PRELIMINARY OFFICIAL STATEMENT DATED AUGUST 3, 2026.

NEW ISSUE
BOOK-ENTRY ONLY

RATINGS:
Moody's Ratings:
Aa1 (State Aid Intercept Program Enhanced)
A1 (Underlying)
S&P Ratings:
AA+ (State Aid Intercept Program Enhanced)
A+ (Underlying)
(See "MISCELLANEOUS – Ratings")

*In the opinion of Butler Snow LLP, Bond Counsel, under existing laws, regulations, published rulings, and judicial decisions and, assuming the accuracy of certain representations and continuous compliance with certain covenants described herein, interest on the Bonds (defined below) (1) is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended to the date of delivery of the Bonds (the "**Code**"), and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest on the Bonds may be taken into account for the purpose of computing the alternative minimum tax imposed on certain corporations and (2) is exempt from present State of Georgia (the "**State**") income taxation. See "TAX MATTERS" herein for a description of certain other tax consequences to holders of the Bonds.*

$96,500,000*
MONROE COUNTY SCHOOL DISTRICT (GEORGIA)
GENERAL OBLIGATION BONDS, SERIES 2026

Dated: Date of Delivery **Due: August 1, as shown on inside front cover**

The Monroe County School District (Georgia) General Obligation Bonds, Series 2026 (the "**Bonds**"), are being issued in fully registered form and in denominations of $5,000, or any integral multiple thereof, by the Monroe County School District (the "**School District**"), a political subdivision of the State of Georgia (the "**State**"), for the purpose of paying all or a portion of the costs of acquiring, constructing, renovating, adding to, improving, extending, repairing, furnishing, upgrading, or equipping school buildings, administrative offices, athletic or vocational facilities, or other support facilities of the Monroe County School District, which are useful or desirable in connection therewith, or any combination thereof, including acquiring real or personal property, or both, specifically including, but not limited to the following: (i) acquiring, constructing, furnishing, and equipping a replacement facility for Mary Persons High School; (ii) acquiring miscellaneous new equipment, fixtures, and furnishings for the school system, including technology equipment, software, and safety and security equipment; (iii) adding to, renovating, repairing, improving, and equipping existing school buildings and school system facilities, to include, but not limited to renovating the existing high school into a 7th and 8th grade academy; (iv) acquiring band instruments and equipment, text books and library books for the school system, including electronic media; (v) acquiring school buses, vehicles, and transportation and maintenance equipment; (vi) constructing and equipping new school facilities, including but not limited to stadium improvements, eight lane track and cross-country track, as well as instructional, fine arts and athletic facilities; (vii) planning for new School District site acquisition, site development, or construction, or any combination thereof; (viii) demolishing existing school facilities within the School District (the "**Projects**"); (ix) reimbursement to the School District for any financing and capital expenditures; (x) paying capitalized interest on, or costs of issuing, the Bonds, or both; (xi) paying expenses incident to accomplishing the foregoing; or (xii) any combination of the foregoing purposes. See "PLAN OF FINANCING" herein.

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

Interest on the Bonds is payable semiannually on February 1 and August 1 of each year (each such date, an "**Interest Payment Date**"), commencing on February 1, 2027, to the owners thereof as shown on the registration books maintained by the Paying Agent as Bond Registrar. The Bonds bear interest from the Interest Payment Date next preceding their date of authentication, except as provided herein. See "THE BONDS – Description."

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

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

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

The Bonds are offered when, as, and if issued by the School District and accepted by Raymond James & Associates, Inc. (the "**Underwriter**"), subject to prior sale, to the withdrawal or modification of the offer without notice, and subject to the approving opinion of Butler Snow LLP, Macon, Georgia, Bond Counsel. Butler Snow LLP. is also acting as Disclosure Counsel to the School District. Vaughn Sundeen, P.C. is acting as Local Counsel to the School District. The Bonds are expected to be delivered through the facilities of DTC on or about August 26, 2026.

RAYMOND JAMES®

Dated: __________.

* Preliminary; subject to change.

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, YIELDS, AND CUSIPs*

Maturity August 1	Principal Amount*	Interest Rate	Yield	CUSIP[1]
2027	--			
2028	--			
2029	$955,000			
2030	1,000,000			
2031	1,050,000			
2032	1,100,000			
2033	1,155,000			
2034	1,215,000			
2035	1,280,000			
2036	1,335,000			
2037	1,400,000			
2038	1,470,000			
2039	3,225,000			
2040	3,385,000			
2041	3,555,000			
2042	3,735,000			
2043	3,920,000			
2044	4,115,000			
2045	4,335,000			
2046	4,560,000			
2047	4,800,000			
2048	5,050,000			
2049	5,315,000			
2050	5,595,000			
2051	5,905,000			
2052	6,230,000			
2053	6,570,000			
2054	6,930,000			
2055	7,315,000			

MONROE COUNTY SCHOOL DISTRICT

ELECTED OFFICIALS

BOARD OF EDUCATION

Greg Head, Chair
Eva Bilderback, Vice-Chair
Sherrye Battle
Priscilla Doster
Jeremy Goodwin
Robert Jenkins
Julie Hoots

ADMINISTRATIVE OFFICIALS

Superintendent

Dr. Jim Finch

Assistant Superintendent

Lance Rackley

Director of Financial Services

Chris Johnson

UNDERWRITER

Raymond James & Associates, Inc.
Atlanta, Georgia

BOND & DISCLOSURE COUNSEL

Butler Snow LLP
Macon, Georgia

LOCAL COUNSEL

Vaughn Sundeen, P.C.
Forsyth, Georgia

AUDITORS

Georgia Department of Audits and Accounts
Atlanta, Georgia

IMPORTANT INFORMATION

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

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

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

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

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

The Preliminary Official Statement has been "deemed final" by the School District within the meaning of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Act of 1934, as amended.

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

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TABLE OF CONTENTS

OFFICIAL STATEMENT

of the

MONROE COUNTY SCHOOL DISTRICT

relating to its

$96,500,000*

GENERAL OBLIGATION BONDS, SERIES 2026

INTRODUCTION

The purpose of this Official Statement, which includes the cover page and the Appendices, is to furnish certain information in connection with the sale by the Monroe County School District of $96,500,000* in aggregate principal amount of its General Obligation Bonds, Series 2026 (the "**Bonds**").

