber, and environmentally-sensitive real property (otherwise known as conservation use property) and certain single-family real property located in transitional developing areas to be valued at their "current uses" (as opposed to fair market value).

The chief appraiser of White 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 White County Board of Tax Assessors. The Tax Commissioner of White County is required to present the tax returns of White County to the White County Board of Tax Assessors by April 1 of each year. The White County Board of Tax Assessors is required to complete its revision and assessment of returns by June 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 may also be subject to review at various stages by the White County Board of Equalization and by state courts.

The State of Georgia Motor Vehicle Tax Unit assesses the value of motor vehicles titled before March 1, 2013 by make, model, and year by county and provides this information to each county tax office. See “**State of Georgia Tax Reform Legislation**” below for a discussion of legislation that changes the ad valorem taxation of motor vehicles by local governments. The State of Georgia Property Tax Unit assesses the value of the property of public utilities and divides the assessment into two parts, assessed value of property and assessed value of franchise, and provides these amounts to White County which bills these taxes to the utilities.

Annual Tax Levy

Neither the District nor the Board of Education of White County has the power to levy ad valorem property taxes. The Board of Commissioner of White County annually levies the ad valorem property taxes for the District. The Board of Education is required by Georgia law to annually certify to the council of the Board of Commissioners of White County the rate of levy needed to produce the necessary amount of property tax revenues to support and maintain the 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 District, will produce the necessary amount of property tax revenues. Under Georgia law, the Board of Commissioners of White County is required to annually levy the ad valorem property tax certified to it by the White County Board of Education upon the assessed value of all taxable property within the District.

Under Georgia law, the annual rate of levy for the support and maintenance of the District’s school system may not exceed 20 mills. This 20-mill limitation may be increased or removed by action of the White County Board of Education, but only after such action has been approved by a majority of the qualified voters of the District. **Under Georgia law, there is no limitation on the annual rate of levy for the payment of principal of and interest on bonded indebtedness of the District.** Ad valorem property taxes received for the payment of debt service on General Obligation School Bonds of the District are required by law to be held and accounted for separately from other funds of the District. See “**THE SERIES 2026 BONDS - Disbursement and Investment of Bond Proceeds and Other Moneys**” herein.

Property Tax Collections

White County bills and collects the property taxes of the District on behalf of the District. Under Georgia law, the tax collector of White County is required to pay over to the Board of Education once a week all taxes collected for school purposes, after deducting a commission for collecting the taxes. White County charges the District a collection fee of 2.5% of taxes collected for the District. Real and personal property taxes, except motor vehicle taxes, are levied on January 1 of each year on the assessed value listed as of January 1. Taxes levied by White County on January 1 are normally billed in late August and are normally payable on or before November 15. Interest of 1.0% per annum applies to taxes paid after the due date, and a one-time penalty of 10% applies to taxes paid more than 90 days after the due date.

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 arising after January 1 in the year in which taxed. The lien normally becomes enforceable on December 20 of each year. Georgia 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.

At any time after the last day for the payment of taxes has arrived, the tax collector may notify the taxpayer in writing of the fact that the taxes have not been paid and that, unless paid, an execution will be issued. At any time after thirty days from giving the notice described in the preceding sentence, the Sheriff may issue an execution for nonpayment of taxes. The Sheriff may then publish a notice of the sale in a local newspaper weekly for four weeks and give the taxpayer ten days written notice by registered or certified mail. A public sale of the property may then be made by the Sheriff at the White County Courthouse on the first Tuesday of the month after the required notices are given.

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Historical Property Tax Data

Set forth below is information concerning the assessed (40% of fair market value) and estimated actual (fair market) value of taxable property within the District for calendar years 2021 through 2025.

Calendar Year	Assessed Values				Gross Tax Digest	Bond Exemptions	General Obligation Bond Tax Digest ¹	Maintenance & Support Exemptions	Maintenance & Support Tax Digest ²	Estimated Actual Value ³
	Real & Personal Property	Public Utilities	Motor Vehicles	Mobile Homes						
2025	\$2,005,902,661	\$36,934,050	\$15,733,870	\$13,267,268	\$2,071,837,849	\$456,695,608	\$1,615,142,241	\$357,675,677	\$1,714,162,172	\$5,179,594,623
2024	1,909,454,080	30,529,873	16,182,690	13,710,456	1,969,877,099	0	1,969,877,099	326,029,126	1,643,847,973	4,924,692,748
2023	1,626,296,148	32,046,320	16,082,360	9,258,948	1,683,683,776	0	1,683,683,776	289,216,655	1,394,467,121	4,209,209,440
2022	1,394,056,212	29,717,004	15,931,740	8,016,392	1,447,721,348	0	1,447,721,348	258,994,284	1,188,727,064	3,619,303,370
2021	1,170,608,454	28,647,004	16,501,110	7,352,128	1,223,108,696	0	1,223,108,696	234,095,986	989,012,710	3,057,771,740

¹ Total assessed value for purposes of levying tax for the District's General Obligation School Bonds; not adjusted for exemptions except for calendar year 2025, since no taxes were levied for bond debt service and therefore the exemptions were not calculated by the White County Tax Commissioner. While the bond exemptions for 2025 were estimated by the White County Tax Commissioner, no taxes were levied for bond debt service in 2025.

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

³ Calculated without timber or heavy equipment.

Source: State of Georgia Department of Revenue.

Set forth below is information concerning the rate of levy of property taxes per \$1,000 of assessed value, or millage rates, of the District and all overlapping governments which levied property taxes for calendar years 2021 through 2025.

Calendar Year	District				White County	City of Cleveland	City of Helen	State of Georgia	County-Wide Total ¹
	Support and Maintenance	Legal Limit	Debt Service	Total					
2025	11.725	20.000	0.00	11.725	8.842	5.056	3.782	0.00	20.567
2024	11.884	20.000	0.00	11.884	8.948	5.056	3.782	0.00	20.832
2023	13.175	20.000	0.00	13.175	9.505	5.056	4.224	0.00	22.680
2022	14.222	20.000	0.00	14.222	9.505	5.056	4.796	0.00	23.727
2021	16.060	20.000	0.00	16.060	10.750	5.918	5.509	0.00	26.810

¹ Includes the District Total, White County and State of Georgia Millage Rates.

Source: State of Georgia Department of Revenue.

Historical Property Tax Levies and Collections [update]

Set forth below is information concerning property tax levies and collections of the District for the last five fiscal years.

Applicable Collection Period/ Fiscal Year	Tax Collections				Percentage of Current Year Tax Levy Collections to Tax Levy	Percentage of Total Tax Collections to Tax Levy	Delinquent Taxes Outstanding as of Year End	Percentage of Delinquent Taxes to Tax Levy
	Tax Levy ¹	Current Year Taxes ^{1, 2}	Prior Years Taxes	Total				
2026	\$20,101,330	\$19,861,026	\$18,256	\$19,879,282	98.80 %	98.89%	\$47,103	0.23%
2025	19,542,732	19,281,523	31,713	19,313,235	98.66	98.83	51,205	0.26
2024	18,373,813	17,208,562	29,090	17,237,652	93.66	93.82	36,836	0.20
2023	16,911,020	19,840,148	30,238	16,870,386	99.58	99.76	42,366	0.25
2022	15,885,315	15,811,799	50,676	15,107,857	99.54	95.11	35,016	0.22

¹ Current year relates to the calendar year digest prior to the applicable fiscal year. For example, for the collection period fiscal year 2026, current year levy and tax collections relate to calendar year 2025 digest.

² All ad valorem property taxes including ad valorem taxes on motor vehicles, but excluding motor vehicle title transfer taxes ("TAVT"); amounts shown are net of a 2.5% collection fee paid to the White County; the gross amount of TAVT collected by the District were for fiscal year 2026 - \$2,241,280, for fiscal year 2025 - \$2,203,709, for fiscal year 2024 - \$2,169,439, for fiscal year 2023 - \$1,934,384, and for fiscal year 2022 - \$1,925,075.

Source: White County Tax Commissioner.

Delinquent property taxes of the District are written off when the statute of limitations for their collection (7 years) expires or if no property is found to levy upon, if earlier. The delinquent taxes written off are usually for personal property, which are more difficult to collect than taxes on real property.

Ten Largest Taxpayers

Set forth below are the ten largest taxpayers of the District for calendar year 2025. A determination of the largest taxpayers within the District can be made only by manually reviewing individual tax records. Therefore, it is possible that owners of several small parcels may have an aggregate assessment in excess of those set forth in the table below. Furthermore, the taxpayers shown in the table below may own additional parcels within the District. 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 District.

<u>Taxpayer</u>	<u>Nature of Business</u>	<u>Assessed Valuation</u>	<u>Taxes Levied¹</u>	<u>Percentage of Taxes Levied²</u>
Habersham EMC	Utility	\$18,081,842	\$372,475	1.85%
Freudenberg NOK	Manufacturing	12,224,546	160,958	0.80%
Georgia Power Company	Utility	10,109,134	219,178	1.09%
Walmart Inc	Retail	6,142,673	143,040	0.71%
North Georgia Hardwood	Manufacturing/Retail	5,333,570	82,427	0.41%
Georgia Transmission	Utility	4,315,060	93,855	0.47%
1031CS Portfolio 3 Dst	Assisted Living	4,195,400	107,499	0.53%
Windstream Standard	Utility	3,772,710	86,779	0.43%
Ingles Market	Retail	3,438,247	81,274	0.40%
Original Appalachian Artworks	Retail/Tourism	2,826,444	65,641	0.33%
Total		\$70,439,626	\$1,413,126	7.03%

¹ Calendar/Tax Digest Year 2025 tax bills were mailed on August 29, 2025 and were due on November 15, 2025.

² Based on calendar year 2025 tax levy of \$20,101,330.

Source: White County Tax Commissioner.

Recent Ad Valorem Tax Legislation

House Bill 581 (“HB 581”) was passed by both houses of the General Assembly on March 28, 2024, following reconciliation in conference committee. The Governor of Georgia signed the legislation on April 18, 2024. For the legislation to become effective, the voters state-wide in Georgia had to approve an amendment to the Georgia Constitution permitting the legislation. On November 5, 2024, the amendment to the Georgia Constitution was approved by Georgia voters. HB 581 implements a floating homestead exemption for ad valorem taxing jurisdictions in Georgia.

Any governing authority had the right to elect to opt out of the floating homestead exemption created by HB 581 by advertising and conducting three public hearings on their intent to opt out and later adopting the resolution. This process could not begin until the bill took effect on January 1, 2025, and had to be completed by March 1, 2025. A governing authority could not opt-out of the statewide floating homestead exemption after this deadline. The Board of Education of White County elected to opt out by adopting a resolution to that effect in February, 2025.

In the 2026 legislative session, the General Assembly passed Senate Bill 33 (“SB 33”), and it was signed by the Governor on May 11, 2026. SB 33 eliminated a local government’s ability to opt out of the floating homestead exemption, making the floating homestead exemption applicable to all local governments in Georgia starting in 2027.

Homes in jurisdictions that opted out will first receive the exemption in taxable year 2027, and the base year assessed value will be the 2026 assessed value. For homes first receiving this exemption in later years, the base year assessed value will be the assessed value for the immediately preceding year. The base year value may increase each year by up to the inflationary rate determined by the Georgia Revenue Commissioner, which may utilize the Consumer Price Index (CPI). This new floating homestead exemption is in addition to and not in lieu of all non-floating homestead exemptions. If there is an existing local floating homestead exemption, the taxpayer will receive whichever of the two exemptions is more beneficial. This is also true if a local floating homestead exemption is added in the future.

Pursuant to HB 581, in effect, the homestead exemption limits the amount of any increase in the assessed value of homes to no more than the rate of inflation experienced over the prior year. It does not freeze the value. This is best described as an adjusted base-year homestead exemption, because it grants an exemption equal to the difference between the homestead's adjusted base-year value (generally the value for the year prior to the homeowner's application for the exemption plus an inflation factor for each year since the exemption was first granted) and the current year's true value.

DISTRICT SALES TAX

Description

Georgia law authorizes the Board of Education of White County, by resolution, to impose, levy, and collect a sales and use tax for educational purposes of the District, at the rate of one percent and for a period of time not to exceed five years, conditioned upon approval by a majority of the qualified voters of White County voting in a referendum thereon.

A sales and use tax for educational purposes of the District (the "First Sales Tax") was authorized to be imposed pursuant to an election in White County held in 1997, called under a resolution adopted by the Board of Education of White County. The First Sales Tax began to be imposed on January 1, 1998 and ceased to be imposed on December 31, 2002. A sales and use tax for educational purposes of the District (the "Second Sales Tax") was authorized to be reimposed pursuant to an election in White County held on June 19, 2001, called under a resolution adopted by the Board of Education. The Second Sales Tax began to be imposed on January 1, 2003, when the First Sales Tax ended, and ceased to be imposed on December 31, 2007. A sales and use tax for educational purposes of the District (the "Third Sales Tax") was authorized to be reimposed pursuant to an election in White County held on March 21, 2006, called under a resolution adopted by the Board of Education. The Third Sales Tax began to be imposed on January 1, 2008, when the Second Sales Tax ended, and ceased to be imposed on December 31, 2012. A sales and use tax for educational purposes of the District (the "Fourth Sales Tax") was authorized to be reimposed pursuant to an election in White County held on November 3, 2009, called under a resolution adopted by the Board of Education. The Fourth Sales Tax began to be imposed on January 1, 2013, when the Third Sales Tax ended, and ceased to be imposed on December 31, 2017. A sales and use tax for educational purposes of the District (the "Fifth Sales Tax") was authorized to be reimposed pursuant to an election in White County held on March 17, 2015, called under a resolution adopted by the Board of Education. The Fifth Sales Tax began to be imposed on January 1, 2018, when the Fourth Sales Tax ended, and ceased to be imposed on September 30, 2022. A sales and use tax for educational purposes of the District (the "Sixth Sales Tax") was authorized to be reimposed pursuant to an election in White County held on June 9, 2020, called under a resolution adopted by the Board of Education. The Sixth Sales Tax began to be imposed on October 1, 2022, when the Fifth Sales Tax ended, and is projected to cease being imposed on December 31, 2026, which is the end of the calendar quarter during which the Revenue Commissioner is expected to determine that the Sixth Sales Tax has raised \$32,000,000, which is the maximum cost projected to complete the capital projects funded by the Sixth Sales Tax. Proceeds of the Sixth Sales Tax which have already been collected will be used to pay the remaining debt service on the District's Series 2021 Bonds.

A sales and use tax for educational purposes of the District (the "Sales Tax") was authorized to be reimposed pursuant to an election in White County held on May 19, 2026, called under resolution adopted by the Board of Education of White County on January 29, 2026. The canvass of the election showed 4,480 "Yes" votes, 2,348 "No" votes, and 111 ballots cast without voting on the matter, an approximately 66% approval by those who voted in the election.

The resolution calling the election and the notice of the election authorized the reimposition of the Sales Tax for a maximum period of time of 20 calendar quarters for the purposes of raising not more than \$52,000,000 of net proceeds, which net proceeds shall be used by the District for the following purposes: (i) acquiring, constructing, equipping and furnishing new school buildings and facilities, (ii) adding to, constructing, renovating, repairing, demolishing, improving and equipping existing school buildings and school system facilities, including playgrounds, physical education facilities, athletic facilities, student activity facilities, parking areas and other school facilities, (iii) acquiring safety and security equipment and infrastructure for schools, system facilities, and buses, (iv) acquiring land and conducting site preparation for current and future School District purposes, (v) acquiring computers and computer technology equipment and software, including tablets and laptops, (vi) acquiring heating, air conditioning and energy efficiency equipment, (vii) acquiring textbooks and other instructional materials and electronic media, as well as school buses, transportation and maintenance equipment and band equipment, (viii) paying the debt service on the Series 2026 Bonds, and (ix) paying the

expenses incident to accomplishing the foregoing. The District intends to pay the debt service on the Series 2026 Bonds from the proceeds of the Sales Tax.

The Sales Tax is projected to begin to be imposed on January 1, 2027, and will cease to imposed on the earlier of (1) 20 quarters after its beginning date or (2) the end of the calendar quarter during which the Revenue Commissioner determines that the Sales Tax has raised \$52,000,000 in net proceeds.

Sales Subject to Taxation

The Sales Tax will be reimposed on the retail purchase, retail sale, rental, storage, use, or consumption of tangible personal property and on services within White County, subject to numerous exemptions, including sales to 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.

Sales Tax Collections

The Sales Tax is generally reimposed on the purchaser of tangible personal property or services and is generally collected by the seller of tangible personal property or services from the purchaser at the time of sale. Sellers of tangible personal property or services are generally required to file tax returns with the Revenue Commissioner on or before the 20th day of each month, showing taxable sales during the preceding calendar month, and to remit the Sales Tax shown due on the return with the return. Sellers of tangible personal property or services are allowed the following deductions from Sales Taxes timely remitted to the Revenue Commissioner: (1) 3 percent of the first \$3,000 of Sales Tax reported due on each monthly return (other than Sales Tax on motor fuel), (2) 0.50 percent of Sales Tax in excess of \$3,000 reported due on each monthly return (other than Sales Tax on motor fuel), and (3) 3 percent of Sales Tax on motor fuel reported due on each monthly return. When any seller fails to make any return or to pay the full amount of the Sales Tax, there is imposed a penalty to be added to the Sales Tax in the amount of 5 percent or \$5.00, whichever is greater, if the failure is for not more than 30 days and an additional 5 percent or \$5.00, whichever is greater, for each additional 30 days or fraction of 30 days during which the failure continues. The penalty for any single violation does not exceed 25 percent or \$25.00 in the aggregate, whichever is greater.

Permitted Uses

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

Georgia law provides that the proceeds received from the Sales Tax shall be used by the District exclusively for the purpose or purposes specified in the resolution calling for reimposition of the Sales Tax. Such proceeds are required by Georgia law to be kept in a separate account from other funds of the District and may not in any manner be commingled with other funds of the District prior to expenditure. The District has covenanted in the Bond Resolution that no part of the net proceeds from the Sales Tax received in any year will be used for capital outlay projects until all debt service requirements on the Bonds for that year have first been satisfied from the account in which the proceeds of the Sales Tax are placed.

Historical Sales Tax Data

Set forth below are the net proceeds of the various prior sales taxes received by the District in each calendar year from January 1, 2016 through December 31, 2025, for the 9 months ended September 30, 2026.

<u>Year Ended December 31</u>	<u>Existing Sales Tax Collections¹</u>
2026 ²	\$6,389,621
2025	8,520,256
2024	8,049,972
2023	7,871,490
2022	7,496,993
2021	6,759,894
2020	5,843,720
2019	4,862,126
2018	4,480,052
2017	4,170,042
2016	3,898,345

¹ Net of deductions allowed to dealers and net of commission allowed to the Georgia Revenue Commissioner.

² 9 months ended September 30, 2026.

Source: State of Georgia Department of Revenue.

Recent Sales Tax Legislation

House Bill 276 (“HB 276”) was passed by both houses of the Georgia General Assembly on January 16, 2020, following reconciliation in conference committee. The Governor of Georgia signed the legislation on January 30, 2020. HB 276 requires “marketplace facilitators” to collect and remit sales tax on behalf of marketplace sellers. Under HB 276 a marketplace facilitator is a person that is paid by a seller to facilitate a retail sale by providing a way for sellers to connect with customers and facilitates payment for the retail sale. Marketplace facilitators are required to collect and remit sales tax to the state of Georgia if the total number of retail sales facilitated on behalf of various sellers meets or exceeds \$100,000. Popular online shopping destinations that would be subject to HB 276 include Amazon, Google, and eBay. HB 276 took effect on April 1, 2020.