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

The School District

The Monroe County School District (the "**School District**"), the issuer of the Bonds, is a political subdivision of the State of Georgia (the "**State**"). The School District is co-extensive with the territorial limits of Monroe County, Georgia (the "**County**"). See "THE SCHOOL DISTRICT" and "COUNTY ECONOMIC AND DEMOGRAPHIC INFORMATION" herein.

Security and Sources of Payment for the Bonds

The Bonds are general obligations of the School District. The principal of and interest on the Bonds are payable first from the proceeds of the one percent sales and use tax for educational purposes approved by the voters of the School District on November 4, 2025 (the "**Sales Tax for Education**"), to the extent available. To the extent that proceeds of the Sales Tax for Education are insufficient, the Bonds are payable from ad valorem taxes that may be levied, without limitation as to rate or amount, upon all taxable property within the School District subject to taxation for school bond purposes. The Bonds are also eligible for the State of Georgia's school district bond intercept program (the "**Intercept Program"**), pursuant to which the State Board of Education (the "**State Board**") has been authorized under certain circumstances to withhold state appropriations otherwise payable to the School District and transfer such funds to the Paying Agent for application to the payment of debt service on the Bonds. For more complete and detailed information, see "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS" and "SCHOOL DISTRICT AD VALOREM TAXATION" herein.

Purpose of the Bonds

The Bonds are being issued for the purpose of paying all or a portion of the costs of acquiring, constructing, renovating, adding to, improving, extending, repairing, furnishing, upgrading, or equipping school buildings,

* Preliminary, subject to change.

administrative offices, athletic or vocational facilities, or other support facilities of the Monroe County School District, which are useful or desirable in connection therewith, or any combination thereof, including acquiring real or personal property, or both, specifically including, but not limited to the following: (i) acquiring, constructing, furnishing, and equipping a replacement facility for Mary Persons High School; (ii) acquiring miscellaneous new equipment, fixtures, and furnishings for the school system, including technology equipment, software, and safety and security equipment; (iii) adding to, renovating, repairing, improving, and equipping existing school buildings and school system facilities, to include, but not limited to renovating the existing high school into a 7^{th} and 8^{th} grade academy; (iv) acquiring band instruments and equipment, text books and library books for the school system, including electronic media; (v) acquiring school buses, vehicles, and transportation and maintenance equipment; (vi) constructing and equipping new school facilities, including but not limited to stadium improvements, eight lane track and cross-country track, as well as instructional, fine arts and athletic facilities; (vii) planning for new School District site acquisition, site development, or construction, or any combination thereof; (viii) demolishing existing school facilities within the School District (the "**Projects**"); (ix) reimbursement to the School District for any financing and capital expenditures; (x) paying capitalized interest on, or costs of issuing, the Bonds, or both; (xi) paying expenses incident to accomplishing the foregoing; or (xii) any combination of the foregoing purposes. See "PLAN OF FINANCING – The Projects."

Description of the Bonds*

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

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

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

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

Tax Exemption

In the opinion of Butler Snow LLP, (the "**Bond Counsel**"), under existing laws, regulations, published rulings, and judicial decisions and, assuming the accuracy of certain representations and continuous compliance with certain covenants described herein, interest on the Bonds (1) is excludable from gross income for federal income tax purposes under Section 103 of the Code, and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest on the Bonds may be taken into account for the purpose of computing the alternative minimum tax imposed on certain corporations and (2) is exempt from present State income taxation. See "TAX MATTERS" for information concerning assumptions as to compliance with the Code, upon which the foregoing opinions are based.

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

Bond Registrar and Paying Agent

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

Professionals Involved in the Offering

Certain legal matters pertaining to the School District and its authorization and issuance of the Bonds are subject to the approving opinion of Butler Snow LLP, Macon, Georgia, Bond Counsel. Copies of such opinion will be available at the time of delivery of the Bonds, and a copy of the proposed form of such opinion is attached hereto as APPENDIX C. Butler Snow LLP is also serving as Disclosure Counsel to the School District in connection with this Official Statement. Vaughn Sundeen, P.C. is serving as Local Counsel to the School District. The fees of Butler Snow LLP will be paid only at closing from the proceeds of the Bonds. The general-purpose financial statements of the School District as of June 30, 2025, and for the year then ended, attached hereto as APPENDIX A, have been audited by the Georgia Department of Audits and Accounts, Atlanta, Georgia, to the extent and for the period indicated in its report thereon which appears in APPENDIX A attached hereto. See "MISCELLANEOUS – Independent Auditors." Raymond James & Associates, Inc. (the "**Underwriter**") is acting as the underwriter of the Bonds.

Authority for Issuance

The Bonds are being issued in accordance with the Constitution and laws of the State of Georgia, an election held in the School District on November 4, 2025 (the "**Election**"), and a resolution (the "**Bond Resolution**") of the Monroe County Board of Education (the "**Board of Education**") authorizing the issuance of the Bonds. See "THE BONDS – Authority for Issuance."

Offering and Delivery of the Bonds

The Bonds are offered when, as, and if issued by the School District and accepted by the Underwriter, subject to prior sale and to withdrawal or modification of the offer without notice. The Bonds in definitive form are expected to be delivered through the facilities of DTC on or about August 26, 2026.

Continuing Disclosure

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

The School District previously entered into continuing disclosure undertakings in connection with its General Obligation Bonds, Series 2023, and the Monroe County Public Facilities Authority (Monroe County School District Projects) Revenue Bonds, Series 2024.

The School District did not file its audited financial statements for fiscal years 2023, 2024, and 2025 by the applicable filing deadlines because the audits were not available by such deadlines. For each of those fiscal years, the School District timely filed its annual financial information, including unaudited financial information, through EMMA. For fiscal years 2023 and 2024, the School District also timely filed notices of failure to file audited financial statements. No such notice was filed for fiscal year 2025. The audited financial statements were subsequently filed following completion of the audits. The School District also filed notices of rating changes affecting its outstanding obligations.

The School District has reviewed its continuing disclosure procedures and implemented measures intended to promote timely compliance with its continuing disclosure obligations in the future.

Other Information

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

This Official Statement and the Appendices attached hereto contain brief descriptions of, among other matters, the School District, the Bonds, and the security and sources of payment for the Bonds. Such descriptions and information do not purport to be comprehensive or definitive. The summaries of various constitutional provisions, statutes, the Bond Resolution, the Disclosure Certificate, and other documents are intended as summaries only and are qualified in their entirety by reference to such documents and laws, and references herein to the Bonds are qualified in their entirety to the form thereof included in the Bond Resolution. Copies of the Bond Resolution, the Disclosure Certificate, and other documents and information are available, upon request and upon payment to the School District of a charge for copying, mailing, and handling, from the Monroe County School District, 25 Brooklyn Avenue, Forsyth, Georgia 31029, telephone (478) 994-2031. During the period of the offering of the Bonds, copies of such documents are available, upon request and upon payment to the Underwriter of a charge for copying, mailing, and handling, from Raymond James & Associates, Inc., 3050 Peachtree Road, N.W. - Suite 702, Atlanta, Georgia 30305; telephone: (404) 240-6840.

Forward-Looking Statements

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

PLAN OF FINANCING

Estimated Sources and Applications of Funds*

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

Sources of Funds:

Par Amount of Bonds	$96,500,000*
[Plus/Minus]: [Net] Original Issue [Premium/Discount]	________
Total Sources of Funds	$_________

Application of Funds:

Deposit to Construction Fund	_________
Capitalized Interest	_________
Costs of Issuance[1]	$_________
Total Application of Funds	$_________

[1] Includes the Underwriter's discount, legal fees, rating agency fees, printing and mailing costs for the Bonds and the Official Statement, bond validation expenses, and other costs of issuance.

Capitalized Interest*

A portion of the proceeds of the Bonds will be deposited into the Capitalized Interest Fund created in the Bond Resolution (the "**Capitalized Interest Fund**"). The moneys on deposit in the Capitalized Interest Fund will be used to pay interest on the Bonds on the initial interest payment date. Prior to the expenditure of the proceeds deposited in the Capitalized Interest Fund, such moneys may be invested, all as more fully set forth herein under "THE BONDS – Disbursement and Investment of Bond Proceeds and Other Moneys."

The Projects

The Election authorized the School District to use proceeds of the Bonds to finance the Projects.

The primary project expected to be financed with proceeds of the Bonds is the construction of a replacement facility for Mary Persons High School (the "**Mary Persons High School Project**"). As described above under "Estimated Sources and Applications of Funds," a portion of the proceeds of the Bonds will be deposited into the Construction Fund and applied to the costs of the Mary Persons High School Project and related costs of issuance. Pending expenditure, amounts on deposit in the Construction Fund may be invested as described herein under "THE BONDS – Disbursement and Investment of Bond Proceeds and Other Moneys."

The School District has retained SP Design Group as architect for the Mary Persons High School Project. In addition to Bond proceeds, the School District expects to utilize available state capital outlay funds and other legally available School District funds to finance the Mary Persons High School Project.

The School District currently estimates the total cost of the Mary Persons High School Project to be approximately $96 million, which is expected to be funded from Bond proceeds, state capital outlay funds, and other legally available School District funds.

The School District expects construction of the Mary Persons High School Project to commence in the fall of 2026 and to be substantially completed in the spring of 2028. The School District is currently in the process of finalizing project costs, construction schedules, and related contractual arrangements.

The School District estimates that substantially all of the proceeds of the Bonds will be expended, directly or indirectly, for the acquisition, construction, development, renovation, or improvement of real property and related capital facilities.

Change of Use of Bond Proceeds

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

THE BONDS

Description

The Bonds will be dated the date of their initial issuance and delivery and will mature in the principal amounts on the dates, and will bear interest at the rates per annum, set forth on the cover page of this Official Statement (computed on the basis of a 360-day year of twelve 30-day months). Interest on the Bonds is payable semiannually on February 1 and August 1, commencing February 1, 2027, to the registered owner of record as of the January 15 or July 15 immediately preceding the applicable interest payment date.

Redemption*

The Bonds are subject to redemption prior to maturity*.

*Optional Redemption of the Bonds**. The Bonds maturing on or prior to August 1, 20___, are not subject to optional redemption prior to maturity. The Bonds maturing on or after August 1, 20__, are subject to redemption prior to their stated respective maturities, at the option of the School District, in whole or in part on any date, in either case on or after August 1, 20___, at a redemption price of 100 percent of the principal amount of the Bonds being redeemed plus accrued interest to the redemption date.

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

August 1,	Principal Amount
20__	$________
20__*	________

*Final Maturity.

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

Defeasance

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

Registration Provisions; Transfer; Exchange

The Bonds will be issued only as fully registered bonds without coupons in denominations of $5,000 or any integral multiple thereof. Purchases of beneficial ownership interests in the Bonds will be made in book-entry form and purchasers will not receive certificates representing interests in the Bonds so purchased. See APPENDIX B "Book-Entry Only System of Registration." The School District, the Bond Registrar and the Paying Agent may deem and treat the registered owner as the absolute owner of such Bond for purposes of receiving payment of or on account of principal, premium (if any) and the interest payable thereon, and for all other purposes; the School District, the Bond Registrar and the Paying Agent will not be affected by any notice to the contrary.

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

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

Authority for Issuance

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

The Bonds are authorized to be issued pursuant to the Election, called in accordance with a referendum resolution adopted by the Board of Education on July 8, 2025, and are being issued pursuant to (i) the Constitution and laws of the State of Georgia, including Ga. Code Ann. §§ 20-2-480 and 36-82-1 et seq., and (ii) the Bond Resolution. The canvass of the Election showed 3,660 "Yes" votes and 1,428 "No" votes, with approximately 71.93% of the votes cast were in favor of the issuance of the Bonds. The resolution calling the Election and the notice of the Election stipulated an interest rate for the Bonds not exceeding 6.0% per annum.

Disbursement and Investment of Bond Proceeds and Other Moneys

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

(1) the local government investment pool created in Ga. Code Ann. 36-83-1 et seq.;

(2) bonds or obligations of the School District, the State or other states or of other counties, municipal corporations, and political subdivisions of the State;

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

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

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

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

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

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

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

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

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

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

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

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

(1) obligations of the United States and of its agencies and instrumentalities,

(2) bonds or certificates of indebtedness of the State of Georgia and of its agencies and instrumentalities, and

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

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

(1) obligations of the State of Georgia or other states,

(2) obligations issued by the United States government,

(3) obligations fully insured or guaranteed by the United States government or United States government agency,

(4) obligations of any corporation of the United States government,

(5) prime banker's acceptances,

(6) the local government investment pool established by Ga. Code Ann. § 36-83-8,

(7) repurchase agreements, and

(8) obligations of other political subdivisions of the State of Georgia.