Ride sharing companies, such as Uber and Lyft, which connect drivers with riders and facilitate payment for the car ride, are considered marketplace facilitators under HB 276. House Bill 105 (“HB 105”) would exempt ride sharing companies from the requirements of HB 276 and instead necessitate that ride sharing companies collect and remit a flat sales tax of \$0.50 per ride. HB 105 has passed both houses of the Georgia General Assembly and was signed by the Governor on August 5, 2020.

After passing in both houses of the Georgia General Assembly, the Transportation Funding Act of 2015 or House Bill 170 (“HB 170”) was signed into law by the Governor of Georgia on May 4, 2015. HB 170 allows cities, counties and schools, by referendum, to continue to collect all local sales taxes, at their current 1% rate, on the sale of motor fuel, except that, beginning July 1, 2015 of this year, local sales taxes may only be collected on the sale of motor fuel up to \$3.00 per gallon. Any retail price above \$3.00 per gallon will not be subject to any local sales taxes. While HB 170 phases out the State’s 4% tax on gas, it raises the excise tax to 26 cents per gallon of gasoline, the collection of which will be dedicated to transportation funding. HB 170 authorizes a designated region to self-start the process for the collection of a transportation special purpose local option sales tax (“TSPLOST”) for transportation purposes by adopting a resolution from a majority of the counties located within the region and allows for the rate to be a fractional rate of 0.05% up to a maximum rate of 1%. Beginning in July of 2017, any county not currently in a designated region, may impose a single county TSPLOST at a fractional rate of 0.05% up to a maximum rate of 1% for a period not to exceed five years. Those counties in the metro Atlanta region, may impose the single county TSPLOST beginning in July 2015. There can be no assurance that the cap on collection of sales tax above the \$3.00 per gallon of motor fuel will not have a significant adverse impact on the District’s tax revenues in current and future years.

DISTRICT FINANCIAL INFORMATION

Accounting System and Policies

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

The funds of the District are grouped into two broad categories:

(1) Governmental Funds - This category includes the General Fund, the District-wide Capital Projects Fund, and the Debt Service Fund. The General Fund is the primary operating fund of the District and is used to account for all activities of the District not otherwise accounted for in a specified fund. The Capital Projects Fund accounts for and reports financial resources, including Special Purpose Local Option Sales Tax 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.

(2) Fiduciary Funds - This category reports private purpose trust funds used to report all trust arrangements, other than those properly reported elsewhere, in which principal and income benefit individuals, private organizations or other governments.

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

The District-wide financial statements are divided into the Statement of Net Position and the Statement of Activities, which display information about the financial activities of the overall School District, except for fiduciary activities. Eliminations are made to minimize the double counting of internal activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions.

The Statement of Net Position presents the School District's non-fiduciary assets, 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:

- 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.
- 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.
- 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 District's governmental activities.

- Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expenses (expenses of the District related to the administration and support of the 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.

The fund financial statements provide information about the District's funds, including fiduciary funds. Eliminations have been made to minimize the double counting of internal activities. Separate statements for governmental and fiduciary funds. The fund financial statements report the major governmental funds referenced above.

In fiscal year 2025, the District adopted Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*, which supersedes prior requirements under GASB Statement No. 16. The objective of this statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. Under the new standard, a liability is recognized when an employee earns leave that carries forward to a future reporting period and is more likely than not to be used, paid out or otherwise settled. The implementation required the District to reevaluate and revise its recognition and measurement of compensation absences, including applying the "more likely than not" threshold to determine expected usage and payout. This approach is expected to provide a more accurate and complete estimate of the District's compensated absences liability. The adoption of this statement had a material impact and has been reported as a restatement of beginning net position. This statement will be applied retrospectively.

In fiscal year 2025, the District adopted Governmental Accounting Standards Board (GASB) Statement No. 102, *Certain Risk Disclosures*. The objective of this statement is to provide financial statement users with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The adoption of this statement did not have a material impact on the District's financial statements. This statement will be applied prospectively.

Note 2 of the financial statements of the District included as **Appendix A** contains a detailed discussion of the District's significant accounting policies

Five Year General Fund History

Set forth below is an historical, comparative summary of the revenues, expenditures, and changes in fund balance of the District's General Fund for the past five fiscal years. Information in the following table has been extracted from audited financial statements of the District for the years ended June 30, 2021 to 2025. Although taken from audited financial statements, 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 District for the fiscal years shown. For more complete information, reference is made to the audited financial statements for fiscal years 2021 to 2025, copies of which are available from the District upon request. In addition, the audited financial statements of the District for fiscal year 2025 are attached hereto as **Appendix A**.

School District General Fund (Years Ended June 30)

	<u>2021</u> (audited)	<u>2022</u> (audited)	<u>2023</u> (audited)	<u>2024</u> (audited)	<u>2025</u> (audited)
Revenues					
Property Taxes	\$17,304,292.34	\$17,409,268.00	\$18,438,250.00	\$20,146,469.12	\$21,294,989.73
Sales Taxes	569,689.86	624,131.00	443,590.00	374,391.45	426,471.56
State Funds	22,479,531.03	24,003,838.00	24,657,921.00	27,483,888.93	29,462,916.96
Federal Funds	7,249,254.94	9,454,070.00	7,879,627.00	8,959,558.47	6,985,568.37
Charges for Services	328,846.32	359,828.00	904,983.00	803,467.05	392,330.19
Investment Earnings	274,726.63	354,492.00	514,164.00	1,092,957.28	1,098,900.11
Miscellaneous	1,686,408.86	1,830,531.00	2,562,513.00	1,797,128.81	2,428,470.50
Total Revenues	49,892,749.98	54,036,158.00	55,401,048.00	60,657,861.11	61,999,647.42
Expenditures					
Current					
Instruction	29,030,987.42	31,525,987.00	32,520,206.00	35,569,062.24	38,594,912.25
Support Services					
Pupil Services	2,367,814.10	2,385,093.00	2,587,283.00	2,951,212.52	3,198,918.38
Improvement of Instructional Services	1,149,547.71	1,308,819.00	1,500,112.00	1,625,067.52	1,500,542.92
Educational Media Services	685,613.66	706,586.00	757,155.00	911,911.17	877,021.70
General Administration	915,723.06	944,287.00	976,688.00	1,024,649.90	1,169,941.19
School Administration	3,209,379.43	3,363,484.00	3,541,376.00	3,678,255.18	3,815,278.00
Business Administration	380,841.68	329,698.00	346,372.00	387,337.90	405,158.44
Maintenance and Operation of Plant	2,871,448.50	2,943,931.00	3,768,801.00	3,704,560.72	4,443,727.88
Student Transportation Services	2,303,090.31	2,623,165.00	2,566,187.00	3,396,840.44	3,317,069.67
Central Support Services	175,481.05	257,256.00	239,902.00	343,958.67	537,227.89
Other Support Services	236,485.55	173,596.00	221,591.00	174,544.94	123,481.20
Enterprise Operations	347,862.59	405,506.00	512,982.00	550,499.85	481,231.62
Food Services Operation	2,648,892.93	3,148,128.00	3,426,070.00	3,864,846.76	3,960,469.24
Capital Outlay	--	--	589,916.00	1,782,573.00	262,677.00
Debt Services					
Principal	--	2,895.00	3,012.00	3,134.00	3,262.00
Interest	--	550.00	433.00	403.00	372.00
Total Expenditures	46,323,167.99	50,118,981.00	53,558,086.00	59,968,857.81	62,691,291.38
Revenues Over (Under) Expenditures	3,569,581.99	3,917,177.00	1,842,962.00	689,003.30	(694,643.96)
Other Financing Sources/Uses					
Sale of Capital Assets	17,600.00	63,975.00	2,580.00	--	--
Transfers In	--	--	--	--	--
Transfers Out	--	--	--	--	(340.88)
Total Other Financing Sources/Uses	17,600.00	63,975.00	2,580.00	--	(340.88)
Net Change in Fund Balances	3,587,181.99	3,981,152.00	1,845,542.00	689,003.30	(691,984.84)
Fund Balances - Beginning	8,761,350.19	12,348,532.00	16,329,684.00	18,175,226.00	18,864,229.30
Fund Balances - Ending	\$12,348,532.18	\$16,329,684.00	\$18,175,226.00	\$18,864,229.30	\$18,172,244.46

Budgetary Process

The District's budget is a complete financial plan for the District's fiscal year and is based upon estimates of expenditures together with probable funding sources. There is no statutory prohibition regarding over expenditure of the budget at any level. The budget for all governmental funds is prepared by fund, function and object. The legal level of budget control was established by the District at the aggregate level. The budget for governmental funds was prepared on the basis of generally accepted accounting principles.

The budget process begins when the District's administrative staff prepares a tentative budget for the Board's approval. After approval of this tentative budget by the Board, such budget is advertised at least once in a newspaper of general circulation in the locality. At the next regular meeting of the Board after advertisement, the Board receives comments on the tentative budget, makes revisions as necessary and adopts a final school budget. This final budget is then submitted, in accordance with provisions of the Quality Basic Education Act, O.C.G.A. Section 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.

Budgets; Fiscal Year 2026 Revenues and Expenditures

Set forth below is a summary of the District's adopted general fund budget, as amended, for the year ending June 30, 2026 and its adopted budget for the year ending June 30, 2027, and the District's actual revenues and expenditures for its general fund for the fiscal year 2021 on an unaudited basis. The budgets are based upon certain assumptions and estimates of the District regarding future events, transactions, and circumstances. Realization of the results projected in the fiscal year 2027 budget will depend upon implementation by management of the District of policies and procedures consistent with the assumptions. There can be no assurance that actual events will correspond with such assumptions, that uncontrollable factors will not affect such assumptions, or that the projected results will be achieved. Accordingly, the actual results achieved could materially vary from those projected in the fiscal year 2027 budget set forth below. However, the District expects to conform to its adopted budget for fiscal year 2027.

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WHITE COUNTY SCHOOL DISTRICT

General Fund Budgets For Fiscal Years Ending June 30, 2026 and 2027 Actual Revenues and Expenditures for Fiscal Year 2026 (Non-GAAP Budgetary Basis of Accounting)

	2026 <u>Budget</u>	2026 <u>Actual</u> (unaudited)	2027 <u>Budget</u>
<u>Revenues</u>			
Ad Valorem Taxes	\$22,576,006	\$21,865,345.80	\$22,448,251
Other Local Income	4,209,106	3,788,482.07	3,958,820
State Allotments	29,143,352	28,804,466.37	29,643,169
Other State Funds	1,902,158	2,734,980.09	856,619
Federal Funds	7,273,151	5,610,312.63	7,379,625
Incoming Transfers from Other Funds	<u>532,014</u>	<u>745,770.96</u>	<u>500,943</u>
Total Revenues	\$65,635,787	\$63,549,357.92	\$64,787,427
<u>Expenditures</u>			
Instruction	\$40,029,724	\$39,967,172.49	\$41,537,155
Pupil Services	4,495,185	3,992,843.89	3,829,925
Improvement of Instruction	1,437,654	1,241,569.75	1,464,401
Media Services	975,876	975,400.43	976,170
General Administration	1,566,222	1,439,965.44	1,222,925
School Administration	4,153,065	4,157,166.64	4,581,298
Support Services - Business	498,354	452,204.49	534,069
Maintenance and Operations	4,591,310	4,537,287.77	4,541,296
Transportation	3,824,550	3,634,478.18	3,935,122
Support Services – Central	585,582	580,644.41	762,557
Other Support Services	209,786	116,914.40	185,514
School Nutrition	4,503,895	4,260,061.47	4,392,884
Enterprise Operations	478,792	422,198.73	553,792
Transfers to Other Funds	<u>526,514</u>	<u>740,310.96</u>	<u>461,194</u>
Total Expenditures	\$67,975,871	\$66,518,219.05	\$68,978,299
Excess Revenue Over (Under) Expenditures	(\$2,240,723)	(\$2,968,861.13)	(\$4,190,872)
Beginning Fund Balance	\$17,867,710	\$17,867,709.93	\$14,898,849
Ending Fund Balance	\$15,626,987	\$14,898,848.80	\$10,707,977

Employee Benefits

Substantially all of the teachers and the administrative and clerical personnel of the District are covered by the Teachers Retirement System of Georgia, a cost-sharing, multiple-employer defined benefit plan and a qualified excess benefit plan (collectively, the “TRS Plans”) administered by the State of Georgia for the benefit of education personnel. The District has no liability under the TRS Plans except for contributions established and made each year. The TRS Plans provide service retirement, disability retirement, and survivor’s death benefits. The benefit structure of the TRS Plans are defined and may be amended by Georgia statutory law. A member 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. Normal retirement (pension) benefits paid to members are equal to 2% of the average of the member’s two highest paid consecutive years of service, multiplied by the number of years of creditable service up to 40 years. Death, and disability are also available. Ten years of service is required for disability and death benefits eligibility. Disability benefits are based on the employee’s creditable service and compensation up to the time of disability. Death benefits equal the amount that would be payable to the employee’s beneficiary had the employee retired on the date of death. Death benefits are based on the employee’s creditable service and compensation up to the date of death. The TRS Plans are funded by member and employer contributions. Member contributions for fiscal year 2025 were 6% of a member’s earnable compensation. The District’s contributions for the current fiscal year and the preceding two fiscal years are as follows: fiscal year 2025 - \$5,814,353.25, fiscal year 2024 - \$5,221,030.04, and fiscal year 2023 - \$4,954,078. Reference is made to Note 13 of the audited financial statement of the District for fiscal year 2025 included as **Appendix A** for a description of the District’s pension plans.

The District also participates in the Employee’s Retirement System of Georgia plan (the “ERS Plan”). The ERS Plan is a cost-sharing multiple-employer defined benefit pension plan established for the purpose of providing retirement benefits for employees of the State of Georgia and its political subdivisions. Reference is made to Note 13 of the audited financial statements of the District included as **Appendix A** for the more information about the ERS Plan.

At June 30, 2025, the District reported a liability of \$42,188,936 for its proportionate share of the net pension liability for the TRS Plan. The TRS pension liability reflected a reduction for support provided to the District by the State of Georgia for certain public school support personnel. The amount recognized by the District as its proportionate share of the net TRS pension liability, the related State of Georgia support, and the total portion of the net TRS pension liability that was associated with the District were as follows:

District's proportionate share of TRS net pension liability	\$42,141,441
State of Georgia's proportionate share of TRS pension liability associated with the District	<u>65,601</u>
Total	\$42,207,042

The net pension liability for TRS was measured as of June 30, 2024. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of June 30, 2023. An expected total pension liability as of June 30, 2024 was determined using standard roll-forward techniques. The District’s TRS proportion of the net pension liability was based on contributions to the TRS Plan during the fiscal year ended June 30, 2024.

At June 30, 2024, the District’s TRS proportion was 0.167663%, which was an decrease of 0.002226 % from its proportion measured as of June 30, 2023.

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 of Georgia. The plan is funded by contributions by the employees and by the State of Georgia. The District presently makes no contribution to this plan.

At June 30, 2025, the District did not have a PSERS Plan 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 District is \$354,015.

The PSERS net pension liability was measured as of June 30, 2024. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of June 30, 2023. An expected total pension liability as of June 30, 2024 was determined using standard roll-forward techniques. The State's proportion of the net pension liability associated with the District was based on actuarially determined contributions paid by the State during the fiscal year ended June 30, 2024.

For the year ended June 30, 2025, the District recognized pension expense of \$81,881 for the PSERS Plan. Revenue support of \$81,881 for the PSERS Plan was provided by the State of Georgia.

The District contributes to the Georgia School Personnel Post-Employment Health Benefit Fund (the "Health Benefit Fund"), a healthcare plan administered by the State Board of Community Health (the "State Board"). The Health Benefit Fund is a cost sharing multiple employer defined benefit healthcare plan that covers eligible active and former employees of public school systems, libraries and regional educational service agency and their qualified beneficiaries. The contribution requirements of plan members and participating employers, like the District, are established by the State Board in accordance with the annual appropriations act adopted by the State, and may be amended by the State Board. Contributions by plan members or beneficiaries receiving benefits vary based on plan election, dependent coverage and Medicare eligibility and election. The District is statutorily required to contribute in accordance with the employer contribution rates established by the State Board. The contribution rate is established to fund both the active and retired employee health insurance plans based on projected "pay-as-you-go" financing requirements.

As regards retirees, the District contributes to the portion of the Health Benefit Fund benefitting retirees (the "School OPEB Fund"). The School OPEB Fund is a cost sharing multiple employer defined benefit post-employment healthcare plan that 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 the Georgia Employees' Retirement System, the Georgia Judicial Retirement System, the Georgia Legislative Retirement System, the Georgia Teachers Retirement System or the Georgia Public School Employees Retirement System. 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, Health Maintenance Organization and a High Deductible Health Plan. The School OPEB Fund also pays for administrative expenses of the fund. By law, no other use of assets of the School OPEB Fund is permitted. See Note 12 to the audited financial statements for fiscal year 2025 attached as **Appendix A** hereto for further information concerning the District's participation in the School OPEB Fund.

As established by the State Board, the School OPEB Fund is substantially funded on a pay-as-you-go basis, meaning that the annual cost of providing benefits will be financed in the same year as claims occur. Contributions to the School OPEB Fund from the District were \$1,111,267.71 for the year ended June 30, 2025.

At June 30, 2025, the District reported a liability of \$28,346,568 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2024. The total OPEB liability used to calculate the net OPEB liability was based on an actuarial valuation as of June 30, 2023. An expected total OPEB liability as of June 30, 2024 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, 2024. At June 30, 2024, the School District's proportion was 0.248734%, which was an increase of 0.002297% from its proportion measured as of June 30, 2023.

For the year ended June 30, 2025, the School District recognized OPEB expense of \$ 108,661. At June 30, 2025, the School District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$1,390,067	\$5,118,363
Change of assumptions	3,305,333	2,805,957
Net Difference between projected and actual earnings on OPEB plan investments	--	184,529
Changes in Proportion and differences between School District contributions and proportionate share of contributions	555,771	228,936
School District contributions subsequent to the measurement date	<u>1,111,268</u>	<u>--</u>
Total	\$6,362,439	\$8,337,785

The majority of the District's employees earn 1 ¼ days of sick leave per month of service. Sick days roll over from year to year for all employees, with a maximum accumulation of 90 days. Once the maximum of 90 days is reached, any additional sick time earned is applied for retirement purposes for participants in the Teacher Retirement System (TRS). Participants in TRS may also apply any unused sick time for retirement purposes upon termination of employment.

Insurance Coverage and Governmental Immunity

Under Georgia law, the defense of sovereign immunity is available to the District, except for actions for the breach of written contracts and actions for the recovery of damages for any claim for which automobile liability insurance protection has been provided, but only to the extent of the liability insurance provided. The 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 District in the exercise of its delegated powers.

The District is exposed to various risks of loss related to torts, theft, damage to and destruction of assets, errors or omissions, job related illness or injuries to employees, and natural disasters. The School District carries commercial insurance for these risks. The District participates in the Georgia School Boards Association Risk Management Fund ("GSBA-RMF"), an interlocal risk management agency organized in 1994, to develop and administer a plan to reduce risk of loss on account of general liability, motor vehicle liability, school leaders liability, crime, cyber risk, or property damage, including safety engineering and other loss prevention and control techniques. GSBA-RMF administers a self-insurance fund regarding such liabilities and events, including the processing and defense of claims brought against members of the fund. GSBA-RMF is a risk sharing arrangement among participating Georgia school districts, and participation in the fund through execution of a coverage agreement does not waive any immunity of the participating school district under applicable Georgia law. Since the fund is a risk sharing arrangement and a self-insurance fund, the members of the fund are assessable if the losses that the fund must pay exceed the assets of the pool. However, GSBA-RMF does have reinsurance to provide coverages for excessive losses of the fund. Reinsurance limits and retentions vary by line of coverage. Reference is made to Note 9 of the District's financial statements included as Appendix A for a discussion of the District's risk management program. The District pays an annual contribution to the fund for its coverages.