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

The School District deposits its funds with financial institutions in accordance with State law. The School District may, in its discretion and subject to applicable law, deposit its funds with one or more financial institutions.

Principal and Interest Requirements*

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

Calendar Year	Principal Amount*	Interest	Annual Total Principal and Interest
2027	--		
2028	--		
2029	$955,000		
2030	1,000,000		
2031	1,050,000		
2032	1,100,000		
2033	1,155,000		
2034	1,215,000		
2035	1,280,000		
2036	1,335,000		
2037	1,400,000		
2038	1,470,000		
2039	3,225,000		
2040	3,385,000		
2041	3,555,000		
2042	3,735,000		
2043	3,920,000		
2044	4,115,000		
2045	4,335,000		
2046	4,560,000		
2047	4,800,000		
2048	5,050,000		
2049	5,315,000		
2050	5,595,000		
2051	5,905,000		
2052	6,230,000		
2053	6,570,000		
2054	6,930,000		
2055	7,315,000		

Enforcement of Remedies

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

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

Limitations on Remedies Available to Owners of the Bonds

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

Bankruptcy; Federal Lien Power and Police Power. The enforceability of the rights and remedies of the owners of the Bonds and the obligations incurred by the School District in issuing the Bonds are subject to the Federal Bankruptcy Code and applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or affecting the enforcement of creditors' rights generally, now or hereafter in effect; usual equity principles which may limit the specific enforcement under State law of certain remedies; the exercise by the United States of America of the powers delegated to it by the federal Constitution; the power of the federal government to impose liens in certain situations; and the reasonable and necessary exercise, in certain exceptional situations, of the police power inherent in the sovereignty of the State and its governmental bodies in the interest of serving a significant and legitimate public purpose. Bankruptcy proceedings or the exercise of powers by the federal or State government, if initiated, could subject the owners of the Bonds to judicial discretion and interpretation of their rights in bankruptcy or otherwise, and consequently may entail risks of delay, limitation, or modification of their rights.

No Trustee. There is no bond trustee or similar person or entity to monitor or enforce the provisions of the Bond Resolution on behalf of the owners of the Bonds, and therefore the owners of the Bonds may be required to enforce such provisions directly if the need should arise.

Book-Entry Only System of Registration

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

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

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

SECURITY AND SOURCES OF PAYMENT FOR THE BONDS

Generally

The Bonds are direct and general obligations of the School District. The full faith and credit of the School District is irrevocably pledged to the payment of the principal of and interest on the Bonds. The School District is obligated to levy ad valorem taxes, without limitation as to rate or amount, upon all taxable property within its territorial limits subject to taxation for school bond purposes, in an amount sufficient to pay the principal of and interest on the Bonds as the same become due.

The Bonds are not secured by a debt service reserve fund.

The School District has covenanted in the Bond Resolution that, during each Bond Year (as defined therein), proceeds of the Sales Tax for Education (the "**2028–2033 School Tax**"), deposited in the Sales Tax Fund shall be applied to the payment of principal of and interest on the Bonds as the same become due. The School District has further covenanted that no such proceeds received in any Bond Year may be used for other authorized purposes until all debt service requirements for such Bond Year have been satisfied, and such proceeds received in each Bond Year are irrevocably pledged to the payment of principal of and interest on the Bonds as provided in the Bond Resolution.

The School District has authorized participation in the Intercept Program pursuant to Ga. Code Ann. §§ 20-2-170 and 20-2-480. Under such program, upon notice from the Paying Agent that the School District has failed to make a timely payment of principal of or interest on the Bonds, the State Board of Education is required to withhold from State appropriations otherwise payable to the School District amounts sufficient to pay such principal and interest and to transfer such amounts to the Paying Agent for the benefit of the owners of the Bonds. The enhanced rating assigned to the Bonds reflects participation in the Intercept Program. The Bonds do not constitute a debt of the State, and the State is not obligated to levy any tax or make any appropriation for the payment of the Bonds.

The obligation of the School District to levy ad valorem taxes for the payment of the Bonds is absolute and unconditional and is not limited or conditioned upon the availability of proceeds of the 2028–2033 School Tax or amounts received pursuant to the Intercept Program.

General Obligations

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

Sales Tax for Education

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

Pursuant to the amendment to the Constitution of the State ratified on November 5, 1996, and the laws of the State, including Article 3 of the Sales Tax Act (Ga. Code Ann. § 48-8-140 et seq., as amended), the School District has periodically submitted to its voters the question of imposing a one percent (1%) sales and use tax for educational purposes. The initial such tax (the "**1999–2004 School Tax**"), was approved by the voters and was collected from April 1, 1999, to March 31, 2004. Since the authorization of the 1999–2004 School Tax, the voters have approved six additional referenda authorizing the imposition or continuation of the one percent (1%) sales and use tax for educational purposes. Most recently, at an election held in the School District on November 4, 2025, the voters authorized the continuation of the one percent (1%) sales and use tax for educational purposes. Collection of the 2028–2033 School Tax is expected to commence on July 1, 2028, and will continue through the earlier of June 30, 2033, or the end of the calendar quarter in which cumulative collections reach $60,000,000.

Permitted Uses

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

State law provides that the proceeds received from the Sales Tax for Education shall be used by the School District exclusively for the purpose or purposes specified in the resolution calling for reimposition of the Sales Tax for Education. Such proceeds are required by State law to be kept in a separate account from other funds of the School District and may not in any manner be commingled with other funds of the School District prior to expenditure. The School District has covenanted in the Bond Resolution that it shall use the proceeds of the 2028–2033 School Tax to pay the debt service on the Bonds to the extent such proceeds are lawfully available for such purpose.

Historical Collections

Set forth below are historical collections of the Sales Tax for Education for calendar years 2021 through 2025 and for the first seven months of calendar year 2026. These historical collections provide context for anticipated collections of the 2028–2033 School Tax; however, historical collections are not necessarily indicative of future collections.

Year	Sales Tax for Education Collections	Growth Percentage Year over Year
2021	$5,821,476	--
2022	7,466,949	28.27%
2023	7,572,713	1.42
2024	7,879,017	4.05
2025	8,504,238	7.94
2026[1]	5,734,764	--

[1] As of July 31, 2026.

Annual collections of the Sales Tax for Education have exceeded $7.0 million in each of the past three full calendar years. As of June 30, 2026, cumulative collections under the School Tax currently in effect (which commenced July 1, 2023, and is expected to end on June 30, 2028) total approximately $25 million, leaving significant remaining capacity under the $39,500,000 authorization.

Intercept Program

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

The amounts subject to interception by the State Board for the benefit of the owners of the Bonds will depend upon the amount and timing of annual appropriations made by the General Assembly of the State of Georgia to the School District. See "SCHOOL DISTRICT FINANCIAL INFORMATION – General Fund History" herein for the amounts paid to the School District by the State of Georgia for general operating purposes over the past five fiscal years. The State of Georgia disburses the amount committed to the School District for each fiscal year in twelve approximately equal installments on or before the last day of each month of such fiscal year. The timing of any intercepted payments will depend upon the timing of State appropriations and the operation of the Intercept Program. No assurance can be given concerning the timing or amounts of future appropriations by the General Assembly of the State of Georgia to the School District or the timing of the payment of any amounts subject to interception by the State Board to the Paying Agent.

The State paid to the School District approximately $36,193,210 during fiscal year 2025, approximately $34,144,430 during fiscal year 2026, and has budgeted to pay to the School District approximately $35,805,456 during fiscal year 2027 for general operating purposes.

THE SCHOOL DISTRICT

Introduction

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

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

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

Board of Education

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

Name	Title	Expiration of Current Term	Principal Occupation	Years in Office as of January 1, 2026
Greg Head	Chair	December 31, 2031	Self Employed, HVAC	8
Eva Bilderback	Vice-Chair	December 31, 2031	Retired, US Postal Service	20
Sherrye Battle	Member	December 31, 2031	Retired Educator	4
Dr. Priscilla Doster	Member	December 31, 2029	Retired Educator	9
Dr. Jeremy Goodwin	Member	December 31, 2029	Physician	6
Robert Jenkins	Member	December 31, 2031	Georgia Power Company	4
Julie Hoots	Member	December 31, 2029	Nursing	2

School District Management

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

Dr. Jim Finch. Dr. Jim Finch became Superintendent of the School District in 2023. Dr. Finch spent 15 years as the principal at Mary Persons High School and is in his 20th year overall in the School District. Dr. Finch received his Bachelor of Science in Education degree from Georgia Southern University in 1994 and a Master of Education in Educational Leadership degree from Georgia College and State University in 2001. In 2015, Dr. Finch defended his dissertation, The Effect of the Self-contained Ninth Grade Campus on Student Achievement Indicators, and received his Doctorate in Educational Leadership degree from Valdosta State University.

Dr. Finch began his teaching career in 1994 as a math teacher and coach at Peach County High School in Fort Valley, GA. While at Peach County, Dr. Finch taught math for ten years and served as the math department chair for the last five of those. He served as assistant principal during his last two years at Peach County High. In addition to his instructional and supervisory duties, Dr. Finch coached football, basketball, baseball, tennis, and golf during his 12 years in Fort Valley. Dr. Finch coached in the 1998, 2003, and 2005 AAA state championship football games, serving as defensive coordinator in those latter two games and winning the AAA state championship in 2005. At the conclusion of the 2005-2006 school year, Dr. Finch made the transition to principal.

Dr. Finch is a member of the Georgia School Superintendents Association (GSSA), the Professional Association of Georgia Educators (PAGE), and the Georgia Association of Educational Leaders (GAEL). He was a member of the PAGE Principal Leadership Network in 2010-2012. Dr. Finch also serves on the Board of Control for the Middle Georgia RESA.

Dr. Finch has served and continues to serve on many other statewide associations. Dr. Finch has served on the Board of Trustees for the Georgia High School Association (GHSA) since 2016, and in 2024, was re-elected as the GHSA President for a second term. Additionally, Dr. Finch has served on the Board of Directors for the Georgia Association of Educational Leaders (GAEL, 2018-2020) and for the Georgia Association of Secondary School Principals (GASSP, 2016-2021). Dr. Finch served as President, Vice President, Past President, and State Coordinator for GASSP and was Georgia's advocacy delegate in Washington, D.C. to NASSP during the 2014-2017 school years. He has served as a lecturer and guest presenter for local RESA's as well as the Georgia Association of Educational Leaders.

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

Lance Rackley. Mr. Rackley is the Assistant Superintendent for Personnel & Finance for the School District and has been employed in the position since July 2023. Mr. Rackley earned his Bachelor of Business Administration degree in Banking and Finance from the University of Georgia in 1998 and a Master of Education from UGA in 2003. He received his Education Specialist in Leadership from Georgia College and State University in 2007. Prior to working for Monroe County Schools, Mr. Rackley served as a High School and Elementary School Principal in Jones County.

Director of Financial Services. The Director of Financial Services oversees the School District's accounting, budgeting, treasury, purchasing, and financial reporting functions and assists the Superintendent and Board of Education in the administration of the School District's financial affairs.

Chris Johnson. Mr. Johnson is the Director of Financial Services for the School District and has been employed in the position since June 2016. Mr. Johnson earned his Bachelor of Business Administration degree in

Accounting from Georgia College & State University in 1987. Prior to working for the School District, Mr. Johnson worked as a Senior Auditor at the Georgia Department of Audits and Accounts.

Operation as SWSS/IE2 School System

Pursuant to legislation passed by the General Assembly of the State of Georgia during the 2013 legislative session, all boards of education in the State of Georgia must decide by the end of the current fiscal year whether to maintain the school system's current operational status or convert the school system to a charter or a Strategic Waivers School System ("**SWSS/IE2**"). The choice of operational status primarily affects the decision-making autonomy of the board of education and each individual school within the School District.

The Board of Education operates the School District as a SWSS/IE2 School System (the "**System**"), the latest contract commenced on July 1, 2024. The System operates through the development of a partnership between the State Board of Education and the local school district. Essentially, the System receives flexibility from certain state rules and regulations in exchange for greater accountability. There is an emphasis on school-based leadership and decision making as evidenced by the development of System and school level governance teams.