Insurance coverages of the District, for the period beginning July 1, 2026, and ending June 30, 2027, through participation in the GSBA-RMF are summarized below: [Update]

<u>Type</u>	<u>Amount in Force</u>		
Property	\$269,486,038		
Fidelity/Blanket Bond	\$1,250,000		
Superintendent Surety Bond	\$50,000		
		<u>Limits of Liability</u>	
		<u>Each Occurrence</u>	<u>Each Occurrence</u>
General Liability	\$1,000,000	\$1,000,000	\$3,000,000
School Board Errors and Omissions	\$1,000,000	\$1,000,000	\$3,000,000
Automobile Liability	\$1,000,000	\$1,000,000	\$1,000,000
Excess Workers' Compensation	Statutory	Statutory	Statutory

The District participates in the Georgia Education Workers' Compensation Fund (the "Fund"), a public entity risk pool organized on July 1, 1992, to develop, implement, and administer a program of workers' compensation self-insurance for its member organizations. The District pays an annual contribution to the fund for its workers' compensation insurance coverage. The Fund provides statutory limits of coverage for workers' compensation coverage and a \$2,000,000 limit per occurrence for employers' liability coverage. Excess insurance coverage is provided through an agreement by the fund with the Safety National Casualty Corporation to limit the Fund's exposure to large losses.

The District is self-insured for unemployment compensation claims. Reference is made to Note 8 of the District's financial statements included as **Appendix A** for a discussion of the District's risk management program. The District requires payment and performance surety bonds and builders' risk insurance of all contractors and subcontractors involved in construction related to the District's facilities.

WHITE COUNTY

Introduction

White County (the "County"), the 123rd county formed in Georgia, was created in 1857 from a part of the original land lot county of Habersham County. Originally the area of White County formed a transitional boundary between the Cherokee and Creek Native American nations. The County is located approximately 90 miles northeast of the City of Atlanta and is comprised of 241.6 square miles. The County seat is the City of Cleveland, Georgia. The City of Helen is the only other incorporated municipality in the County. The County is bordered by Towns County on the north, Habersham County on the east, Hall County on the south, Lumpkin County on the west, and Union County on the northwest.

White County is one of thirteen counties that comprise the Northeast region of Georgia. The region is bordered by two states and the Chattooga River in the east. The Northeast region encompasses the Appalachian mountains and the headwaters of the upper Chattahoochee River. Total employment in the Northeast region is estimated at 276,461, which concentrations in manufacturing, construction, retail and whole trade, educational service and tourism. Hall County, which bounds White County on the south and is one of the counties comprising the Northeast region, will be home to the second Georgia Ports Authority Inland port, which will provide a direct Norfolk Southern Railroad line from the Northeast region to the Port of Savannah. The counties comprising the Northeast region are a haven for business and outdoor life. White County's unspoiled mountains offer unparalleled outdoor recreation. The County has many private and state parks and recreation areas, river and mountain excursions, scenic golf courses and youth and adult sports leagues.

The County is governed by, and generally acts through, the Board of Commissioners of White County. The official representative of the County is the Chairman, who is elected at large by the voters of the County to serve a term of four years until a successor is elected and qualified. The present members of the Board of Commissioners are Travis Turner (Chairman), Shan Ash, Lyn Holcomb, Edwin Nix, and Craig Bryant.

Population

Annual estimates of population are produced by the U.S. Census Bureau (the “Bureau”) for the nation, its states, counties, cities, and towns. The annual time series of estimates begins with the most recent decennial census data and extends to the most recent vintage year. Population estimates set forth below for White County, the City of Cleveland, the State of Georgia, and the United States are from vintage year 2025, which is the most recent complete vintage. Data for 2020 is from the 2020 Census.

<u>Year</u> ¹	<u>City of Cleveland</u>	<u>White County</u>	<u>State of Georgia</u>	<u>United States</u>
2025	3,472	29,802	11,302,748	341,784,857
2024	3,502	29,610	11,204,208	340,003,797
2023	3,446	28,982	11,063,669	336,755,052
2022	3,518	28,778	10,929,992	333,996,304
2021	3,506	28,386	10,793,038	332,100,166
2020	3,514	28,003	10,711,908	331,449,281

¹ As of July 1 of the years indicated.

² White County is one of 159 counties in Georgia. Based on 2025 population estimates, White County was the 65th most populous county in the State of Georgia.

³ 2020 census data reflects an increase in the population of U.S. metro areas compared to a decade ago. 2020 population data for White County and the City of Cleveland reflect this increase. According to the 2020 census, White County’s population increased from 27,144 in 2010 to 28,003 in 2020, representing a 6.4% increase. Population in the City of Cleveland increased from 3,410 in 2010 to 3,514 in 2020, representing a 3.04% increase.

Source: United States Census Bureau

Per Capita Annual Personal Income (PCPI)

The following table compares per capita annual personal income (“PCPI”) in White County with that of the State of Georgia and the United States for the time periods indicated. The 2024 PCPI was 85.3 % of the state average (\$62,875), and 73.2% of the national average (\$73,227). The 2024 PCPI reflects an increase of 5.2% from 2023. The 2023-2024 state change was 5% and the national change for the same period was 4.6%.

<u>Year</u>	<u>White County</u> ¹	<u>State of Georgia</u>	<u>United States</u>
2024	\$53,597	\$62,875	\$73,227
2023	50,943	60,010	70,013
2022	49,331	56,589	65,470
2021	46,899	55,786	64,143
2020	43,695	51,987	59,765

¹ Ranked 36th in the state (out of 159).

Source: U.S. Department of Labor, Bureau of Economic Analysis. Information for 2023 is the latest information available at the county level.

Largest Employers

Set forth below are the businesses located in White County employing 50 or more employees, the industry or service provided by each, and the approximate number of people employed by each. There can be no assurance that any employers listed below will continue to be located in White County or will continue employment at the level stated. No independent investigation has been made of, and no representation can be made as to, the stability or financial condition of the employers listed.

<u>Company</u>	<u>Industry or Service</u>	<u>Employees</u>
Freudenberg-NOK	Manufacturing - gaskets, packing and sealing devices	414
White County Schools	Public school system	604
White County	Government	347 ¹
Walmart Super Center	Retail store	175
Truett McConnell University	Private 4-year university	140
Ingles	Grocery store	135
White County Mouldings	Manufacturing - custom mouldings, flooring and trim	80
Babyland General Hospital	Retail sale of Cabbage Patch Dolls; recreational venue	75
Gateway Health and Rehabilitation	Nursing care facility	63
John Megel Ford	Automobile, trucks, etc. - sales and service	60
Friendship Health and Rehabilitation	Nursing care facility	58
McDonald's	Fast food restaurant	58
Cobb-Vantress, Inc.	Development, production, sale/service of broiler breeding stock	50

¹ 252 fulltime; 95 parttime (current as of September 22, 2026).

Source: Data is compiled by Georgia Power Community and Economic Development and is the most recent data available from various sources of information, with the exception of the employment data for White County Schools and White County government which has been provided by the District and the County.

Labor Force Data

The following table reflects the labor force and unemployment rates in White County, the State of Georgia and the United States for the past five years.

The following table reflects the labor force in White County and the unemployment rate for the County, the State of Georgia and the United States for the past five years, and for the month ending February, 2025.

	<u>2026¹</u>	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
White County Labor Force	14,303	13,998	13,964	13,907	13,727	13,374
White County Unemployment Rate	2.7%	3.0%	3.0%	2.8%	2.9%	3.0%
State Unemployment Rate	3.3%	3.4%	3.5%	3.3%	3.2%	3.9%
United States Unemployment Rate	4.4%	4.3%	4.0%	3.6%	3.6%	5.3%

¹ As of July, 2026; not seasonally adjusted.

Source: Georgia Department of Labor, Workforce Statistics Division, Local Area Unemployment Statistics Unit.

Industry Mix

Set forth below is a list of major industries in White County. These industry figures are for the first quarter of 2026.

<u>Industry Group</u>	<u>Establishments</u>	<u>Employees</u>
Educational Services	20	1,742
Accommodation and Food Services	118	1,626
Retail Trade	151	1,501
Construction	102	702
Health Care and Social Assistance	57	698
Public Administration	11	679
Manufacturing	41	621
Other Services (except Public Administration)	61	273
Administrative and Support and Waste Management	47	241
Transportation and Warehousing	19	203

Source: Georgia Department of Labor

Building Permits

The following tables set forth privately-owned residential and commercial building permits issued in the City of Helen, the City of Cleveland and White County for the years 2021 through 2025.

City of Helen:

<u>Year</u>	<u>Number of New, Single Family Residential Permits¹</u>	<u>Total Estimated Value</u>	<u>Number of New Commercial Permits²</u>	<u>Total Estimated Value</u>
2025	14	\$4,350,000	10	\$ 1,260,000
2024	24	4,200,000	12	30,950,000
2023	22	5,230,000	21	1,230,000
2022	20	4,600,000	17	1,710,000
2021	19	3,200,000	18	1,900,000

¹ Includes new single-family residences, residential additions and residential renovations and remodels.

² Includes new construction, remodels and additions.

Source: City of Helen.

City of Cleveland:

<u>Year</u>	<u>Number of New, Single Family Residential Permits¹</u>	<u>Number of New Commercial Permits²</u>
2025	45	23
2024	39	21
2023	33	19
2022	33	27
2021	29	27

¹ Includes new single-family residences, residential additions and residential renovations and remodels.

² Includes new construction, remodels and additions.

Source: City of Cleveland Building and Permitting Department.

White County:

<u>Year</u>	<u>Number of New, Single Family Residential Permits¹</u>	<u>Number of New Commercial Permits²</u>
2025	155	12
2024	147	5
2023	173	21
2022	173	31
2021	173	14

¹ Includes new single-family residences, residential additions and residential renovations and remodels.

² Includes new construction, remodels and additions.

White County does not collect valuation information in connection with permit applications.

Source: White County Building Inspections Department.

Banking Deposits

Set forth below are total deposits in FDIC insured institutions operating in White County at June 30 for the past five calendar years.

Total Deposits in County Financial Institutions as of June 30

<u>Year</u>	<u>Total Deposits</u>
2025	\$834,000,000
2024	818,000,000
2023	767,000,000
2022	776,000,000
2021	657,000,000

According to the State of Georgia Department of Banking and Finance, as of June 30, 2025, White County had five commercial banking institutions, with a total of six offices.

Source: FDIC.

LEGAL MATTERS

Pending Litigation

The District, like other similar bodies, is subject to a variety of suits and proceedings arising in the ordinary conduct of its affairs. The District, after reviewing the current status of all pending and threatened litigation with its general counsel, Periera, Kirby, Kinsinger & Nguyen, LLP, 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 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 District.

There is no litigation now pending or, to the knowledge of the District, threatened against the District (i) which restrains or enjoins the issuance or delivery of the Series 2026 Bonds, the levy of an ad valorem tax for the payment of the Bonds, or the use of the proceeds of the Series 2026 Bonds or (ii) which questions or contests the validity of the Series 2026 Bonds or the proceedings and authority under which they are to be issued and an ad valorem tax is to be levied to pay the Series 2026 Bonds. Neither the creation, organization, or existence of the 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 Series 2026 Bonds are subject to the unqualified approving opinion of Stewart, Melvin & Frost, LLP, Gainesville, Georgia, Bond Counsel, whose opinion will be available at the time of delivery of the Series 2026 Bonds. It is anticipated that the approving opinion will be in substantially the form attached to this Official Statement as **Appendix B**.

The Internal Revenue Code of 1986, as amended (the "Code"), contains a number of requirements and restrictions which apply to the Series 2026 Bonds. These include restrictions on investments, requirements for periodic payment of arbitrage profits to the United States, requirements regarding the use of bond proceeds, and other restrictions and requirements. Failure to comply with certain of such requirements and restrictions may cause interest on the Series 2026 Bonds to become subject to federal income taxation, retroactive, in some cases, to the date of issuance of the Series 2026 Bonds.

In the opinion of Bond Counsel, under existing law, interest on the Series 2026 Bonds (including any original issue discount properly allocable to a holder thereof) is excluded from gross income for federal income tax purposes. Moreover, in the opinion of Bond Counsel, interest on the Series 2026 Bonds is not a specific "item of tax preference" for purposes of the federal alternative minimum tax; provided however that 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 (the "Code"), for the purpose of computing alternative minimum tax imposed on corporations. The foregoing opinions are subject to the condition that the District complies with all requirements of the Code that must be satisfied subsequent to the issuance of the Series 2026 Bonds in order that the interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. Failure to comply with certain of such requirements may cause the inclusion of the interest on the Series 2026 Bonds in gross income for federal income tax purposes to be retroactive to the date of issuance of the Series 2026 Bonds.

The Series 2026 Bonds maturing _____, have been sold at initial public offering prices which are less than the amount payable at maturity (the "Discount Bonds"). In the opinion of Bond Counsel, under existing law, any original issue discount in the selling price of the Discount Bonds, to the extent allocable to each owner of such bond, is excluded from gross income for federal income tax purposes with respect to such owner. The original issue discount is the excess of the stated redemption price at maturity of such Discount Bonds over the initial offering price to the public, excluding underwriters and other intermediaries, at which price a substantial amount of such Discount Bonds was sold.

Under Section 1288 of the Code, original issue discount on tax-exempt obligations accrues on a constant yield to maturity basis. The amount of the original issue discount that accrues to an owner of a discount bond who acquires such discount bond during any accrual period generally equals (i) the issue price of such discount bond plus the amount of original issue discount accrued in all prior accrual periods, multiplied by (ii) the yield to maturity of such discount bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period), less (iii) any interest payable on such discount bond during such accrual period. The amount of original issue discount so accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, will be excluded from gross income for federal income tax purposes, and will increase the owner's tax basis in a discount bond for the purpose of determining gain or loss upon a subsequent sale, exchange, payment, or redemption. Any gain realized by an owner from a sale, exchange, payment, or redemption of a discount bond would be treated as gain from the sale or exchange of such discount bond.

Bond Counsel expresses no opinion regarding any other federal tax consequences arising with respect to the Series 2026 Bonds.

In the further opinion of Bond Counsel, the interest on the Series 2026 Bonds is exempt from present State of Georgia income taxation. Bond Counsel has not opined as to whether interest on the Series 2026 Bonds is subject to state or local income taxation in jurisdictions other than Georgia; interest on the Series 2026 Bonds may or may not be subject to state or local income taxation in jurisdictions other than Georgia under applicable state or local laws. Each purchaser of the Series 2026 Bonds should consult its own tax advisor regarding the tax-exempt status of the interest on the Series 2026 Bonds in a particular state or local jurisdiction other than Georgia.

In concluding that interest on the Series 2026 Bonds is excluded from gross income for federal income tax purposes, Bond Counsel will rely, as to questions of fact material to its opinion, upon certified proceedings and other certifications of public officials furnished to Bond Counsel, without undertaking to verify any of them by independent investigation. If certain of these items are incorrect, interest on the Series 2026 Bonds may become included in gross income for federal income tax purposes retroactive, in some cases, to the date of issuance of the Series 2026 Bonds.

The opinion of Bond Counsel is based on current legal authority and covers certain matters not directly addressed by such authority. It represents Bond Counsel's legal judgment as to exclusion of interest on the Bonds from gross income for federal income tax purposes but is not a guaranty of that conclusion. The opinion is not binding on the Internal Revenue Service ("IRS") or any court. Bond Counsel expresses no opinion about (i) the effect of future changes in the Code and the applicable regulations under the Code or (ii) the interpretation and the enforcement of the Code or those regulations by the IRS.

Legislation affecting tax-exempt obligations is regularly considered by the United States Congress and may also be considered by the State legislature. Court proceedings may also be filed the outcome of which could modify the tax treatment of obligations such as the Series 2026 Bonds. There can be no assurance that legislation enacted or proposed, or actions by a court, after the date of issuance of the Series 2026 Bonds will not have an adverse effect on the tax status of interest or other income on the Series 2026 Bonds or the market value of the Series 2026 Bonds.

Purchasers of the Series 2026 Bonds should consult their own tax advisers regarding pending or proposed federal and state tax legislation and court proceedings, and purchasers of the Series 2026 Bonds at other than their original issuance at the respective prices indicated on the front cover of this Official Statement should also consult their own tax advisers regarding other tax considerations such as the consequences of market discount, as to all of which Bond Counsel expresses no opinion.

Bond Counsel's engagement with respect to the Series 2026 Bonds ends with the issuance of the Series 2026 Bonds, and, unless separately engaged, Bond Counsel is not obligated to defend the Series 2026 Bonds or the owners of the Series 2026 Bonds regarding the tax status of interest thereon in the event of an audit examination by the IRS. The IRS has a program to audit tax-exempt obligations to determine whether the interest thereon is includable in gross income for federal income tax purposes. If the IRS does audit the Series 2026 Bonds, under current IRS procedures, the IRS will treat the District as the taxpayer and the beneficial owners of the Series 2026 Bonds will have only limited rights, if any, to obtain and participate in judicial review of such audit. Any action of the IRS, including but not limited to selection of the Series 2026 Bonds for audit, or the course or result of such audit, or an audit of other obligations presenting similar tax issues, may affect the market value of the Series 2026 Bonds.

Bond Premium

The Series 2026 Bonds maturing _____ (in this paragraph referred to as the "Premium Bonds") are being sold at prices in excess of the principal amount thereof. Under the Code, the excess of an owner's cost basis of a bond over the principal amount of such bond (other than a bond held as inventory, stock in trade, or for sale to customers in the ordinary course of business) is generally characterized as "bond premium." For federal income tax purposes, bond premium is amortized over the term of the related bond. An owner will therefore be required to decrease its basis in the Premium Bonds by the amount of amortizable bond premium attributable to each taxable year it holds the Premium Bonds. The amount of amortizable bond premium attributable to each taxable year is determined on an actuarial basis at a constant interest rate compounded on each interest payment date. The amortizable bond premium attributable to a taxable year is not deductible for federal income tax purposes; however, an owner is required to amortize bond premium by offsetting part of the interest allocable to an accrual period with the bond premium allocable to the accrual period. Purchasers of the Premium Bonds should consult their own tax advisors with respect to the precise

determination for federal income tax purposes of the treatment of bond premium upon sale, redemption, or other disposition of the Premium Bonds.

Collateral Federal Tax Consequences

Ownership of the Series 2026 Bonds may result in collateral federal tax consequences to certain taxpayers, including, without limitation, financial institutions, property and casualty insurance companies, certain recipients of Social Security or railroad retirement benefits, foreign corporations operating branches in the United States, Subchapter S corporations, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry the Series 2026 Bonds.

Prospective purchasers of the Series 2026 Bonds should consult their tax advisors as to the applicability of any such collateral federal tax consequences. In this respect, prospective purchasers of the Series 2026 Bonds should be aware of the following collateral federal tax consequences.

1. Section 265 of the Code denies a deduction for interest on indebtedness incurred or continued to purchase or carry the Series 2026 Bonds.
2. Property and casualty insurance companies are required to reduce the amount of their deductible underwriting losses by 15% of their amount of tax-exempt interest, including interest on the Series 2026 Bonds. If the amount of this reduction exceeds the amount otherwise deductible as losses incurred, such excess may be includable in income.
3. Certain recipients of Social Security benefits and railroad retirement benefits will be required to include a portion of such benefits within gross income by reason of receipt or accrual of interest on the Series 2026 Bonds.
4. For foreign corporations operating branches in the United States, Section 884 of the Code imposes a branch-level tax on certain earnings and profits. Interest on the Series 2026 Bonds may be included in the determination of such domestic branches' taxable base on which this tax is imposed.
5. Passive investment income, including interest on the Series 2026 Bonds, may be subject to federal income taxation under Section 1375 of the Code for any Subchapter S corporation that has Subchapter C earnings and profits at the close of the taxable year, if greater than 25% of the gross receipts of such Subchapter S corporation is passive investment income.