Schools and Enrollment

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

Name of School	Grades	Enrollment[1]	Size of Site (acres)	Percent Occupied	Number of Classrooms[2]
Katherine B. Sutton Elementary	PK-5	714	37.00	95.70%	47
Samuel E. Hubbard Elementary	PK-5	777	14.10	78.70	59
T.G. Scott Elementary	PK-5	767	42.00	89.80	61
Monroe County Middle School	6-8	1,152	41.30	122.40	58
Mary Persons High School[3]	9-12	1,350	50.00	126.20	61
Total		4,760	184.40		286

[1] Department of Education, as of the FTE count March 5, 2026.
[2] Includes cafeterias, libraries, shops, gymnasiums, auditoriums and art and music classrooms.
[3] Enrollment data includes students enrolled in dual enrollment and early release programs as well as students enrolled in Monroe County Achievement Center.

Enrollment

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

School Year	Pre-K	Kinder-garten	1	2	3	4	5	6	7	8	9	10	11	12	Total
21-22[1]	218	330	299	370	303	325	290	367	312	337	347	292	271	256	4,317
22-23[2]	219	337	331	327	389	317	343	314	373	328	380	302	282	292	4,534
23-24[3]	215	295	348	350	341	391	339	355	316	385	370	334	251	296	4,586
24-25[4]	209	344	308	362	362	348	406	347	380	331	416	320	306	260	4,699
25-26[5]	210	321	332	302	364	376	353	418	352	382	361	385	288	316	4,760

[1] As of March 4, 2022 (FTE 2022-3).
[2] As of March 2, 2023 (FTE 2023-3).
[3] As of March 7, 2024 (FTE 2024-3).
[4] As of March 6, 2025 (FTE 2025-3).
[5] As of March 5, 2026 (FTE 2026-3).

Employees, Employee Relations, and Labor Organizations

During the 2025-2026 school year, the School District employed approximately 560 full-time and part-time personnel serving approximately 4,760 students in the various schools. This figure does not include transportation, maintenance, or custodial personnel. Specialists are available in the fields of speech, hearing, vision, and psychological testing, as well as for learning disabled, intellectually disabled, hospital/homebound, and gifted students. The estimated pupil-teacher ratio was approximately 13 to 1.

All teachers in the School District hold at least bachelor's degrees, many have master's degrees, and some have specialist's or doctoral degrees. All staff is required to seek professional and personal growth through formal study and staff development workshops.

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

Category of Employee	Number Employed As of June 17, 2026
Certified Employees	363
Administrators and Supervisors	28
Classified Employees	98
Transportation and Maintenance	91
Custodians	33
School Nutrition/Managers/Bookkeeper	49
Counselor/Psychologist	9
Parent Engagement/Speech/ESOL/Social Worker	13
Total	684

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

SCHOOL DISTRICT DEBT STRUCTURE

Summary of Debt by Category*

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

Category of Obligation	Amount Authorized but Unissued[3]	Amount Outstanding as of June 30, 2025	Amount to be Outstanding Upon Issuance of the Bonds
General Obligation Bonds[1]	$96,500,000	$20,310,000	$111,975,000*[2,3]
Revenue Bonds[2]	-	15,990,000	14,710,000
TOTAL	$96,500,000	$36,300,000	$126,685,000*[2,3]

[1] General obligations of the School District to which its full faith and credit and taxing power are pledged consisting of the Series 2023 General Obligation Bonds and the Bonds.
[2] Consisting solely of the Monroe County Public Facilities Authority (Monroe County School District Projects) Revenue Bonds, Series 2024.
[3] Outstanding debt upon issuance reflects scheduled principal payments made after June 30, 2025, and prior to the issuance of the Bonds. Following the issuance of the Bonds, the School District will have no remaining authorized but unissued general obligation bond authority.

Proposed Debt

At the Election, the voters of the School District approved the issuance of general obligation debt of the School District in the maximum aggregate principal amount of $96,500,000. Following the issuance of the Bonds, there will be no authorized but unissued general obligation debt. The School District may, however, incur additional indebtedness in the future as permitted by applicable law, including obligations that do not require voter approval.

Limitations on School District Debt*

The Constitution of the State provides that the School District may not incur general obligation debt payable from ad valorem taxes without the approval of a majority of the qualified voters of the School District voting at an election called to approve the obligations. In addition, under the Constitution of the State, the School District may not incur general obligation debt payable from ad valorem taxes in excess of ten percent of the assessed value of all taxable property within the School District. The County and each municipality within the County may also incur general obligation debt up to the ten percent limitation. In addition, refunded obligations and obligations deemed paid through defeasance cease to count against the School District's debt limitations.

Short-term obligations (those payable within the same calendar year in which they are incurred), lease and installment purchase obligations subject to annual appropriation and intergovernmental obligations are not subject to the legal limitations described above; provided, however, the total combined payments for lease, installment purchase obligations and intergovernmental contracts cannot exceed seven and one-half percent of the total local revenue collected in the prior fiscal year for maintenance and operation of the School District.

As computed in the table below, based upon the 2025 assessed value and after the issuance of the Bonds, the School District could incur (upon necessary voter approval) $62,330,546* in additional general obligation debt payable from ad valorem taxes.

Computation of Legal Debt Margin*

Assessed Value of Taxable Property as of 2025	$2,036,152,376
Less: Estimated Bond Exemptions[1]	(293,096,919)
Net General Obligation Bond Tax Digest	1,743,055,457
Debt Limit (10% of Net General Obligation Bond Digest)	174,305,546
Amount of Debt Applicable to Debt Limit	(111,975,000*)
Legal Debt Margin	$62,330,546*

[1] Because the Georgia Department of Revenue does not consistently report school bond exemption data in a manner that is comparable from year to year, estimated bond exemptions and the estimated Net General Obligation Bond Tax Digest have been derived using the School District's M&O exemptions and Net M&O Digest for purposes of this calculation.