Validation Proceedings

The Series 2026 Bonds were confirmed and validated by judgment of the Superior Court of White County, entered on October 1, 2026, in Civil Action File No. SUCV2026000343. Under Georgia law, the judgment of validation is forever conclusive with respect to the validity of the Series 2026 Bonds against the District.

Closing Certificates

At closing of the sale of the Series 2026 Bonds by the Underwriter, the District will deliver to the Underwriter a certificate (1) that no litigation is pending or threatened against it which would have a material effect on the issuance or validity of the Series 2026 Bonds or the levy and collection of an ad valorem tax to pay the Series 2026 Bonds or on the financial condition of the District and (2) that the information contained in this Official Statement does not contain any misstatement 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.

MISCELLANEOUS

Ratings

Standard & Poor's Rating Services ("S&P") has assigned a rating of "AA+/Stable" to the Series 2026 Bonds. The rating assigned by S&P is based on the understanding of the rating agency that the District will participate in the State of Georgia intercept program.

S&P has also assigned its underlying rating of "A+/Stable" to the Series 2026 Bonds. The underlying rating has been assigned without regard to the State of Georgia intercept program.

The ratings reflect only the views of the rating agency, and any desired explanation of the significance of the ratings should be obtained from the rating agency at the following address: Standard & Poor's Rating Services, 55 Water Street, New York, New York 10041. 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 the ratings will remain unchanged for any given period of time or that they will not be revised downward or withdrawn entirely by the rating agency if, in its judgment, circumstances so warrant. Any such downward revision or withdrawal of a rating may have an adverse effect on the liquidity and market price of the Series 2026 Bonds.

Underwriting

The Series 2026 Bonds will be purchased for re-offering at negotiated sale by Raymond James & Associates, Inc. (the "Underwriter") from the District at an aggregate purchase price of _____% of the principal amount of the Series 2026 Bonds, plus original issue premium. The Underwriter will enter into a Bond Purchase Agreement which provides that the Underwriter will purchase all of the Series 2026 Bonds, if any are purchased. The obligation of the Underwriter to accept delivery of the Series 2026 Bonds will be subject to various conditions contained in the Bond Purchase Agreement.

The Underwriter intends to offer the Series 2026 Bonds to the public initially at the offering prices/yields set forth on the cover page of this Official Statement, which offering prices/yields may subsequently be changed from time to time by the Underwriter without any requirement of prior notice. The offering prices/yields set forth on the cover page of this Official Statement average \$_____ per \$1,000 face amount of the Series 2026 Bonds in excess of the purchase price to be paid to the District by the Underwriter. The Underwriter will receive no fee (other than the anticipated profits described in the preceding sentence) from the District for underwriting the Series 2026 Bonds. The Underwriter has reserved the right to permit other securities dealers who are members of the National Association of Securities Dealers, Inc. to assist in selling the Series 2026 Bonds. The Underwriter may offer and sell the Series 2026 Bonds to certain dealers (including dealers depositing Series 2026 Bonds into investment trusts) at prices lower than the public offering prices/yields set forth on the cover page of this Official Statement or otherwise allow concessions to such dealers who may re-allow concessions to other dealers. Any discounts or commissions that may be received by such dealers in connection with the sale of the Series 2026 Bonds will be deducted from the Underwriter's underwriting profits.

Experts

The general purpose financial statements of the District as of June 30, 2025 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**. Such financial statements have been included herein in reliance upon the report of the State of Georgia Department of Audits, given upon the authority of such agency as experts in accounting and auditing. The State of Georgia Department of Audits stated in its audit report that it conducted its audit in accordance with generally accepted auditing standards. Their report dated March 11, 2026, references the District's decision to omit management's discussion and analysis which is not a required part of the basic financial statements, but is supplementary information required by accounting principles generally accepted in the United States of America, and states that such omission does not affect the State of Georgia Department of Audits' opinion on the basic financial statements. The State of Georgia Department of Audits, 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 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 could use the defense of sovereign immunity against any claim based upon its negligence in performing the audit of the District's general purpose financial statements.

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 execution and delivery of this Official Statement, and its distribution and use by the Underwriter, have been duly authorized and approved by the District.

WHITE COUNTY SCHOOL DISTRICT

By: _____
Chairman of the Board of Education of
White County

APPENDIX A

FISCAL YEAR 2025 AUDITED FINANCIAL STATEMENTS OF THE DISTRICT

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ANNUAL FINANCIAL REPORT • FISCAL YEAR 2025

White County Board of Education Cleveland, Georgia

Including Independent Auditor's Report

Greg S. Griffin | State Auditor



DOAA

Georgia Department
of Audits & Accounts

White County Board of Education

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Financial

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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
Dr. Laurie Burkett, Superintendent and Members of the
White County Board of Education

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and fiduciary activities of the White County Board of Education (School District) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and fiduciary activities of the School District as of June 30, 2025, 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.

Emphasis of Matter

As described in Note 2 to the financial statements, in 2025, the School District adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*. The School District restated beginning balances for the effect of GASB Statement No. 101. Our opinions are not modified with respect to this matter.

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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.

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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 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 11, 2026 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

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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,

A handwritten signature in black ink, appearing to read "Greg S. Griffin". The signature is fluid and cursive, with a horizontal line extending from the end.

Greg S. Griffin
State Auditor

March 11, 2026

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WHITE COUNTY BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

INTRODUCTION

The discussion and analysis of the White County Board of Education's (School District) financial performance provides an overview of the School District's financial activities for the fiscal years ended June 30, 2025 and June 30, 2024. 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.

GASB Statement No. 101, *Compensated Absences*, was implemented in fiscal year 2025 and replaced GASB Statement No. 16. This is considered a change in accounting principle that affects the School District's reporting of its compensated absences liability. This change in accounting policy required a beginning balance restatement for the fiscal year 2025. Ending balances for fiscal year 2024 presented inside the Management's Discussion and Analysis section do not show the accounting impact of these restated balances. Additional information may be found in Note 2, Summary of Significant Accounting Policies and Note 14, Restatement of Prior Year Net Position.

FINANCIAL HIGHLIGHTS

Key financial highlights for the fiscal years 2025 and 2024 are as follows:

- On the government-wide financial statements, the assets and deferred outflow of resources of the School District exceeded liabilities and deferred inflow of resources by \$49.5 million and \$46.6 million, respectively, for the fiscal years ended June 30, 2025 and 2024.
- Among major funds, the general fund had \$62.0 million in revenues and \$62.7 million in expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts; management's discussion and analysis (this section), 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.

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 presenting 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 fiduciary funds statements provide information about the financial relationships in which the School District acts solely as a trustee or agent for the benefit of others.

The fund financial statements reflect the School District's most significant funds. For the years ending June 30, 2025 and 2024, the general fund, the capital projects fund, and the 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 non-fiduciary assets, deferred outflows of resources, liabilities, and deferred inflows of

WHITE COUNTY BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

resources. 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, are 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 - Most of the School District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using the modified accrual method of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School 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 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.

Fiduciary Funds - The School District is the trustee, or fiduciary, for assets that belong to others, such as scholarship accounts. The School District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The School District excludes these activities from the government-wide financial statements because it cannot use these assets to finance its operations.

WHITE COUNTY BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

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 2025 and 2024.

Table 1
Net Position

	Governmental Activities		
	Fiscal Year 2025	Fiscal Year 2024 (1)	Net Change
Assets			
Current and Other Assets	\$ 35,378,124	\$ 37,228,623	\$ (1,850,499)
Intangible Assets, Net	2,343	5,466	(3,123)
Capital Assets, Net	105,025,396	104,053,562	971,834
Total Assets	140,405,863	141,287,651	(881,788)
Deferred Outflows of Resources			
Related to Defined Benefit Pension Plans	13,517,833	16,484,603	(2,966,770)
Related to OPEB Plan	6,362,439	7,160,984	(798,545)
Total Deferred Outflows of Resources	19,880,272	23,645,587	(3,765,315)
Liabilities			
Current and Other Liabilities	6,608,367	9,307,622	(2,699,255)
Long-Term Liabilities	18,149,991	18,900,318	(750,327)
Net Pension Liability	42,188,936	50,222,362	(8,033,426)
Net OPEB Liability	28,346,568	26,993,261	1,353,307
Total Liabilities	95,293,862	105,423,563	(10,129,701)
Deferred Inflows of Resources			
Related to Defined Benefit Pension Plans	7,199,713	1,414,050	5,785,663
Related to OPEB Plan	8,337,785	11,492,244	(3,154,459)
Total Deferred Inflows of Resources	15,537,498	12,906,294	2,631,204
Net Position			
Net Investment in Capital Assets	91,085,228	82,646,341	8,438,887
Restricted	12,364,665	13,225,211	(860,546)
Unrestricted (Deficit)	(53,995,118)	(49,268,171)	(4,726,947)
Total Net Position	\$ 49,454,775	\$ 46,603,381	\$ 2,851,394

(1) Fiscal Year 2024 balances do not reflect the effect of the restatement of balances.

See Note 14 in the Notes to the Basic Financial Statements for additional information.

Total assets and deferred outflows of resources decreased by \$4.6 million and total liabilities and deferred inflows of resources decreased by \$7.5 million. These changes yielded an increase in net position of \$2.9 million from prior year.

WHITE COUNTY BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Table 2 shows the changes in net position for fiscal years ending June 30, 2025 and June 30, 2024.

Table 2
Change in Net Position

	Governmental Activities	
	Fiscal Year	Fiscal Year
	2025	2024 (1)
Revenues:		
Program Revenues:		
Charges for Services	\$ 392,330	\$ 803,467
Operating Grants and Contributions	35,374,856	35,940,296
Capital Grants and Contributions	1,478,604	556,366
Total Program Revenues	37,245,790	37,300,129
General Revenues:		
Taxes		
Property Taxes		
For Maintenance and Operations	21,297,430	20,190,027
Sales Taxes		
Special Purpose Local Option Sales Tax		
For Capital Projects	8,335,851	7,990,740
Other taxes	426,472	374,391
Investment Earnings	1,447,998	1,578,813
Miscellaneous	2,428,471	1,797,129
Total General Revenues	33,936,222	31,931,100
Total Revenues	71,182,012	69,231,229
Program Expenses:		
Instruction	40,414,021	39,475,439
Support Services		
Pupil Services	3,245,924	3,163,066
Improvement of Instructional Services	1,693,363	1,730,998
Educational Media Services	886,551	980,010
General Administration	1,198,518	1,089,493
School Administration	3,932,711	4,073,092
Business Administration	415,264	443,026
Maintenance and Operation of Plant	4,701,503	3,911,729
Student Transportation Services	3,237,680	2,995,386
Central Support Services	531,796	358,656
Other Support Services	128,384	176,558
Operations of Non-Instructional Services		
Enterprise Operations	481,609	550,500
Food Services	3,871,821	3,817,764
Interest on Long-Term Debt	218,479	367,710
Total Expenses	64,957,624	63,133,427
Increase in Net Position	\$ 6,224,388	\$ 6,097,802

(1) Fiscal Year 2024 balances do not reflect the effect of the restatement of balances.

See Note 14 in the Notes to the Basic Financial Statements for additional information.

WHITE COUNTY BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

General revenues increased by \$2.0 million during fiscal year 2025. This increase is largely due to an increase in property tax revenue and sales tax revenue.

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 2025	Fiscal Year 2024 (1)	Fiscal Year 2025	Fiscal Year 2024 (1)
Instruction	\$ 40,414,021	\$ 39,475,439	\$ 15,556,880	\$ 15,106,039
Support Services:				
Pupil Services	3,245,924	3,163,066	2,398,311	2,269,307
Improvement of Instructional Services	1,693,363	1,730,998	350,846	544,577
Educational Media Services	886,551	980,010	176,222	260,150
General Administration	1,198,518	1,089,493	756,713	260,691
School Administration	3,932,711	4,073,092	2,711,646	2,773,349
Business Administration	415,264	443,026	308,559	320,790
Maintenance of Operation of Plant	4,701,503	3,911,729	3,045,500	1,759,447
Student Transportation Services	3,237,680	2,995,386	1,336,664	1,460,616
Central Support Services	531,796	358,656	392,045	250,187
Other Support Services	128,384	176,558	109,799	138,429
Operations of Non-Instructional Services:				
Enterprise Operations	481,609	550,500	480,779	547,257
Food Services	3,871,821	3,817,764	(130,610)	(225,251)
Interest on Long-Term Debt	218,479	367,710	218,479	367,710
Total Expenses	\$ 64,957,624	\$ 63,133,427	\$ 27,711,833	\$ 25,833,298

(1) Fiscal Year 2024 balances do not reflect the effect of the restatement of balances.

See Note 14 in the Notes to the Basic Financial Statements for additional information.

Program revenues do not provide enough revenue to support these costs. The School District is still dependent upon tax revenues for governmental activity.

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 of \$71.9 million and total expenditures of \$71.1 million. The general fund balance was \$18.2 million at year end, with \$14.7 million unassigned.

WHITE COUNTY BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

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 2025 and 2024, the School District amended its general fund budget as needed.

During fiscal year 2025 the general fund had final actual revenues and other financing sources totaling \$62.0 million, which represented an increase from the original budgeted amount of \$58.8 million by \$3.2 million. This difference (final actual vs. original budget) was due to conservative budgeting and state grants not initially budgeted.

Final actual expenditures during fiscal year 2025 totaling \$62.7 million and represented no major differences or changes from the original budgeted amount of \$62.3 million. This is a result of a very detailed and comprehensive budgeting plan at the district level.

CAPITAL ASSETS AND INTANGIBLE RIGHT-TO-USE ASSETS

At the fiscal years ended June 30, 2025 and June 30, 2024, the School District had \$105.0 million and \$104.1 million, respectively, invested in capital assets, net of accumulated depreciation. These assets are made up of a broad range of capital assets, including land, buildings, transportation, food service and maintenance equipment.

Table 4 reflects a summary of these balances, by class, net of accumulated depreciation.

Table 4
Capital Assets
(Net of Depreciation)

	Governmental Activities	
	Fiscal Year	Fiscal Year
	2025	2024
Land	\$ 1,835,564	\$ 1,835,565
Construction In Progress	-	3,059,586
Building and Improvements	93,289,681	89,425,744
Land Improvements	5,290,697	5,601,810
Equipment	4,609,454	4,130,857
Total	\$ 105,025,396	\$ 104,053,562

Construction in progress decreased primarily due to the completion of the Performing Arts Center for White County High School. Additional information about the School District's capital assets can be found in the Notes to the Basic Financial Statements.

At the fiscal year ended June 30, 2025, and June 30, 2024, the School District had \$2.3 thousand and \$5.5 thousand, respectively, invested in equipment right-to-use assets, net of accumulated amortization.

WHITE COUNTY BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Long-Term Liabilities

At June 30, 2025, the School District had \$18.1 million in total long-term liabilities with \$5.6 million due within one year. Table 5 summarizes long-term liabilities outstanding at June 30, 2025 and 2024.

Table 5
Long-Term Liabilities at June 30

	Governmental Activities	
	Fiscal Year 2025	Fiscal Year 2024 (1)
General Obligation Bonds	\$ 12,380,000	\$ 16,350,000
Compensated Absences	3,705,130	44,675
Unamortized Bond Premium	1,559,979	2,079,972
Leases	2,532	5,794
Arbitrage Liability	502,350	419,877
Total	\$ <u>18,149,991</u>	\$ <u>18,900,318</u>

(1) Fiscal Year 2024 balances do not reflect the effect of the restatement of balances.

See Note 14 in the Notes to the Basic Financial Statements for additional information.

CURRENT ISSUES

The most significant challenge facing the School District is the rising cost of employer contributions to the State Health Benefit Plan. The current annual rate for certified and classified staff is \$22,620.00 per employee per year. As these employer costs continue to increase, balancing the budget will become increasingly difficult. Areas most affected include classified employees, where 18% of employees earn less than the cost of their benefits to the School District.

In addition, uncertainty surrounding federal funding presents a continuing concern. The School District relies on Title funds to employ paraprofessionals who provide academic interventions and help maintain smaller class sizes. IDEA funds are also essential in supporting paraprofessionals who assist classroom teachers in meeting the needs of students requiring additional support.

Finally, the White County Board of Education has opted out of Georgia House Bill 581, which limits property tax assessment increases to the rate of inflation. Ongoing pressure to maintain this opt-out status will continue to demand both time and attention from School District leadership.

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 Lauren Anderson, Director of Finance, at the White County Board of Education, 136 Warriors Path, Cleveland, Georgia, 30528. You may email your questions to lauren.anderson@white.k12.ga.us.

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White County Board of Education

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WHITE COUNTY BOARD OF EDUCATION
STATEMENT OF NET POSITION
JUNE 30, 2025

EXHIBIT "A"

	GOVERNMENTAL ACTIVITIES
<u>ASSETS</u>	
Cash and Cash Equivalents	\$ 28,940,601.29
Accounts Receivable, Net	
Taxes	1,053,361.38
State Government	4,255,513.00
Federal Government	940,618.82
Other	93,733.66
Inventories	94,295.44
Intangible Right-to-Use Assets (Net of Accumulated Amortization)	2,343.00
Capital Assets, Non-Depreciable	1,835,564.40
Capital Assets, Depreciable (Net of Accumulated Depreciation)	103,189,831.30
Total Assets	<u>140,405,862.29</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>	
Related to Defined Benefit Pension Plans	13,517,833.25
Related to OPEB Plan	6,362,438.71
Total Deferred Outflows of Resources	<u>19,880,271.96</u>
<u>LIABILITIES</u>	
Accounts Payable	132,603.35
Salaries and Benefits Payable	6,267,880.80
Interest Payable	154,750.00
Deposits and Unearned Revenues	53,132.52
Net Pension Liability	42,188,936.00
Net OPEB Liability	28,346,568.00
Long-Term Liabilities	
Due Within One Year	5,554,916.44
Due in More Than One Year	12,595,074.38
Total Liabilities	<u>95,293,861.49</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>	
Related to Defined Benefit Pension Plans	7,199,713.00
Related to OPEB Plan	8,337,785.00
Total Deferred Inflows of Resources	<u>15,537,498.00</u>
<u>NET POSITION</u>	
Net Investment in Capital Assets	91,085,227.92
Restricted for	
Continuation of Federal Programs	2,322,993.26
Debt Service	1,953,121.71
Capital Projects	8,088,549.74
Unrestricted (Deficit)	<u>(53,995,117.87)</u>
Total Net Position	<u>\$ 49,454,774.76</u>

WHITE COUNTY BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025

EXHIBIT "B"

	PROGRAM REVENUES				NET (EXPENSES)
		CHARGES FOR	OPERATING	CAPITAL	REVENUES
	EXPENSES	SERVICES	GRANTS AND	GRANTS AND	AND CHANGES IN
			CONTRIBUTIONS	CONTRIBUTIONS	NET POSITION
<u>GOVERNMENTAL ACTIVITIES</u>					
Instruction	\$ 40,414,021.16	\$ 238,702.65	\$ 23,648,877.49	\$ 969,561.45	\$ (15,556,879.57)
Support Services					
Pupil Services	3,245,923.77	-	815,827.77	31,784.75	(2,398,311.25)
Improvement of Instructional Services	1,693,362.81	-	1,342,517.16	-	(350,845.65)
Educational Media Services	886,551.31	-	701,651.76	8,677.74	(176,221.81)
General Administration	1,198,517.83	-	441,804.65	-	(756,713.18)
School Administration	3,932,710.72	-	1,154,467.97	66,596.62	(2,711,646.13)
Business Administration	415,264.08	-	106,704.72	-	(308,559.36)
Maintenance and Operation of Plant	4,701,503.19	950.00	1,629,020.02	26,033.22	(3,045,499.95)
Student Transportation Services	3,237,679.88	-	1,548,575.70	352,440.00	(1,336,664.18)
Central Support Services	531,795.99	-	139,751.15	-	(392,044.84)
Other Support Services	128,384.48	-	18,585.69	-	(109,798.79)
Operations of Non-Instructional Services					
Enterprise Operations	481,608.87	-	829.96	-	(480,778.91)
Food Services	3,871,820.97	152,677.54	3,826,242.33	23,510.62	130,609.52
Interest on Long-Term Debt	218,478.89	-	-	-	(218,478.89)
Total Governmental Activities	<u>\$ 64,957,623.95</u>	<u>\$ 392,330.19</u>	<u>\$ 35,374,856.37</u>	<u>\$ 1,478,604.40</u>	<u>(27,711,832.99)</u>
General Revenues					
Taxes					
Property Taxes					
For Maintenance and Operations 21,297,430.09					
Sales Taxes					
Special Purpose Local Option Sales Tax					
For Capital Projects 8,335,851.45					
Other Sales Tax 426,471.56					
Investment Earnings 1,447,997.55					
Miscellaneous 2,428,470.50					
Total General Revenues <u>33,936,221.15</u>					
Change in Net Position 6,224,388.16					
Net Position - Beginning of Year, as Previously Presented <u>46,603,380.75</u>					
Change in Accounting Principle - GASB Statement No. 101 (3,372,994.15)					
Net Position - Beginning of Year, as Restated <u>43,230,386.60</u>					
Net Position - End of Year \$ 49,454,774.76					

WHITE COUNTY BOARD OF EDUCATION
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2025

EXHIBIT "C"

	GENERAL FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTAL
<u>ASSETS</u>				
Cash and Cash Equivalents	\$ 18,925,820.21	\$ 7,906,909.37	\$ 2,107,871.71	\$ 28,940,601.29
Accounts Receivable, Net				
Taxes	329,641.88	723,719.50	-	1,053,361.38
State Government	4,255,513.00	-	-	4,255,513.00
Federal Government	940,618.82	-	-	940,618.82
Other	93,733.66	-	-	93,733.66
Inventories	94,295.44	-	-	94,295.44
	<u>24,639,623.01</u>	<u>8,630,628.87</u>	<u>2,107,871.71</u>	<u>35,378,123.59</u>
Total Assets	<u>\$ 24,639,623.01</u>	<u>\$ 8,630,628.87</u>	<u>\$ 2,107,871.71</u>	<u>\$ 35,378,123.59</u>
<u>LIABILITIES</u>				
Accounts Payable	\$ 92,873.84	\$ 39,729.51	\$ -	\$ 132,603.35
Salaries and Benefits Payable	6,267,880.80	-	-	6,267,880.80
Deposits and Unearned Revenues	53,132.52	-	-	53,132.52
Total Liabilities	<u>6,413,887.16</u>	<u>39,729.51</u>	<u>-</u>	<u>6,453,616.67</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Unavailable Revenue - Property Taxes	53,491.39	-	-	53,491.39
<u>FUND BALANCES</u>				
Nonspendable	94,295.44	-	-	94,295.44
Restricted	2,228,697.82	8,590,899.36	2,107,871.71	12,927,468.89
Assigned	1,137,111.51	-	-	1,137,111.51
Unassigned	14,712,139.69	-	-	14,712,139.69
Total Fund Balances	<u>18,172,244.46</u>	<u>8,590,899.36</u>	<u>2,107,871.71</u>	<u>28,871,015.53</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 24,639,623.01</u>	<u>\$ 8,630,628.87</u>	<u>\$ 2,107,871.71</u>	<u>\$ 35,378,123.59</u>

WHITE COUNTY BOARD OF EDUCATION
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2025

EXHIBIT "D"

Total fund balances - governmental funds (Exhibit "C")	\$	28,871,015.53
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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	\$	1,835,564.40	
Buildings and improvements		113,397,615.24	
Equipment		10,597,934.71	
Land improvements		7,995,948.47	
Accumulated depreciation		<u>(28,801,667.12)</u>	105,025,395.70

Right-to-use assets used in governmental activities are not financial resources and therefore are not reported in the funds.

Leased machinery and equipment	\$	14,835.00	
Accumulated amortization - Right-to-use assets		<u>(12,492.00)</u>	2,343.00

Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds.

Net pension liability	\$	(42,188,936.00)	
Net OPEB liability		<u>(28,346,568.00)</u>	(70,535,504.00)

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	\$	6,318,120.25	
Related to OPEB		<u>(1,975,346.29)</u>	4,342,773.96

Taxes that are not available to pay for current period expenditures are deferred in the funds.

53,491.39

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	\$	(12,380,000.00)	
Accrued interest payable		(154,750.00)	
Lease liability payable		(2,532.00)	
Compensated absences payable		(3,705,130.42)	
Unamortized bond premiums		(1,559,978.78)	
Arbitrage liability		<u>(502,349.62)</u>	(18,304,740.82)

Net position of governmental activities (Exhibit "A")	\$	<u><u>49,454,774.76</u></u>
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WHITE COUNTY BOARD OF EDUCATION
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2025

EXHIBIT "E"

	GENERAL FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTAL
<u>REVENUES</u>				
Property Taxes	\$ 21,294,989.73	\$ -	\$ -	\$ 21,294,989.73
Sales Taxes	426,471.56	8,335,851.45	-	8,762,323.01
State Funds	29,462,916.96	1,009,039.60	-	30,471,956.56
Federal Funds	6,895,568.37	-	-	6,895,568.37
Charges for Services	392,330.19	-	-	392,330.19
Investment Earnings	1,098,900.11	258,428.89	173,140.55	1,530,469.55
Miscellaneous	2,428,470.50	144,830.40	-	2,573,300.90
Total Revenues	<u>61,999,647.42</u>	<u>9,748,150.34</u>	<u>173,140.55</u>	<u>71,920,938.31</u>
<u>EXPENDITURES</u>				
Current				
Instruction	38,594,912.25	568,883.31	-	39,163,795.56
Support Services				
Pupil Services	3,198,918.38	7,075.00	-	3,205,993.38
Improvement of Instructional Services	1,500,542.92	198,117.39	-	1,698,660.31
Educational Media Services	877,021.70	2,550.00	-	879,571.70
General Administration	1,169,941.19	25,676.78	-	1,195,617.97
School Administration	3,815,278.00	12,823.18	-	3,828,101.18
Business Administration	405,158.44	11,500.00	-	416,658.44
Maintenance and Operation of Plant	4,443,727.88	198,363.58	-	4,642,091.46
Student Transportation Services	3,317,069.67	219,393.16	-	3,536,462.83
Central Support Services	537,227.89	-	-	537,227.89
Other Support Services	123,481.20	-	-	123,481.20
Enterprise Operations	481,231.62	-	-	481,231.62
Food Services Operation	3,960,469.24	-	-	3,960,469.24
Capital Outlay	262,677.00	2,402,068.34	-	2,664,745.34
Debt Services				
Principal	3,262.00	-	3,970,000.00	3,973,262.00
Dues and Fees	-	-	1,075.00	1,075.00
Interest	372.00	-	777,800.00	778,172.00
Total Expenditures	<u>62,691,291.38</u>	<u>3,646,450.74</u>	<u>4,748,875.00</u>	<u>71,086,617.12</u>
Revenues over (under) Expenditures	<u>(691,643.96)</u>	<u>6,101,699.60</u>	<u>(4,575,734.45)</u>	<u>834,321.19</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers In	-	1,964,245.24	-	1,964,245.24
Transfers Out	(340.88)	-	(1,963,904.36)	(1,964,245.24)
Total Other Financing Sources (Uses)	<u>(340.88)</u>	<u>1,964,245.24</u>	<u>(1,963,904.36)</u>	<u>-</u>
Net Change in Fund Balances	(691,984.84)	8,065,944.84	(6,539,638.81)	834,321.19
Fund Balances - Beginning	<u>18,864,229.30</u>	<u>524,954.52</u>	<u>8,647,510.52</u>	<u>28,036,694.34</u>
Fund Balances - Ending	<u>\$ 18,172,244.46</u>	<u>\$ 8,590,899.36</u>	<u>\$ 2,107,871.71</u>	<u>\$ 28,871,015.53</u>

WHITE 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, 2025

EXHIBIT "F"

Net change in fund balances total governmental funds (Exhibit "E")	\$	834,321.19
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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 and right-to-use assets are allocated over their estimated useful lives as depreciation and amortization expense.

Capital outlay	\$ 3,282,079.31	
Depreciation expense	(2,310,245.19)	
Amortization expense	<u>(3,123.00)</u>	968,711.12

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, donations, and disposals) is to decrease net position.	(0.60)
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Taxes reported in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	2,440.36
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Georgia State Financing and Investment Commission revenues deferred in the funds in the prior year but recognized as revenue in the current year.	(27,705.60)
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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	\$ 3,970,000.00	
Lease liability payments	3,262.00	
Amortization of bond premium	<u>519,993.11</u>	4,493,255.11

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	\$ (719,006.61)	
OPEB expense	<u>1,002,606.71</u>	283,600.10

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	\$ 39,700.00	
Compensated absences	(287,461.52)	
Increase in arbitrage liability	<u>(82,472.00)</u>	<u>(330,233.52)</u>

Change in net position of governmental activities (Exhibit "B")	\$	<u><u>6,224,388.16</u></u>
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WHITE COUNTY BOARD OF EDUCATION
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2025

EXHIBIT "G"

PRIVATE
PURPOSE
TRUSTS

ASSETS

Cash and Cash Equivalents

\$ 109,099.59

NET POSITION

Held in Trust for Private Purposes

\$ 109,099.59

WHITE COUNTY BOARD OF EDUCATION
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
YEAR ENDED JUNE 30, 2025

EXHIBIT "H"

	PRIVATE PURPOSE TRUSTS
<u>ADDITIONS</u>	
Contributions	
Donors	\$ 7,396.00
Investment Earnings	
Interest	5,195.80
Total Additions	12,591.80
<u>DEDUCTIONS</u>	
Other Deductions	1,500.00
Change in Net Position	11,091.80
Net Position - Beginning	98,007.79
Net Position - Ending	\$ 109,099.59

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WHITE COUNTY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2025

EXHIBIT "I"

NOTE 1: DESCRIPTION OF SCHOOL DISTRICT AND REPORTING ENTITY

Reporting Entity

The White 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, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions.

The Statement of Net Position presents the School District's non-fiduciary 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.

WHITE COUNTY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2025

EXHIBIT "I"

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

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

Fund Financial Statements

The fund financial statements provide information about the School District's funds, including fiduciary funds. Eliminations have been made to minimize the double counting of internal activities. Separate financial statements are presented for governmental and fiduciary funds. 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) 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 sales taxes legally restricted for the payment of general long-term principal and interest.

The School District reports the following fiduciary fund type:

- Private purpose trust funds are used to report all trust arrangements, other than those properly reported elsewhere, in which principal and income benefit individuals, private organizations or other governments.

Basis of Accounting

The basis of accounting determines when transactions are reported on the financial statements. The government-wide and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. 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.

WHITE COUNTY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2025

EXHIBIT "I"

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 available if they are collected within 60 days after year-end. The School District considers all intergovernmental revenues to be available if they are collected within 120 days after year-end. Property taxes, sales taxes and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, lease liabilities and compensated absences, 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 2025, the School District adopted Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*, which supersedes prior requirements under GASB Statement No. 16. The objective of this statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. This is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. Under the new standard, a liability is recognized when an employee earns leave that carries forward to a future reporting period and is more likely than not to be used, paid out or otherwise settled. The implementation required the School District to reevaluate and revise its recognition and measurement of compensated absences, including applying the "more likely than not" threshold to determine expected usage and payout. This approach is expected to provide a more accurate and complete estimate of the School District's compensated absences liability. The adoption of this statement had a material impact and has been reported as a restatement of beginning net position. This statement will be applied retrospectively.

In fiscal year 2025, the School District adopted Governmental Accounting Standards Board (GASB) Statement No. 102, *Certain Risk Disclosures*. The objective of this statement is to provide financial statement users with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The adoption of this statement did not have a material impact on the School District's financial statements. This statement will be applied prospectively.

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.

WHITE COUNTY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2025

EXHIBIT "I"

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 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	20 years
Buildings and Improvements	\$ 10,000.00	10 to 80 years
Equipment	\$ 10,000.00	5 to 20 years
Intangible Assets	\$ 100,000.00	10 to 20 years

WHITE COUNTY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2025

EXHIBIT "I"

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 as follows:

	Capitalization Policy
Equipment	\$ 10,000.00

Leases as Lessee

The School District is a lessee for noncancellable leases of postage meter equipment owned by third 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) lease term and (2) lease payments.

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.

WHITE COUNTY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2025

EXHIBIT "I"

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.

Compensated Absences

Compensated absences payable consists of leave benefits, such as vacation and other forms of paid leave, that employees earned based on services already rendered. Compensated absences are recognized as a liability when the leave accumulates, is attributable to past service, and it is more likely than not that the leave will be used for time off or otherwise paid or settled.

The majority of the School District's compensated absences liability is comprised of sick leave.

Sick leave is earned at a rate of 1.25 days per month for eligible employees. Unused sick leave may be accumulated up to a maximum of 90 days. Members of the Teachers Retirement System of Georgia (TRS) may apply unused sick leave toward retirement service credit. The benefit is administered and funded by TRS; therefore, the related liability is not reported by the School District.

The School District pays all unused and unforfeited sick benefits to public school retirement employees who have accumulated at least 20 days and have at least 10 years of service with the School District upon termination of employment. Accordingly, sick leave benefits are accrued as a liability in the government-wide financial statements for amounts that are more likely than not to be paid. A liability for these amounts is reported in the governmental fund financial statements only if they have matured, for example, as a result of employee resignations and retirements by fiscal-year end.

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.

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

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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.

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.

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Property Taxes

The White County Board of Commissioners adopted the property tax levy for the 2024 tax digest year (calendar year) on August 12, 2024 (levy date) based on property values as of January 1, 2024. Taxes were due on November 15, 2024 (lien date). Taxes collected within the current fiscal year or within 60 days after year-end on the 2024 tax digest are reported as revenue in the governmental funds for fiscal year 2025. The White 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, 2025, for maintenance and operations amounted to \$19,091,280.46.

The tax millage rate levied for the 2024 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>11.884</u> mills
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Additionally, Title Ad Valorem Tax revenues, at the fund reporting level, amounted to \$2,203,709.27 during fiscal year ended June 30, 2025.

Sales Taxes

Education Special Purpose Local Option Sales Tax (ESPLOST), at the fund reporting level, during the year amounted to \$8,335,851.45 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, debt service, and capital projects funds. There is no statutory prohibition regarding over expenditure of the budget at any level. The budget for all governmental funds is prepared and adopted by fund, function and object. The legal level of budgetary control was established by the Board at the aggregate fund 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 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 of no more than 10% of the amount budgeted for expenditures in any budget function for any fund. The Superintendent shall report any such adjustments to the Board. If expenditure of funds in any budget function for any fund is

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anticipated to be more than 10% of the budgeted amount, the Superintendent shall request Board approval for the budget amendment. 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

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 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, 2025, the School District had deposits with a carrying amount of \$29,049,700.88, and a bank balance of \$30,929,375.59. The bank balances insured by Federal depository insurance were \$500,000.00.

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At June 30, 2025, \$30,429,375.59 of the School District's bank balances were 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.

NOTE 5: RIGHT-TO-USE ASSETS

The School District has acquired equipment under the provisions of a contract that conveys the right-to-use another entity's asset for a period of time in an exchange or exchange-like transaction. This contract is classified as a lease for accounting purposes. The following is a summary of changes in right-to-use leased assets for governmental activities during the fiscal year:

	Balances July 1, 2024	Increases	Decreases	Balance June 30, 2025
Right-to-Use Assets				
Leased Equipment	\$ 14,835.00	\$ -	\$ -	\$ 14,835.00
Less Accumulated Amortization For:				
Leased Equipment	9,369.00	3,123.00	-	12,492.00
Net Right-to-Use Assets	\$ 5,466.00	\$ (3,123.00)	\$ -	\$ 2,343.00

Current year amortization of right-to-use assets by function is as follows:

School Administration	\$ 3,123.00
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NOTE 6: CAPITAL ASSETS

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

	Balances July 1, 2024	Increases	Decreases	Transfers	Balances June 30, 2025
Governmental Activities					
Capital Assets,					
Not Being Depreciated:					
Land	\$ 1,835,565.00	\$ -	\$ 0.60	\$ -	\$ 1,835,564.40
Construction in Progress	3,059,586.36	2,161,762.30	-	(5,221,348.66)	-
Total Capital Assets					
Not Being Depreciated	4,895,151.36	2,161,762.30	0.60	(5,221,348.66)	1,835,564.40
Capital Assets,					
Being Depreciated:					
Buildings and Improvements	108,141,511.58	34,755.00	-	5,221,348.66	113,397,615.24
Equipment	9,813,959.70	1,085,562.01	37,097.00	-	10,862,424.71
Land Improvements	7,995,948.47	-	-	-	7,995,948.47
Less Accumulated					
Depreciation:					
Buildings and Improvements	18,715,767.48	1,392,166.27	-	-	20,107,933.75
Equipment	5,683,102.59	606,965.11	37,097.00	-	6,252,970.70
Land Improvements	2,394,138.86	311,113.81	-	-	2,705,252.67
Total Capital Assets,					
Being Depreciated, Net	99,158,410.82	(1,189,928.18)	-	5,221,348.66	103,189,831.30
Governmental Activities					
Capital Assets - Net	\$ 104,053,562.18	\$ 971,834.12	\$ 0.60	\$ -	\$ 105,025,395.70

Current year depreciation expense by function is as follows:

Instruction	\$ 1,568,244.66
Support Services	
Pupil Services	\$ 71,627.30
Educational Media Services	19,555.38
School Administration	150,076.24
Maintenance and Operation of Plant	95,763.16
Student Transportation Services	351,996.99
Food Services	689,019.07
	52,981.46
	\$ 2,310,245.19

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NOTE 7: INTERFUND TRANSFERS

Interfund transfers for the year ended June 30, 2025, consisted of the following:

Transfers to	Transfers From		
	General Fund	Debt Service Fund	Total
Capital Projects Fund	\$ 340.88	\$ 1,963,904.36	\$ 1,964,245.24

Transfers are used to move property tax revenues collected by the general fund and excess prior period transfers of Special Purpose Local Option Sales Taxes (SPLOST) collected by the debt service fund to capital projects fund as required match or supplemental funding source for capital construction projects.

NOTE 8: LONG-TERM LIABILITIES

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

	Governmental Activities				
	Balance July 1, 2024 (Restated)	Additions	Deductions	Balance June 30, 2025	Due Within One Year
General Obligation (G.O.) Bonds	\$ 16,350,000.00	\$ -	\$ 3,970,000.00	\$ 12,380,000.00	\$ 4,045,000.00
Unamortized Bond Premiums	2,079,971.89	-	519,993.11	1,559,978.78	519,993.11
Leases	5,794.00	-	3,262.00	2,532.00	2,532.00
Arbitrage Liability	419,877.62	82,472.00	-	502,349.62	-
Compensated Absences (1)	3,417,668.90	287,461.52	-	3,705,130.42	987,391.33
	<u>\$ 22,273,312.41</u>	<u>\$ 369,933.52</u>	<u>\$ 4,493,255.11</u>	<u>\$ 18,149,990.82</u>	<u>\$ 5,554,916.44</u>

(1) Net changes in the compensated absences liability are reported as increases or decreases accordingly.

General Obligation Bonds

The School District's bonded debt consists of general obligation bonds that are generally noncallable with interest payable semiannually. Bond proceeds primarily pay for acquiring or constructing capital facilities. The School District repays general obligation bonds from voter-approved 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, 2025. 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.