Overlapping Debt

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

Name of Overlapping Entity[5]	2025 Assessed Valuation[1]	Outstanding Tax Supported Debt	Outstanding G.O. Debt Attributable to the School District[2] Percent	Amount
Forsyth, Georgia[3]	$205,396,354	$7,986,139	100.00%	$7,986,139
Monroe County, Georgia[4]	2,036,152,376	26,657,952	100.00	26,657,952
Total:		$34,644,091		$34,644,091

1 Assessed Valuation includes real & personal property (residential, residential transitional, agricultural, preferential, conservation use, forest land conservation use, commercial, and industrial), public utilities, motor vehicles, mobile homes, timber (100%), and heavy equipment.
2 The percentage of each entity's outstanding debt attributable to the School District is calculated by comparing the assessed valuation of the portion overlapping the School District to the total assessed valuation of the overlapping entity. To the extent the School District's assessed valuation changes disproportionately with the assessed valuation of overlapping entities, the percentage of debt for which property owners within the County are responsible will also change.
3 The debt of the City of Forsyth consists of notes payable, financed purchases, and landfill post-closure expenses. As of December 31, 2024.
4 The debt of Monroe County consists of general obligation bonds, financed purchases, and notes payable. As of December 31, 2024.
5 The School District was unable to obtain current outstanding debt information for the City of Culloden.

Tax Supported Debt Ratios*

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

	Direct Tax Supported Debt	Overlapping Tax Supported Debt	Overall Tax Supported Debt
Per Capita Debt[1]	$4,271	$1,168	$5,439
Percentage of Gross Tax Digest[2]	6.22%	1.70%	7.92%
Percentage of Fair Market Value[3]	2.49%	0.68%	3.17%
Per Capita Debt as Percentage of Per Capita Income[4]	7.23%	1.98%	9.20%

1 Based upon estimated 2024 population figure of 29,664.
2 Based upon 2025 Gross Tax Digest of $2,036,152,376.
3 Based on 2025 estimated actual value of $5,086,048,796.
4 Based upon 2024 per capita income figure of $59,086.

Selected Long-Term and Other Liabilities

Set forth below is information concerning long-term and short-term liabilities of the School District outstanding as of the end of fiscal years 2021 through 2025. For a complete description of the School District's liabilities, see APPENDIX A – Statement of Net Position, Balance Sheet, and Notes 2, 7, 12, and 13.

Category of Liabilities	2021	2022	2023	2024	2025
Short-Term[1]	$10,373,996	$10,796,495	$9,982,610	$15,811,578	$21,082,402
Long-Term[2]	5,575,000	3,755,000	28,678,088	21,647,316	35,088,765
Net Pension Liability[3]	46,756,262	17,757,568	64,269,749	56,489,129	48,878,019
Net OPEB Liability	40,600,542	30,388,594	28,143,061	30,126,922	30,819,004
Total	$103,305,800	$62,697,657	$131,073,507	$124,074,945	$135,868,191

1 Short-term liabilities include accounts payable, accrued interest, salaries and benefits payable, interest payable, claims incurred but not reported (IBNR), accrued payroll and payroll withholdings, contracts payable, retainages payable, deposits and unearned revenues, and the portion of long-term liabilities due within one year.
2 Long-term liabilities include the portion of workers' compensation claims payable, financed purchases, subscription-based arrangements, compensated absences, and general obligation bonds all due in more than one year.
3 Includes the School District's proportionate share of the net pension liability due in more than one year as a participant in the Teachers Retirement System of Georgia and Employment Retirement System of Georgia.

SCHOOL DISTRICT AD VALOREM TAXATION

Introduction

An important source of revenue to fund the operations of the School District is ad valorem property taxes. Ad valorem property taxes are levied annually in mills (one-tenth of one percent (one dollar per $1,000 of assessed value)) 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 School District. There are, however, certain classes of property that are exempt from taxation, including public property, religious property and places of burial, charitable property, property of nonprofit hospitals, nonprofit homes for the aged, and nonprofit homes for the mentally handicapped, property used as a college or other seminary of learning, public library property, livestock and plants, qualified farm products, certain air and water pollution control property, and personal effects. In addition, there are exemptions from ad valorem taxation for school bond purposes for certain residences owned by the elderly, by people with disabilities or by veterans. Manufacturing and distribution businesses within the School District are allowed a "freeport" exemption for certain inventory as authorized by the Constitution of the State of Georgia.

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

Title Ad Valorem Tax

House Bill 779, which became effective on June 29, 2020, revised the local distribution of Title Ad Valorem Taxes ("**TAVT**") for motor vehicles between cities, counties, and school districts. House Bill 779 amended the distribution formula in Ga. Code Ann. § 48-5C-1 to provide that, with regard to TAVT proceeds associated with and collected on motor vehicle titles for motor vehicles registered in the incorporated areas of a county, the tag agent of the county shall distribute 23% (previously 28%) of such proceeds to the county governing authority and 28% (previously 23%) of such proceeds to the governing authority of such municipality, and the remaining 49% of such proceeds shall be distributed to the board of education of the county school district; provided, however, that, if there is an independent school district in such municipality, then 23% of such proceeds shall be distributed to the county governing authority and 34% of such proceeds shall be distributed to the governing authority of such municipality and the remaining 43% (previously 49%) of such proceeds shall be distributed to the board of education of the independent school district.

Assessed Value

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

The chief appraiser of the County is required to submit a certified list of assessments for all taxable property, except motor vehicles and property owned by public utilities, within the County to the Monroe County Board of Tax Assessors. The Tax Commissioner of the County is required to present the tax returns of the County to the Monroe County Board of Tax Assessors by April 1 of each year. The Monroe 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 are subject to review by filing an appeal to the Board of Tax Assessors, the Monroe County Board of Equalization or arbitration and then to state courts.

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

Save Our Homes Act

In its 2024 legislative session, the Georgia General Assembly enacted House Bill 581, generally known as the "Save Our Homes Act" ("**HB 581**"). Georgia Governor Brian Kemp signed HB 581 into law on April 18, 2024. HB 581, among other things, provides for a new homestead exemption from ad valorem taxation, including from taxes levied by the School District, for each Georgia resident.

At an election held on November 5, 2024, the Save Our Homes Act was ratified by Georgia voters. Accordingly, the constitutional amendment will apply to all taxable years beginning on or after January 1, 2025, and will be granted to each person's homestead in an amount generally equal to the amount by which the current year assessed value of that homestead exceeds its previous year assessed value, as adjusted by the current inflation rate as determined by the State of Georgia Revenue Commissioner. The new exemption will limit increases in a home's value (HB 581 does not apply to commercial properties), as assessed for property tax purposes, to the rate of inflation each year, until a property changes ownership, at which time the property's assessed value may be increased to its full value. HB 581 provides that the governing authority of any county, consolidated government, municipality, or school district in Georgia may opt out of the exemption by adopting a resolution to do the same by February 1, 2025, after providing public notice and at least three public hearings thereon.