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General obligation bonds currently outstanding are as follows:

Description	Interest Rates	Issue Date	Maturity Date	Amount Issued	Amount Outstanding
General Government - Series 2021	4.0% - 5.0%	12/9/2021	4/1/2028	\$ 20,000,000.00	\$ 12,380,000.00

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
2026	\$ 4,045,000.00	\$ 619,000.00	\$ 519,993.11
2027	4,125,000.00	416,750.00	519,993.11
2028	4,210,000.00	210,500.00	519,992.56
Total Principal and Interest	\$ 12,380,000.00	\$ 1,246,250.00	\$ 1,559,978.78

Leases

In May 2021, the School District entered into a five-year lease agreement as lessee for the acquisition and use of postage meter equipment. An initial lease liability was recorded in the amount of \$14,835.00. As of June 30, 2025, the value of the lease liability was \$2,532.00. The School District is required to make quarterly principal and interest payments in the amount of \$861.00. The lease has an interest rate of 4.0%. This lease qualifies as a lease for accounting purposes, and, therefore, has been recorded at the present value of the future minimum lease payments as of the date of inception.

The following is a schedule of total lease payments:

Fiscal Year Ended June 30:	Principal	Interest
2026	\$ 2,532.00	\$ 342.00

Arbitrage Rebate

The School District is subject to the arbitrage rebate requirements under Section 148(f) of the Internal Revenue Code, which requires issuers of tax-exempt bonds to remit excess investment earnings above the bond yield to the U.S. Treasury. The School District monitors arbitrage rebate compliance on an ongoing basis.

As of June 30, 2025, the School District has evaluated its outstanding bond issuance and investment earnings to determine compliance with arbitrage rebate rules. Based on current calculations, the School District has accrued an arbitrage rebate liability of \$502,349.62 which is reported as a long-term liability in the government-wide financial statements. Any required rebate payments must be made to the U.S. Treasury every five years from the date of bond issuance and upon final maturity.

The School District will continue to monitor investment earnings on tax-exempt bond proceeds and will recognize an additional arbitrage rebate liabilities as they become due.

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Compensated Absences

Compensated absences represent obligations of the School District relating to leave benefits earned by employees based upon service already rendered. This obligation relates only to vested and accumulated leave in which it is more likely than not that payment will be made or the leave will be used, and the amount can be reasonably estimated as of the measurement date. Typically, the general fund is the fund used to liquidate this long-term debt. The School District uses the vesting method to compute compensated absences.

For fiscal year 2025, the School District began recording the accumulated compensated absences liability for sick leave at June 30 in the government-wide financial statements due to the implementation of a new accounting standard. This is a change in accounting principle.

NOTE 9: 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.

Workers' Compensation

Georgia School Boards Association Workers' Compensation Fund

The School District participates in the Georgia School Boards Association Workers' Compensation Fund (the Fund), a public entity risk pool organized on July 1, 1992, to develop, implement, and administer a program to reduce the risk of loss from employee accidents. The School District pays an annual contribution to the Fund for coverage. The Fund provides statutory limits of coverage for Workers' Compensation coverage and a \$2,000,000 limit per occurrence for Employers' Liability coverage. Excess insurance coverage is provided through an agreement between the Fund and the Safety National Casualty Corporation to limit the Fund's exposure to large losses.

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.

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

	Beginning of Year Liability	Claims and Changes in Estimates	Claims Paid	End of Year Liability
2024	\$ -	\$ -	\$ -	\$ -
2025	\$ -	\$ 1,152.00	\$ 1,152.00	\$ -

Surety Bond

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

Position Covered	Amount
Superintendent	\$ 50,000.00
Drivers Education	\$ 10,000.00

NOTE 10: FUND BALANCE CLASSIFICATION DETAILS

The School District's financial statements include the following amounts presented in the aggregate at June 30, 2025:

Nonspendable		
Inventories	\$	94,295.44
Restricted		
Arbitrage Rebate Tax	\$	502,349.62
Continuation of Federal Programs		2,228,697.82
Capital Projects		8,088,549.74
Debt Service		2,107,871.71
Assigned		
School Activity Accounts		1,137,111.51
Unassigned		14,712,139.69
Fund Balance, June 30, 2025	\$	<u>28,871,015.53</u>

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 11: 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.

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Litigation

The School District is a defendant in various legal proceedings pertaining to matters incidental to the performance of routine School District operations. The ultimate disposition of these proceedings is not presently determinable but is not believed to have a material adverse effect on the financial condition of the School District.

NOTE 12: 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.

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 \$1,111,267.71 for the year ended June 30, 2025. Active employees are not required to contribute to the School OPEB Fund.

During fiscal year 2025, the State of Georgia, through the State Health Benefit Plan (SHBP) administered by the Department of Community Health, made an on-behalf contribution in the amount of \$649,346.99 for the School District's employees.

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

At June 30, 2025, the School District reported a liability of \$28,346,568.00 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2024. The total OPEB liability used to calculate the net OPEB liability was based on an actuarial valuation as of June 30, 2023. An expected total OPEB liability as of June 30, 2024 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, 2024. At June 30, 2024, the School District's proportion was 0.248734%, which was an increase of 0.002297% from its proportion measured as of June 30, 2023.

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For the year ended June 30, 2025, the School District recognized OPEB expense of \$108,661.00. At June 30, 2025, the School District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	OPEB	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,390,067.00	\$ 5,118,363.00
Changes of assumptions	3,305,333.00	2,805,957.00
Net difference between projected and actual earnings on OPEB plan investments	-	184,529.00
Changes in proportion and differences between School District contributions and proportionate share of contributions	555,771.00	228,936.00
School District contributions subsequent to the measurement date	1,111,267.71	-
Total	\$ <u>6,362,438.71</u>	\$ <u>8,337,785.00</u>

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, 2026. 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
2026	\$ (1,295,205.00)
2027	\$ (1,671,711.00)
2028	\$ (592,395.00)
2029	\$ 299,854.00
2030	\$ 162,366.00
Thereafter	\$ 10,477.00

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Actuarial Assumptions: The total OPEB liability as of June 30, 2024 was determined by an actuarial valuation as of June 30, 2023 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, 2024:

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	6.75%
Ultimate trend rate	4.50%
Year of Ultimate trend rate	2032

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 Projection scale applied generationally. Post-retirement mortality rates for service retirements were based on the Pub-2010 General Healthy Annuitant Mortality Table (ages set forward one year and adjusted 101% for males and 103% for females) with the MP-2019 Projection scale applied generationally. Post-retirement mortality rates for disability retirements were based on the Pub-2010 General Disabled Mortality Table (ages set back three years for males and adjusted 103% for males and 106% for females) with the MP-2019 Projection 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 adjusted 104% for males and 99% for females) with the MP-2019 Projection scale applied generationally.

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The actuarial assumptions used in the June 30, 2023 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 which was changed from 2.75% to 2.50%, effective with the June 30, 2018 valuation.

The remaining actuarial assumptions (e.g., initial per capita costs, health care cost trends, rate of plan participation, rates of plan election, etc.) used in the June 30, 2023 valuation were based on a review of recent plan experience done concurrently with the June 30, 2023 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:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return*</u>
Fixed income	30.00%	2.60%
Equities	70.00%	9.10%
Total	<u>100.00%</u>	

* Net of inflation

Discount Rate: In order to measure the total OPEB liability for the School OPEB Fund, a single equivalent interest rate of 3.98% was used as the discount rate, as compared with last year's rate of 3.68%. 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 (3.93% 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 2123.

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NOTES TO THE BASIC FINANCIAL STATEMENTS
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EXHIBIT "I"

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 3.98%, 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 (2.98%) or 1-percentage-point higher (4.98%) than the current discount rate:

	1% Decrease (2.98%)	Current Discount Rate (3.98%)	1% Increase (4.98%)
School District's proportionate share of the Net OPEB liability	\$ 32,070,453.00	\$ 28,346,568.00	\$ 25,206,160.00

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	\$ 24,493,053.00	\$ 28,346,568.00	\$ 33,082,095.00

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 13: 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.

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,

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EXHIBIT "I"

or after 10 years of service and attainment of age 60. Ten years of service is required for disability and death benefits eligibility. Disability benefits are based on the employee's creditable service and compensation up to the time of disability. Death benefits equal the amount that would be payable to the employee's beneficiary had the employee retired on the date of death. Death benefits are based on the employee's creditable service and compensation up to the date of death.

Contributions: Per Title 47 of the O.C.G.A., contribution requirements of active employees and participating employers, as actuarially determined, are established and may be amended by the TRS Board. Pursuant to O.C.G.A. §47-3-63, the employer contributions for certain full-time public school support personnel are funded on behalf of the employer by the State of Georgia. Contributions are expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Employees were required to contribute 6.00% of their annual pay during fiscal year 2025. The School District's contractually required contribution rate for the year ended June 30, 2025 was 20.78% of annual School District payroll, of which 20.75% of payroll was required from the School District and 0.03% of payroll was required from the State. For the current fiscal year, employer contributions to the pension plan were \$5,814,353.25 and \$9,403.97 from the School District and the State, respectively.

Employees' Retirement System

Plan Description: The Employees' Retirement System of Georgia (ERS) is a cost-sharing multiple-employer defined benefit pension plan established by the Georgia General Assembly during the 1949 Legislative Session for the purpose of providing retirement allowances for employees of the State of Georgia and its political subdivisions. ERS is directed by a Board of Trustees. Title 47 of the O.C.G.A. assigns the authority to establish and amend the benefit provisions to the State Legislature. ERS issues a publicly available financial report that can be obtained at www.ers.ga.gov/financials.

Benefits Provided: The ERS Plan supports three benefit tiers: Old Plan, New Plan, and Georgia State Employees' Pension and Savings Plan (GSEPS). Employees under the old plan started membership prior to July 1, 1982 and are subject to plan provisions in effect prior to July 1, 1982. Members hired on or after July 1, 1982 but prior to January 1, 2009 are new plan members subject to modified plan provisions. Effective January 1, 2009, new state employees and rehired state employees who did not retain membership rights under the Old or New Plans are members of GSEPS. ERS members hired prior to January 1, 2009 also have the option to irrevocably change their membership to GSEPS.

Under the old plan, the new plan, and GSEPS, a member may retire and receive normal retirement benefits after completion of 10 years of creditable service and attainment of age 60 or 30 years of creditable service regardless of age. Additionally, there are some provisions allowing for early retirement after 25 years of creditable service for members under age 60.

Retirement benefits paid to members are based upon the monthly average of the member's highest 24 consecutive calendar months, multiplied by the number of years of creditable service, multiplied by the applicable benefit factor. Annually, postretirement cost-of-living adjustments may also be made to members' benefits, provided the members were hired prior to July 1, 2009. The normal retirement pension is payable monthly for life; however, options are available for distribution of the member's monthly pension, at reduced rates, to a designated beneficiary upon the member's death. Death and disability benefits are also available through ERS.

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Contributions: Member contributions under the old plan are 4.00% of annual compensation, up to \$4,200.00, plus 6.00% of annual compensation in excess of \$4,200.00. Under the old plan, the state pays member contributions in excess of 1.25% of annual compensation. Under the old plan, these state contributions are included in the members' accounts for refund purposes and are used in the computation of the members' earnable compensation for the purpose of computing retirement benefits. Member contributions under the new plan and GSEPS are 1.25% of annual compensation. The School District's total required contribution rate for the year ended June 30, 2025 was 29.20% of annual covered payroll for old and new plan members and 25.51% for GSEPS members. Contributions are expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. There were no employer contributions to the pension plan for the current fiscal year.

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.

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

Upon retirement, the member will receive a monthly benefit of \$16.50, 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 \$61,394.00.

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

At June 30, 2025, the School District reported a liability of \$42,188,936.00 for its proportionate share of the net pension liability for TRS (\$42,141,441.00) and ERS (\$47,495.00).

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EXHIBIT "I"

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

School District's proportionate share of the net pension liability	\$ 42,141,441.00
State of Georgia's proportionate share of the net pension liability associated with the School District	<u>65,601.00</u>
Total	<u>\$ 42,207,042.00</u>

The net pension liability for TRS and ERS was measured as of June 30, 2024. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of June 30, 2023. An expected total pension liability as of June 30, 2024 was determined using standard roll-forward techniques. The School District's proportion of the net pension liability was based on contributions to TRS and ERS during the fiscal year ended June 30, 2024.

At June 30, 2024, the School District's TRS proportion was 0.167663%, which was a decrease of 0.002226% from its proportion measured as of June 30, 2023. At June 30, 2024, the School District's ERS proportion was 0.001055%, which was a decrease of 0.000015% from its proportion measured as of June 30, 2023.

At June 30, 2025, 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 \$354,015.00.

The PSERS net pension liability was measured as of June 30, 2024. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of June 30, 2023. An expected total pension liability as of June 30, 2024 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, 2024.

For the year ended June 30, 2025, the School District recognized pension expense of \$6,530,334.86 for TRS, \$10,100.00 for ERS and \$81,881.00 for PSERS and revenue of \$7,075.00 for TRS and \$81,881.00 for PSERS. The revenue is support provided by the State of Georgia. For TRS the State of Georgia support is provided only for certain support personnel.

**WHITE COUNTY BOARD OF EDUCATION
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JUNE 30, 2025**

EXHIBIT "I"

At June 30, 2025, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	TRS		ERS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 4,768,597.00	\$ 125,952.00	\$ 2,546.00	\$ -
Changes of assumptions	2,931,576.00	-	-	-
Net difference between projected and actual earnings on pension plan investments	-	5,875,426.00	-	5,349.00
Changes in proportion and differences between School District contributions and proportionate share of contributions	-	1,192,542.00	761.00	444.00
School District contributions subsequent to the measurement date	<u>5,814,353.25</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 13,514,526.25</u>	<u>\$ 7,193,920.00</u>	<u>\$ 3,307.00</u>	<u>\$ 5,793.00</u>

The School District contributions subsequent to the measurement date for TRS and for ERS are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. 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	ERS
2026	\$ 257,737.00	\$ (512.00)
2027	\$ 5,001,043.00	\$ 3,364.00
2028	\$ (2,771,958.00)	\$ (3,255.00)
2029	\$ (1,980,569.00)	\$ (2,083.00)

WHITE COUNTY BOARD OF EDUCATION
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EXHIBIT "I"

Actuarial Assumptions: The total pension liability as of June 30, 2024 was determined by an actuarial valuation as of June 30, 2023, 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, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2013 – June 30, 2018.

Employees' Retirement System:

Inflation	2.50%
Salary increases	3.00% – 6.75%, including inflation
Investment rate of return	7.00%, net of pension plan investment expense, including inflation
Cost-of-living adjustment	1.05%, annually

WHITE COUNTY BOARD OF EDUCATION
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EXHIBIT "I"

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 Annuitant	Male: +1; Female: +1	Male: 105%; Female: 108%
Disability Retirees	General Disabled	Male: -3; Female: 0	Male: 103%; Female: 106%
Beneficiaries	General Contingent Survivors	Male: +2; Female: +2	Male: 106%; Female: 105%

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2014 – June 30, 2019.

Public School Employees Retirement System:

Inflation	2.50%
Salary 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

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, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2014 – June 30, 2019.

WHITE COUNTY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2025

EXHIBIT "I"

The long-term expected rate of return on TRS, ERS and PSERS pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected 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:

Asset Class	TRS/ERS/PSERS Target Allocation	Long-Term Expected Real Rate of Return*
Fixed income	30.00%	1.50%
Domestic large stocks	46.40%	9.10%
Domestic small stocks	1.10%	13.00%
International developed market stocks	13.60%	9.10%
International emerging market stocks	3.90%	11.10%
Alternative	5.00%	10.60%
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 ERS and PSERS pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer and 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, ERS and PSERS pension plans' fiduciary net position were projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

WHITE COUNTY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2025

EXHIBIT "I"

Sensitivity of the School District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate: The following presents the School District's proportionate share of the net pension liability calculated using the discount rate of 6.90% and 7.00%, as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.90% and 6.00%) or 1-percentage-point higher (7.90% and 8.00%) than the current rate:

Teachers Retirement System:	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
School District's proportionate share of the net pension liability	\$ 72,533,856.00	\$ 42,141,441.00	\$ 17,331,928.00
Employees' Retirement System:	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
School District's proportionate share of the net pension liability	\$ 71,556.00	\$ 47,495.00	\$ 27,259.00

Pension Plan Fiduciary Net Position: Detailed information about the pension plan's fiduciary net position is available in the separately issued TRS, ERS and PSERS financial report which is publicly available at www.trsga.com/publications and www.ers.ga.gov/financials.

NOTE 14: RESTATEMENT OF PRIOR YEAR NET POSITION

During fiscal year 2025, the School District implemented the provisions of GASB Statement No. 101, *Compensated Absences*, which represents a change in accounting principle. As a result, the School District now recognizes a liability for certain types of accumulated leave that are more likely than not to be used for time off or otherwise paid or settled.

The change was applied retrospectively, resulting in a restatement of beginning net position for governmental activities as of July 1, 2024. The effect of this restatement was a decrease in beginning net position and an increase in the compensated absences liability of \$3,372,994.15:

Net Position, July 1, 2024, as previously reported	\$ 46,603,380.75
Change in Accounting Principle - GASB Statement No. 101	(3,372,994.15)
Net Position, July 1, 2024, as restated	<u>\$ 43,230,386.60</u>

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WHITE 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
2025	0.167663%	\$ 42,141,441.00	\$ 65,601.00	\$ 42,207,042.00	\$ 26,171,995.83	161.02%	80.86%
2024	0.169889%	\$ 50,158,530.00	\$ 84,735.00	\$ 50,243,265.00	\$ 24,832,471.00	201.99%	76.29%
2023	0.174505%	\$ 56,665,147.00	\$ 100,014.00	\$ 56,765,161.00	\$ 23,647,992.00	239.62%	72.85%
2022	0.178475%	\$ 15,784,923.00	\$ 24,145.00	\$ 15,809,068.00	\$ 23,316,183.00	67.70%	92.03%
2021	0.179639%	\$ 43,515,597.00	\$ 80,908.00	\$ 43,596,505.00	\$ 23,245,131.00	187.20%	77.01%
2020	0.179479%	\$ 38,592,838.00	\$ 74,614.00	\$ 38,667,452.00	\$ 21,964,381.00	175.71%	78.56%
2019	0.180102%	\$ 33,430,789.00	\$ 65,710.00	\$ 33,496,499.00	\$ 21,492,936.00	155.54%	80.27%
2018	0.185757%	\$ 34,523,511.00	\$ 270,602.00	\$ 34,794,113.00	\$ 21,497,903.00	160.59%	79.33%
2017	0.185718%	\$ 38,315,694.00	\$ 578,290.00	\$ 38,893,984.00	\$ 20,681,026.00	185.27%	76.06%
2016	0.189972%	\$ 28,921,351.00	\$ 330,056.00	\$ 29,251,407.00	\$ 20,280,801.00	142.60%	81.44%

WHITE 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
2025	\$ 5,814,353.25	\$ 5,814,353.25	\$ -	\$ 28,023,266.88	20.75%
2024	\$ 5,221,030.04	\$ 5,221,030.04	\$ -	\$ 26,171,995.83	19.95%
2023	\$ 4,954,078.00	\$ 4,954,078.00	\$ -	\$ 24,832,471.00	19.95%
2022	\$ 4,677,005.00	\$ 4,677,005.00	\$ -	\$ 23,647,992.00	19.78%
2021	\$ 4,435,170.00	\$ 4,435,170.00	\$ -	\$ 23,316,183.00	19.02%
2020	\$ 4,904,913.00	\$ 4,904,913.00	\$ -	\$ 23,245,131.00	21.10%
2019	\$ 4,581,704.00	\$ 4,581,704.00	\$ -	\$ 21,964,381.00	20.86%
2018	\$ 3,605,872.00	\$ 3,605,872.00	\$ -	\$ 21,492,936.00	16.78%
2017	\$ 3,043,888.00	\$ 3,043,888.00	\$ -	\$ 21,497,903.00	14.16%
2016	\$ 2,912,032.00	\$ 2,912,032.00	\$ -	\$ 20,681,026.00	14.08%

WHITE COUNTY BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
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	School District's covered payroll	School District's proportionate share of the NPL as a percentage of covered payroll	Plan fiduciary net position as a percentage of total pension liability
2025	0.001055%	\$ 47,495.00	\$ 31,025.04	153.09%	78.75%
2024	0.001070%	\$ 63,832.00	\$ 29,359.00	217.42%	71.20%
2023	0.000894%	\$ 59,705.00	\$ 21,896.00	272.68%	67.44%
2022	0.000000%	\$ -	\$ -	N/A	87.62%
2021	0.000000%	\$ -	\$ -	N/A	76.21%
2020	0.000000%	\$ -	\$ -	N/A	76.74%
2019	0.000106%	\$ 4,358.00	\$ 2,710.00	160.81%	76.68%
2018	0.000000%	\$ -	\$ -	N/A	N/A
2017	0.000000%	\$ -	\$ -	N/A	N/A
2016	0.000983%	\$ 39,825.00	\$ 28,611.00	139.19%	76.20%

WHITE COUNTY BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
EMPLOYEES' RETIREMENT SYSTEM OF GEORGIA

SCHEDULE "4"

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
2025	\$ -	\$ -	\$ -	\$ -	N/A
2024	\$ 9,105.82	\$ 9,105.82	\$ -	\$ 31,025.04	29.35%
2023	\$ 9,104.00	\$ 9,104.00	\$ -	\$ 29,359.00	31.01%
2022	\$ 5,393.00	\$ 5,393.00	\$ -	\$ 21,896.00	24.63%
2021	\$ -	\$ -	\$ -	\$ -	N/A
2020	\$ -	\$ -	\$ -	\$ -	N/A
2019	\$ -	\$ -	\$ -	\$ -	N/A
2018	\$ 672.00	\$ 672.00	\$ -	\$ 2,710.00	24.80%
2017	\$ -	\$ -	\$ -	\$ -	N/A
2016	\$ -	\$ -	\$ -	\$ -	N/A

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

SCHEDULE "5"

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
2025	0.00%	\$ -	\$ 354,015.00	\$ 354,015.00	\$ 1,020,721.11	N/A	90.02%
2024	0.00%	\$ -	\$ 511,141.00	\$ 511,141.00	\$ 1,187,090.26	N/A	85.67%
2023	0.00%	\$ -	\$ 514,599.00	\$ 514,599.00	\$ 753,971.00	N/A	81.21%
2022	0.00%	\$ -	\$ 54,735.00	\$ 54,735.00	\$ 785,537.00	N/A	98.00%
2021	0.00%	\$ -	\$ 381,036.00	\$ 381,036.00	\$ 860,557.00	N/A	84.45%
2020	0.00%	\$ -	\$ 391,304.00	\$ 391,304.00	\$ 836,542.00	N/A	85.02%
2019	0.00%	\$ -	\$ 361,691.00	\$ 361,691.00	\$ 817,331.00	N/A	85.26%
2018	0.00%	\$ -	\$ 334,911.00	\$ 334,911.00	\$ 898,389.00	N/A	85.69%
2017	0.00%	\$ -	\$ 448,772.00	\$ 448,772.00	\$ 875,390.00	N/A	81.00%
2016	0.00%	\$ -	\$ 329,428.00	\$ 329,428.00	\$ 934,417.00	N/A	87.00%

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

SCHEDULE "6"

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
2025	0.248734%	\$ 28,346,568.00	\$ -	\$ 28,346,568.00	\$ 25,558,652.81	110.91%	6.88%
2024	0.246437%	\$ 26,993,261.00	\$ -	\$ 26,993,261.00	\$ 23,907,339.00	112.91%	6.05%
2023	0.245807%	\$ 24,342,714.00	\$ -	\$ 24,342,714.00	\$ 23,079,159.00	105.47%	6.17%
2022	0.243351%	\$ 26,356,926.00	\$ -	\$ 26,356,926.00	\$ 22,694,337.00	116.14%	6.14%
2021	0.247542%	\$ 36,358,155.00	\$ -	\$ 36,358,155.00	\$ 21,250,608.00	171.09%	3.99%
2020	0.246042%	\$ 30,194,633.00	\$ -	\$ 30,194,633.00	\$ 20,556,347.00	146.89%	4.63%
2019	0.244953%	\$ 31,132,774.00	\$ -	\$ 31,132,774.00	\$ 19,942,062.00	156.12%	2.93%
2018	0.248065%	\$ 34,853,032.00	\$ -	\$ 34,853,032.00	\$ 19,798,997.00	176.03%	1.61%

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

SCHEDULE "7"

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
2025	\$ 1,111,267.71	\$ 1,111,267.71	\$ -	\$ 27,465,864.59	4.05%
2024	\$ 1,017,269.00	\$ 1,017,269.00	\$ -	\$ 25,558,652.81	3.98%
2023	\$ 947,411.00	\$ 947,411.00	\$ -	\$ 23,907,339.00	3.96%
2022	\$ 888,775.00	\$ 888,775.00	\$ -	\$ 23,079,159.00	3.85%
2021	\$ 905,226.00	\$ 905,226.00	\$ -	\$ 22,694,337.00	3.99%
2020	\$ 837,129.00	\$ 837,129.00	\$ -	\$ 21,250,608.00	3.94%
2019	\$ 1,325,110.00	\$ 1,325,110.00	\$ -	\$ 20,556,347.00	6.45%
2018	\$ 1,269,569.00	\$ 1,269,569.00	\$ -	\$ 19,942,062.00	6.37%
2017	\$ 1,293,430.00	\$ 1,293,430.00	\$ -	\$ 19,798,997.00	6.53%

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%.

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, disability, withdrawal and salary increases. The expectation of retired life mortality was changed to the RP-2000 Combined Mortality Table projected to 2025 with projection scale BB (set forwarded 2 years for both males and females).

A new funding policy was initially adopted the Board on March 15, 2018, and most recently amended on June 18, 2020. Because of this new funding policy, the assumed investment rate of return was reduced from 7.50% to 7.40% for the June 30, 2017 actuarial valuation and further reduced from 7.40% to 7.30% for the June 30, 2018 actuarial valuation.

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

On April 21, 2022, the Board adopted a new funding policy which, in part, provides that the Actuarial Accrued Liability and Normal Cost of the System will include a prefunded variable Cost-of-Living Adjustment (COLA) for eligible retirees and beneficiaries of the System. Under the new policy, future COLAs are provided through a profit-sharing mechanism using the System's asset performance. After studying the parameters of this new policy, the assumption for future COLAs was set at 1.05%. Previously, no future COLAs were assumed. In addition, the funding policy set the assumed rate of return at 7.20% for the June 30, 2021 valuation and established a new Transitional Unfunded Actuarial Accrued Liability as of June 30, 2021 which will be amortized over a closed 20-year period.

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.

WHITE COUNTY BOARD OF EDUCATION
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2025

SCHEDULE "8"

School OPEB Fund

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

Changes in assumptions: June 30, 2023 valuation: Medicare health care trend rates were updated.

June 30, 2022 valuation: The tobacco use assumption and aging factors were revised.

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

June 30, 2019 valuation: Decremental assumptions were changed to reflect the Teachers Retirement System's 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 the Retirement Systems' experience studies.

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

The discount rate was updated from 3.07% as of June 30, 2016 to 3.58% as of June 30, 2017, to 3.87% as of June 30, 2018, back to 3.58% as of June 30, 2019, to 2.22% as of June 30, 2020, to 2.20% as of June 30, 2021, to 3.57% as of June 30, 2022, to 3.68% as of June 30, 2023, and to 3.98% as of June 30, 2024.

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WHITE COUNTY BOARD OF EDUCATION

SCHEDULE "9"

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2025

	NONAPPROPRIATED BUDGETS		ACTUAL	VARIANCE
	ORIGINAL	FINAL	AMOUNTS	OVER/UNDER
<u>REVENUES</u>				
Property Taxes	\$ 20,124,088.00	\$ 21,294,991.00	\$ 21,294,989.73	\$ (1.27)
Sales Taxes	725,000.00	426,472.00	426,471.56	(0.44)
State Funds	27,236,014.84	28,330,570.84	29,462,916.96	1,132,346.12
Federal Funds	7,309,077.08	7,336,977.08	6,895,568.37	(441,408.71)
Charges for Services	466,892.00	472,397.00	392,330.19	(80,066.81)
Investment Earnings	1,054,403.00	1,085,942.00	1,098,900.11	12,958.11
Miscellaneous	1,846,495.00	2,201,390.00	2,428,470.50	227,080.50
Total Revenues	58,761,969.92	61,148,739.92	61,999,647.42	850,907.50
<u>EXPENDITURES</u>				
Current				
Instruction	37,650,485.26	38,098,083.53	38,594,912.25	(496,828.72)
Support Services				
Pupil Services	3,298,831.74	3,093,088.99	3,198,918.38	(105,829.39)
Improvement of Instructional Services	1,601,620.03	1,641,548.84	1,500,542.92	141,005.92
Educational Media Services	850,050.19	861,385.00	877,021.70	(15,636.70)
General Administration	1,284,005.90	1,176,190.08	1,169,941.19	6,248.89
School Administration	3,821,495.67	3,806,771.00	3,815,278.00	(8,507.00)
Business Administration	467,217.81	401,491.00	405,158.44	(3,667.44)
Maintenance and Operation of Plant	3,982,060.04	4,372,247.00	4,443,727.88	(71,480.88)
Student Transportation Services	3,742,162.01	3,183,112.35	3,317,069.67	(133,957.32)
Central Support Services	379,569.62	533,491.00	537,227.89	(3,736.89)
Other Support Services	188,640.86	141,480.00	123,481.20	17,998.80
Enterprise Operation	553,862.00	553,862.00	481,231.62	72,630.38
Community Services				
Food Services Operation	4,174,842.04	4,215,908.00	3,960,469.24	255,438.76
Capital Outlay	262,677.00	262,677.00	262,677.00	-
Debt Services	-	-	3,634.00	(3,634.00)
Total Expenditures	62,257,520.17	62,341,335.79	62,691,291.38	(349,955.59)
Excess of Revenues over (under) Expenditures	(3,495,550.25)	(1,192,595.87)	(691,643.96)	500,951.91
<u>OTHER FINANCING SOURCES (USES)</u>				
Other Sources	432,320.00	465,095.00	-	(465,095.00)
Other Uses	(432,320.00)	(461,765.00)	(340.88)	461,424.12
Total Other Financing Sources (Uses)	-	3,330.00	(340.88)	(3,670.88)
Net Change in Fund Balances	(3,495,550.25)	(1,189,265.87)	(691,984.84)	497,281.03
Fund Balances - Beginning	19,019,003.47	19,019,003.47	18,864,229.30	(154,774.17)
Adjustments	49,247.53	12,422.79	-	(12,422.79)
Fund Balances - Ending	\$ 15,572,700.75	\$ 17,842,160.39	\$ 18,172,244.46	\$ 330,084.07

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

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.

WHITE COUNTY BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2025

SCHEDULE "10"

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	255GA324N1199	\$ 934,420.09
National School Lunch Program	10.555	255GA324N1199	2,346,461.33
Total Child Nutrition Cluster			<u>3,280,881.42</u>
Other Programs			
Pass-Through From Bright From the Start:			
Georgia Department of Early Care and Learning			
Child and Adult Care Food Program	10.558	04960-A/04960-B	257,893.79
Pass-Through From Georgia Department of Education			
Food Services			
Local Food for Schools Cooperative Agreement Program	10.185	AM23CPLFS000C018	13,594.50
State Administrative Expenses for Child Nutrition	10.560	255GA904N2533	4,013.98
Child Nutrition Discretionary Grants Limited Availability	10.579	258GA000L4303	90,130.05
Total Other Programs			<u>365,632.32</u>
Total U.S. Department of Agriculture			<u>3,646,513.74</u>
Education, U.S. Department of			
Education Stabilization Fund			
Pass-Through From Georgia Department of Education			
COVID-19 - American Rescue Plan Elementary and Secondary School			
Emergency Relief Fund	84.425U	S425U210012	<u>952,585.77</u>
Special Education Cluster			
Pass-Through From Georgia Department of Education			
Special Education			
Grants to States	84.027A	H027A230073	97,276.00
Grants to States	84.027A	H027A240073	896,028.47
Preschool Grants	84.173A	H173A230081	15,638.02
Total Special Education Cluster			<u>1,008,942.49</u>
Other Programs			
Pass-Through From Georgia Department of Education			
Career and Technical Education - Basic Grants to States	84.048A	V048A230010	1,595.00
Career and Technical Education - Basic Grants to States	84.048A	V048A240010	51,072.06
English Language Acquisition State Grants	84.365A	T365A240010	9,594.25
Student Support and Academic Enrichment Program	84.424A	S424A230011	4,713.00
Student Support and Academic Enrichment Program	84.424A	S424A240011	174,428.40
Student Support and Academic Enrichment Program	84.424F	S424F220011	100,000.00
Supporting Effective Instruction State Grants	84.367A	S367A230001	39,581.00
Supporting Effective Instruction State Grants	84.367A	S367A240001	38,593.01
Title I Grants to Local Educational Agencies	84.010A	S010A230010	60,099.00
Title I Grants to Local Educational Agencies	84.010A	S010A240010	857,878.18
Total Other Programs			<u>1,337,553.90</u>
Total U.S. Department of Education			<u>3,299,082.16</u>

WHITE COUNTY BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2025

SCHEDULE "10"

FUNDING AGENCY PROGRAM/GRANT	ASSISTANCE LISTING NUMBER	PASS- THROUGH ENTITY ID NUMBER	EXPENDITURES IN PERIOD
Other Programs			
Pass-Through From Georgia Department of Behavioral Health and Development Disabilities			
Block Grants for Prevention and Treatment of Substance Abuse	93.959	441000023000001000000	26,958.75
Defense, U.S. Department of			
Direct			
Department of the Army			
R.O.T.C. Program	12. UNKNOWN		78,357.25
Total Expenditures of Federal Awards			\$ 7,050,911.90

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 White County Board of Education (the "Board") under programs of the federal government for the year ended June 30, 2025. 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.

Note 4. Transfers Between Programs

Funds totaling \$98,772.00 were transferred from the Supporting Effective Instruction State Grant program (ALN 84.367A) and expended in the Student Support and Academic Enrichment program (ALN 84.424A) during Fiscal Year 2025.

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WHITE COUNTY BOARD OF EDUCATION
SCHEDULE OF STATE REVENUE
YEAR ENDED JUNE 30, 2025

SCHEDULE "11"

AGENCY/FUNDING	GOVERNMENTAL FUND TYPES		TOTAL
	GENERAL FUND	CAPITAL PROJECTS FUND	
GRANTS			
Bright From the Start:			
Georgia Department of Early Care and Learning			
Pre-Kindergarten Program	\$ 417,894.55	\$ -	\$ 417,894.55
Summer Transition Program	-	-	-
Education, Georgia Department of			
Quality Basic Education			
Direct Instructional Cost			
Kindergarten Program	1,453,289.00	-	1,453,289.00
Kindergarten Program - Early Intervention Program	190,851.00	-	190,851.00
Primary Grades (1-3) Program	2,737,672.00	-	2,737,672.00
Primary Grades - Early Intervention (1-3) Program	1,545,107.00	-	1,545,107.00
Upper Elementary Grades (4-5) Program	1,260,630.00	-	1,260,630.00
Upper Elementary Grades - Early Intervention (4-5) Program	876,227.00	-	876,227.00
Middle School (6-8) Program	3,087,430.00	-	3,087,430.00
High School General Education (9-12) Program	2,590,838.00	-	2,590,838.00
Vocational Laboratory (9-12) Program	1,089,504.00	-	1,089,504.00
Students with Disabilities	5,123,681.00	-	5,123,681.00
Gifted Student - Category VI	1,183,875.00	-	1,183,875.00
Remedial Education Program	439,655.00	-	439,655.00
Alternative Education Program	227,796.00	-	227,796.00
English Speakers of Other Languages (ESOL)	135,792.00	-	135,792.00
Media Center Program	525,538.00	-	525,538.00
20 Days Additional Instruction	164,580.00	-	164,580.00
Staff and Professional Development	91,005.00	-	91,005.00
Principal Staff and Professional Development	1,861.00	-	1,861.00
Indirect Cost			
Central Administration	723,380.00	-	723,380.00
School Administration	1,133,721.00	-	1,133,721.00
Facility Maintenance and Operations	881,844.00	-	881,844.00
Charter System Adjustment	447,824.00	-	447,824.00
Categorical Grants			
Pupil Transportation			
Regular	1,244,601.00	-	1,244,601.00
Nursing Services	90,464.00	-	90,464.00
Other State Programs			
Bus Purchases - State Allotment	352,440.00	-	352,440.00
Dyslexia Services Grant - State Funds	11,100.00	-	11,100.00
Food Services	97,517.00	-	97,517.00
Hygiene Products	3,213.54	-	3,213.54
Math and Science Supplements	9,354.06	-	9,354.06
Preschool Disability Services	142,435.93	-	142,435.93
School Security Grant	282,744.00	-	282,744.00
Teachers Retirement	9,403.97	-	9,403.97
Vocational Education	103,944.28	-	103,944.28
Vocational Supervisors	14,441.67	-	14,441.67
Why Georgia Works Alignment Grant	4,271.97	-	4,271.97
Georgia State Financing and Investment Commission			
Reimbursement on Construction Projects	-	1,009,039.60	1,009,039.60
Office of the State Treasurer			
Public School Employees Retirement	61,394.00	-	61,394.00
Community Health, Georgia Department of			
Other Post-Employment Benefits (OPEB)	649,346.99	-	649,346.99
CONTRACT			
Human Resources, Georgia Department of			
Family Connections	56,250.00	-	56,250.00
	<u>\$ 29,462,916.96</u>	<u>\$ 1,009,039.60</u>	<u>\$ 30,471,956.56</u>

WHITE COUNTY BOARD OF EDUCATION
SCHEDULE OF APPROVED LOCAL OPTION SALES TAX PROJECTS
YEAR ENDED JUNE 30, 2025

SCHEDULE "12"

PROJECT	ORIGINAL ESTIMATED COST (1)	CURRENT ESTIMATED COSTS (2)	ESTIMATED COMPLETION DATE
SPLOST 2015			
(ii) Adding to, constructing, renovating, repairing, improving and equipping existing school buildings and school system facilities, including athletic facilities;	\$ 9,259,200.00	\$ 13,500,000.00	July 2026
(iii) Acquiring computers and computer technology equipment and software, including tablets and laptops;	2,500,000.00	3,000,000.00	July 2026
(iv) Acquiring heating, air conditioning and energy efficiency equipment; and	1,850,800.00	46,050.00	Completed
(v) Acquiring textbooks and other instructional materials and electronic media, as well as school buses, transportation and maintenance equipment and band equipment	940,000.00	2,800,000.00	June 2026
Subtotal 2015 Projects	14,550,000.00	19,346,050.00	
SPLOST 2020			
(i) Acquiring, constructing and equipping a performing arts center, a transportation facility, and athletic field improvements at White County High School;	25,674,640.00	25,674,640.00	December 2027
(ii) Adding to, constructing, renovating, repairing, demolishing, improving and equipping existing school buildings and School District facilities, including athletic fields and facilities;	2,695,360.00	3,900,856.00	September 2027
(iii) Acquiring computers and computer technology equipment and software, including tablets and laptops;	2,020,000.00	2,020,000.00	September 2027
(iv) Acquiring heating, air conditioning and energy efficiency equipment;	250,000.00	250,000.00	September 2027
(v) Acquiring textbooks and other instructional materials and electronic media, as well as school buses, transportation and maintenance equipment and band equipment; and	1,360,000.00	1,478,444.00	September 2027
(vii) Paying the expense incident to accomplish the foregoing.	-	40,000.00	September 2027
Subtotal 2020 Projects	32,000,000.00	33,363,940.00	
Total	\$ 46,550,000.00	\$ 52,709,990.00	

WHITE COUNTY BOARD OF EDUCATION
SCHEDULE OF APPROVED LOCAL OPTION SALES TAX PROJECTS
YEAR ENDED JUNE 30, 2025

SCHEDULE "12"

PROJECT	AMOUNT EXPENDED IN CURRENT YEAR (3) (4) (5) (6)	AMOUNT EXPENDED IN PRIOR YEARS (3) (4) (5) (6)	TOTAL COMPLETION COST	EXCESS PROCEEDS NOT EXPENDED
SPLOST 2015				
(ii) Adding to, constructing, renovating, repairing, improving and equipping existing school buildings and school system facilities, including athletic facilities;	\$ 193,160.00	\$ 12,289,267.55	\$ -	\$ -
(iii) Acquiring computers and computer technology equipment and software, including tablets and laptops;	155,959.00	2,314,126.20	-	-
(iv) Acquiring heating, air conditioning and energy efficiency equipment; and	-	46,050.00	46,050.00	-
(v) Acquiring textbooks and other instructional materials and electronic media, as well as school buses, transportation and maintenance equipment and band equipment	644,106.33	2,139,367.69	-	-
Subtotal 2015 Projects	<u>993,225.33</u>	<u>16,788,811.44</u>	<u>46,050.00</u>	<u>-</u>
SPLOST 2020				
(i) Acquiring, constructing and equipping a performing arts center, a transportation facility, and athletic field improvements at White County High School;	175,856.10	25,240,894.46	-	-
(ii) Adding to, constructing, renovating, repairing, demolishing, improving and equipping existing school buildings and School District facilities, including athletic fields and facilities;	2,048,099.01	-	-	-
(iii) Acquiring computers and computer technology equipment and software, including tablets and laptops;	569,450.73	-	-	-
(iv) Acquiring heating, air conditioning and energy efficiency equipment;	-	-	-	-
(v) Acquiring textbooks and other instructional materials and electronic media, as well as school buses, transportation and maintenance equipment and band equipment; and	199,754.57	-	-	-
(vii) Paying the expense incident to accomplish the foregoing.	14,965.00	-	-	-
Subtotal 2020 Projects	<u>3,008,125.41</u>	<u>25,240,894.46</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 4,001,350.74</u>	<u>\$ 42,029,705.90</u>	<u>\$ 46,050.00</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 White 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.

(4) In addition to the expenditures shown above, the School District has incurred interest to provide advance funding as follows:

Prior Years	\$ 9,741,031.00
Current Year	<u>777,800.00</u>
Total	<u>\$ 10,518,831.00</u>

(5) In the 2015 Resolution, the School District obtained approval to issue a total of \$15,000,000.00 in general obligation debt.

In April of 2016, bonds were issued for the projects noted above in the amount of \$12,085,000.00.

(6) In the 2020 Resolution, the School District obtained approval to issue a total of \$20,000,000.00 in general obligation debt.

In December of 2021, bonds were issued for the projects noted above in the amount of \$20,000,000.00

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Section II

Compliance and Internal Control Reports

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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
Dr. Laurie Burkett, Superintendent and Members of the
White County Board of Education

We have audited the financial statements of the governmental activities, each major fund, and fiduciary activities of the White County Board of Education (School District) as of and for the year ended June 30, 2025, 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 11, 2026. 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.

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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,

A handwritten signature in black ink, appearing to read "Greg S. Griffin". The signature is fluid and cursive, with a horizontal line extending from the end.

Greg S. Griffin
State Auditor

March 11, 2026

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DOAA

Georgia Department
of Audits & Accounts

Greg S. Griffin
State Auditor

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
Dr. Laurie Burkett, Superintendent and Members of the
White County Board of Education

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the White County Board of Education's (School District) compliance with the types of compliance requirements identified as subject to audit in the *MAC 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, 2025. The School District's major federal programs are identified in the *Summary of Auditor's Results* section of the accompanying *Schedule of Findings and Questioned Costs*.

In our opinion, the School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

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.

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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

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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,

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Greg S. Griffin
State Auditor

March 11, 2026

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Section III

Auditee's Response to Prior Year Findings and Questioned Costs

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**WHITE COUNTY BOARD OF EDUCATION
AUDITEE'S RESPONSE
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2025**

PRIOR YEAR FINANCIAL STATEMENT FINDINGS

No matters were reported.

PRIOR YEAR FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No matters were reported.

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Section IV

Findings and Questioned Costs

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WHITE COUNTY BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2025

I SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued:
Governmental Activities, Each Major Fund, and
Fiduciary Activities 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>
84.010	Title I Grants to Local Educational Agencies
84.027, 84.173	Special Education Cluster

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000.00

Auditee qualified as low-risk auditee? Yes

II FINANCIAL STATEMENT FINDINGS

No matters were reported.

III FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No matters were reported.

APPENDIX B
FORM OF BOND COUNSEL OPINION

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_____, 2026

White County School District
c/o White County Board of Education
Cleveland, Georgia

Raymond James & Associates, Inc.
Atlanta, Georgia

RE: \$32,000,000 White County School District General Obligation School Bonds,
Series 2026

Ladies and Gentlemen:

We have acted as bond counsel to White County School District (the “District”) in connection with the issuance by the District of the \$32,000,000 aggregate principal amount General Obligation School Bonds, Series 2026 of the District (hereinafter referred to as the “Bonds” or the “Series 2026 Bonds”). In such capacity, we have examined a certified copy of the validation proceedings, judgment of validation entered August 27, 2026, Confirmation Validation Order entered October 1, 2026, a bond resolution adopted by the Board of Education of White County (the “Board”), the managing and controlling body of White County School District (the “District”), on July 20, 2026, and a Supplemental Bond Resolution adopted by the Board on _____, 2026 (collectively, the “Bond Resolution”), a Tax Levy Resolution adopted by the Board of Commissioners of White County, Georgia (the “Board of Commissioners”) on _____, 2026 (the “Tax Levy Resolution”), the law and other documents relating to the issuance of the Series 2026 Bonds.

The Series 2026 Bonds are payable from and secured by the ad valorem tax hereinafter described and the State Intercept Program (hereinafter defined).

Regarding questions of fact material to our opinion, we have relied on the certified proceedings and other certifications of public officials and others furnished to us without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion that, under existing law:

1. The Bonds are valid and binding general obligations of the District and are payable from an ad valorem tax to be levied on all taxable property subject to taxation for bond purposes located within the boundaries of the District. All the taxable property in said District is subject to the levy of an unlimited ad valorem tax for the purposes of paying the principal of and interest on the Bonds, and the Board of Commissioners is authorized and required by law to levy, and the Board of Commissioners has levied, on all taxable property in the District, including real property, such ad valorem taxes, without limitation as to rate or amount, as may be necessary to pay the Bonds and the interest thereon as the same may mature or become due, whether by maturity or otherwise. The proceeds of such ad valorem tax have been properly pledged to the payment of the principal of, premium, if any, and interest on the Bonds as the same become due.

2. The Board has irrevocably authorized and directed the State of Georgia Board of Education to withhold from the White County School System (the "System") sufficient moneys from any state appropriation to which the System may be entitled and to apply so much as shall be necessary to the payment of the principal of and interest on the Series 2026 Bonds (herein referred to as the "State Intercept Program").

3. As of the date hereof, interest on the Series 2026 Bonds (including any original issue discount properly allocable to a holder thereof) is (a) excluded from gross income for federal income tax purposes and (b) is not a specific item of tax preference for purposes of the federal alternative minimum tax; provided however that 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 alternative minimum tax imposed on corporations. The opinion set forth in the preceding sentence is subject to continuing compliance by the Board with the covenants regarding federal tax law in the Bond Resolution. Failure to comply with such covenants could cause interest on the Series 2026 Bonds to be included in the bondholders' gross income retroactive to the date of issuance of the Series 2026 Bonds. We express no opinion regarding other federal tax consequences arising with respect to the Series 2026 Bonds.

4. As of the date hereof, the interest on the Series 2026 Bonds is exempt from present State of Georgia income taxation.

It is to be understood that the rights of the owners of the Series 2026 Bonds and the enforceability of the Series 2026 Bonds may be 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.

The opinions set forth herein are limited to the laws of the State of Georgia and applicable federal laws. This opinion is given as of the date hereof and we assume no obligation to update, revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Your attention is called to the fact that for purposes hereof we have not been requested to examine, and have not examined, any documents or information relating to the District, other than the documents referred to above, and no opinion is expressed herein as to any financial or other information, or the adequacy thereof, which has been or may be supplied to any purchasers of the Series 2026 Bonds.

Very truly yours,

STEWART, MELVIN & FROST, LLP

By: _____

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APPENDIX C

FORM OF CONTINUING DISCLOSURE CERTIFICATE

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CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the “Disclosure Certificate”) is executed and delivered by the White County School District (the “District”) in connection with the issuance of \$32,000,000 in original aggregate principal amount of its General Obligation School Bonds, Series 2026 (the “Bonds”). The Bonds are being issued pursuant to a resolution of the Board of Education of White County (the “Board”), the managing and controlling body of the District, adopted on July 20, 2026, and a Supplemental Bond Resolution adopted by the Board on _____, 2026 (collectively, the “Bond Resolution”). The District covenants and agrees as follows:

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

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

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

“Dissemination Agent” shall mean any Dissemination Agent designated in writing by the District, or any successor Dissemination Agent designated in writing by the District, and that has filed with the District a written acceptance of such designation. Initially, the District hereby designates Raymond James & Associates, Inc., Atlanta, Georgia, as Dissemination Agent.

“EMMA” shall mean the Electronic Municipal Market Access system as described in 1934 Act Release No. 59062 and maintained by the MSRB for purposes of the Rule as further described in Section 13 hereof.

“Fiscal Year” shall mean any period of twelve consecutive months adopted by the District as its fiscal year for financial reporting purposes and shall initially mean the period beginning on July 1 of each calendar year and ending on June 30 of the next calendar year.

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

“MSRB” shall mean the Municipal Securities Rulemaking Board, or any successor thereto. Currently, the MSRB’s address is:

MSRB
1300 I Street, N.W.
Suite 1000
Washington, DC 20005
Attention: Disclosure

“National Repository” shall mean any Nationally Recognized Municipal Securities Information Repository for purposes of the Rule. **Currently, the sole National Repository is the MSRB, through the operation of EMMA, as provided in Section 13 hereof.**

“Participating Underwriters” shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

“Repository” shall mean each National Repository and each State Repository.

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“State Repository” shall mean any public or private repository or entity designated by the State of Georgia as a state repository for the purpose of the Rule. As of the date of this Disclosure Certificate, there is no State Repository.

Section 3. Provision of Annual Reports.

(a) The District shall, or shall cause the Dissemination Agent to, not later than one (1) year after the end of each Fiscal Year (the “Annual Filing Date”), commencing with Fiscal Year ended June 30, 2026, provide to each Repository an Annual Report that is consistent with the requirements of Section 4 of this Disclosure Certificate. Not later than fifteen (15) business days prior to such date, the District shall provide the Annual Report to the Dissemination Agent (if other than the District). 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; provided that the audited financial statements of the District may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. In such event, the audited financial statements will be submitted promptly upon their availability. In the event that the audited financial statements are not included with the Annual Report and will be submitted at a later date, the School District shall include unaudited financial information in the Annual Report and shall indicate in the Annual Report the date on which the audited financial statements will be submitted. The audited financial statements when available will be provided to the MSRB through EMMA in an electronic format.

(b) If the District is unable to provide to the Repositories an Annual Report by the date required in subsection (a), the District shall send a notice to each Repository in substantially the form attached as **Exhibit A** hereto. If the Dissemination Agent has not received an Annual Report by 6:00 p.m. Eastern time on Annual Filing Date (or, if such Annual Filing Date falls on a Saturday, Sunday or holiday, then the first business day thereafter) for the Annual Report, a Failure to File Event shall have occurred and the Issuer irrevocably directs the Dissemination Agent to immediately send a notice to the MSRB in substantially the form attached as **Exhibit A**.

(c) The Dissemination Agent shall:

(i) determine each year prior to the date for providing the Annual Report the name and address of each National Repository (currently just the MSRB) and each State Repository, if any; and

(ii) if the Dissemination Agent is other than the District, notify the District that the Annual Report has been provided pursuant to this Disclosure Certificate, stating the date it was provided and listing all the Repositories (currently just the MSRB) and each State Repository, to which it was provided.

(d) The District shall promptly file a notice of any change in its Fiscal Year with each Repository.

(e) If the audit report specified in clause (1) of Section 4 hereof is not submitted as part of the Annual Report to each Repository pursuant to Section 3(a) hereof, the District shall, or shall cause the Dissemination Agent to, provide to each Repository such audit report, together with the audited general purpose financial statements to which such audit report relates, when they are available to the District.

Section 4. Content of Annual Reports. The District's Annual Report shall contain or incorporate by reference the following:

(1) the District's general purpose financial statements for the preceding Fiscal Year, which shall be prepared in accordance with generally accepted accounting principles, as applied to government units, as in effect from time to time, and which shall be accompanied by an independent auditor's report, if available at the time of submission of the Annual Report to each Repository pursuant to Section 3(a) hereof, resulting from an audit conducted by an independent certified public accountant or firm of independent certified public accountants in conformity with generally accepted auditing standards;

(2) if generally accepted accounting principles have changed since the last Annual Report was submitted pursuant to Section 3(a) hereof and if such changes are material to the District, a narrative explanation describing the impact of such changes on the District; and

(3) tabular information for the preceding Fiscal Year regarding the following categories of financial information and operating data of the District: (A) the schools comprising the District's school system, (B) the enrollment in the District's school system, (C) the employees of the District, (D) sales tax collections of the District, (E) the legal debt margin of the District, (F) the property tax digest of the District, (G) the millage rates of the District, (H) the property tax levies and collections of the District, (I) the ten largest taxpayers of the District, (J) the most recent General Fund budget of the District, and (K) the insurance coverage of the District.

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the District or related public entities, which have been submitted to each of the Repositories or the Securities and Exchange Commission. If the document incorporated by reference is a final official statement, it must be

available from the MSRB. The District shall clearly identify each such other document so incorporated by reference.

Section 5. Reporting of Significant Events.

(a) This Section 5 shall govern the giving of notices of the occurrence of any of the following events (“Listed Events”) with respect 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;
- (11) Rating changes;
- (12) Bankruptcy, insolvency, receivership or similar event of the District;
- (13) The consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of the assets of the District, 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; and
- (14) Appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (15) Incurrence of a Financial Obligation of the District, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the District, 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 of the District, any of which reflect financial difficulties.

(b) If the District obtains knowledge of the occurrence of a Listed Event, the District shall file, in a timely manner not in excess of ten business days after the occurrence of the event, a notice of such occurrence with each Repository. Notwithstanding the foregoing, notice of Listed Events described in subsections (a)(8) (other than tender offers) 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. For the purpose of the event identified in subsection (a)(12), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the District 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 District, or if such jurisdiction has been assumed by leaving the existing governing body and officials 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 asset or business of the District.

(c) For the purposes of the events described in subsection (a)(15) and (a)(16), the term “Financial Obligation” shall 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” does not include municipal securities as to which a final official statement has been otherwise provided to the MSRB under the Rule.

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

Section 6. Termination of Reporting Obligation. The District’s obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption, or payment in full of all of the Bonds.

Section 7. Dissemination Agent. The District may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The initial Dissemination Agent shall be Raymond James & Associates, Inc.

Section 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the District may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, if:

(a) such amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the obligor on the Bonds, or type of business conducted by such obligor;

(b) such amendment or waiver does not materially impair the interests of the Bondholders, as determined either by an unqualified opinion of nationally recognized bond counsel filed with the District or by the approving vote of the Bondholders owning more than two-thirds in aggregate principal amount of the Bonds outstanding at the time of such amendment or waiver; and

(c) such amendment or waiver is supported by an opinion of counsel expert in federal securities laws, to the effect that such amendment or waiver would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule, as well as any change in circumstances.

If any provision of Section 4 hereof is amended or waived, the first Annual Report containing any amended, or omitting any waived, operating data or financial information shall explain, in narrative form, the reasons for the amendment or waiver and the impact of the change in the type of operating data or financial information being provided.

If the provisions of Section 4 hereof specifying the accounting principles to be followed in preparing the District's financial statements are amended or waived, the Annual Report for the year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information, in order to provide information to the Bondholders to enable them to evaluate the ability of the District to meet its obligations. To the extent reasonably feasible, the comparison shall also be quantitative. The District shall file a notice of the change in the accounting principles with each Repository on or before the effective date of any such amendment or waiver.

Section 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the 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 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 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 10. Default. In the event of a failure of the District to comply with any provision of this Disclosure Certificate, any Bondholder may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the District to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an "event of default" or "default" under the Bond Resolution, and the sole remedy under this Disclosure Certificate in the event of any failure of the District to comply with this Disclosure Certificate shall be an action to compel performance.

Section 11. Duties, Immunities, and Liabilities of Dissemination Agent.

(a) 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 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 Annual Report of the District, any audited financial statements of the District, any Listed Events or any other information, disclosures or notices provided to it by the District and shall not be deemed to be acting in any fiduciary capacity for the District, the holders of the Bonds or any other party. The Dissemination Agent shall have no responsibility for the 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 District has complied with this Disclosure Certificate. The Dissemination Agent may conclusively rely upon certifications of the District at all times.

(b) The 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. The obligations of the District under this subsection shall survive resignation or removal of the Dissemination Agent and defeasance, redemption or payment of the Bonds.

(c) 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 District.

Section 12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the District, the Dissemination Agent, the Participating Underwriters, and the Bondholders, and shall create no rights in any other person or entity.

Section 13. Filing with MSRB. Notwithstanding anything in this Disclosure Certificate to the contrary, any filing required to be made with a National Repository pursuant to this Disclosure Certificate may be made solely by transmitting such filing to the continuing disclosure service portal provided through the MSRB's EMMA as provided at <http://www.emma.msrb.org>, or any similar system that is acceptable to the United States Securities and Exchange Commission.

Date: _____, 2026

WHITE COUNTY SCHOOL DISTRICT

By: _____
Chairman, Board of Education
of White County

Attest: _____
Secretary, Board of Education
of White County

(SEAL)

[signature page – Continuing Disclosure Certificate]

EXHIBIT A

NOTICE TO REPOSITORIES OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: WHITE COUNTY SCHOOL DISTRICT

Name of Bond Issue: \$32,000,000 WHITE COUNTY SCHOOL DISTRICT (GEORGIA)
GENERAL OBLIGATION SCHOOL BONDS, SERIES 2026

Date of Issuance: _____, 2026

CUSIP Numbers:¹ _____

NOTICE IS HEREBY GIVEN that White County School District has not provided an Annual Report with respect to the above-named Bonds as required by the resolution adopted by the Board of Education of White County (the "Board") on July 20, 2026, and a Supplemental Bond Resolution adopted by the Board on _____, 2026. The Board anticipates that the Annual Report will be filed by _____.

Dated: _____

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

EXHIBIT B

NOTICE OF THE OCCURRENCE OF [INSERT THE LISTED EVENT]

**Relating to
\$32,000,000 WHITE COUNTY SCHOOL DISTRICT
(GEORGIA) GENERAL OBLIGATION SCHOOL BONDS,
SERIES 2026**

CUSIP Numbers:¹ _____

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].

Dated: _____

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