The School District opted out of the exemption as permitted by HB 581.

Recent State Property Tax Legislation

During the 2026 legislative session, the Georgia General Assembly enacted Senate Bill 33, which made various changes to Georgia property tax administration and school finance. Among other things, Senate Bill 33 modified certain provisions relating to homestead exemptions, revised the calculation of the equalized adjusted school property tax digest for purposes of certain State education funding calculations, and increased the statutory limitation on reserve funds maintained by local school systems. The School District is currently evaluating the implementation of Senate Bill 33 but does not presently expect the legislation to have a material adverse effect on its financial condition or operations. The School District will continue to monitor future legislative developments affecting property taxation and school finance.

Annual Tax Levy and Limitation on Annual Tax Levy

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

Under State law, the annual rate of levy for the support and maintenance of the School District's school system may not exceed 20 mills. This 20-mill limitation may be increased or removed by action of the Board of Education, but only after such action has been approved by a majority of the qualified voters of the School District.

Under State law, there is no limitation on the annual rate of levy for the payment of principal of and interest on bonded indebtedness of the School District. Ad valorem property taxes received for the payment of debt service on general obligation bonds of the School District are required by law to be held and accounted for separately from other funds of the School District. See "THE BONDS – Disbursement and Investment of Bond Proceeds and Other Moneys" herein.

Property Tax Collections

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

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

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

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

Appeals

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

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Property Tax Levies and Collections

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

Fiscal Year[1]	Tax Year	Current Year's (M&O) Total Tax Levy	School District's Total Tax Collections[2]	Percentage of Total Tax Collections to Levy	Taxes Outstanding as of Calendar Year End[3]	Percentage of Delinquent Taxes to Tax Levy[4]
2021	2020	$22,030,516	$22,641,471	102.77%	$835,459	3.79%
2022	2021	23,462,526	23,795,704	101.42	617,186	2.63
2023	2022	24,840,335	24,902,285	100.25	649,508	2.61
2024	2023	25,580,633	24,919,383	97.42	260,231	1.02
2025	2024	27,278,790	27,784,116	101.85	17,913	0.07

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

2 Relates to the preceding calendar year tax digest and millage rates. 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 Monroe County; the gross amount of TAVT collected by the District were for fiscal year 2025 - $2,754,182, fiscal year 2024 - $2,563,058, fiscal year 2023 - $2,672,687, for fiscal year 2022 - $2,283,368, and for fiscal year 2021 - $2,167,821.

4 Delinquent property taxes of the School 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.

Source: Monroe County Tax Commissioner.

Historical Property Tax Data

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

Assessed Values	2021	2022	2023	2024	2025
Real & Personal Property[1]	$1,076,479,399	$1,165,000,075	$1,277,457,098	$1,432,552,337	$1,502,372,109
Public Utilities	681,390,189	738,130,405	514,478,469	514,472,429	514,472,429
Motor Vehicles	15,782,620	15,094,400	15,520,850	15,258,090	14,460,980
Mobile Homes	2,128,333	2,345,787	2,191,207	1,989,725	1,944,672
Timber (100%)	4,098,334	3,900,239	6,749,810	3,394,581	2,888,096
Heavy Equipment	3,746	6,987	9,656	4,405	14,090
Gross Digest	1,779,882,621	1,924,477,893	1,816,407,090	1,967,671,567	2,036,152,376
Estimated Bond Exemptions[2]	(236,014,246)	(241,025,341)	(274,932,390)	(279,356,084)	(293,096,919)
Estimated Net Bond Digest[3]	1,543,868,375	1,683,452,552	1,541,474,700	1,688,315,483	1,743,055,457
Estimated Actual Value	$4,443,559,052	$4,805,344,374	$4,530,893,010	$4,914,087,046	$5,086,048,796

1 Real & Personal Property include the following: residential, residential transitional, historical, Brownfield Property, agricultural, preferential, conservation use, forest land conservation use, commercial and industrial.

2 School bond exemption data are not consistently calculated or reported because the School District has not historically levied a separate bond millage rate. Accordingly, estimated bond exemptions are based on the exemptions applicable to the School District's maintenance and operations tax levy.

3 Estimated Net Bond Digest equals the Gross Digest less the Estimated Bond Exemptions and is presented for historical comparability.

Source: Georgia Department of Revenue

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Millage Rates

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

	School District		County		City and State Direct Rates		
Calendar Year	M&O[1]	Bond	Unincorporated	Incorporated	Forsyth	Culloden	State of Georgia
2021	15.227	0.000	12.800	12.800	2.500	0.000	0.000
2022	15.024	0.000	12.050	12.050	2.500	0.000	0.000
2023	16.212	0.000	12.004	12.004	2.250	0.000	0.000
2024	16.212	0.000	10.803	10.803	2.000	0.000	0.000
2025	16.171	0.000	11.976	11.976	2.000	0.000	0.000

[1] The legal limit is 20 mills. See "SCHOOL DISTRICT AD VALOREM TAXATION – Annual Tax Levy."
Sources: Georgia Department of Revenue; and Monroe County Tax Commissioner

Ten Largest Taxpayers

Set forth below are the ten largest taxpayers (by property value, not acreage), the assessed value of such taxpayers' property within the County, and the total ad valorem taxes levied on such property in tax year 2025. No independent investigation has been made of, and consequently no representation can be made as to, the financial condition of any of the taxpayers listed below or that such taxpayers will continue to maintain their status as major taxpayers in the County.

Taxpayer	Nature of Business	Assessed Value[4]	Taxes Levied in Fiscal Year 2025 / Tax Year 2024[1,3]	Percent of Total Tax Levy[1] for Fiscal Year 2025 / Tax Year 2024[2]
Georgia Power Company	Utility	$169,191,668	$5,172,966	18.96%
Oglethorpe Power Corporation	Utility	118,642,691	4,251,298	15.58
Municipal Electric Authority of Georgia	Utility	81,822,179	3,186,240	11.68
Gresco Utility Supply, Inc.	Electricity Supply Manufacturer	45,731,882	1,287,398	4.72
Five Below Inc.	Retail	75,804,956	1,174,439	4.31
Georgia Transmission Corp.	Utility	18,386,830	1,002,590	3.68
Central Georgia EMC	Utility	9,138,807	648,799	2.38
Norfolk Southern	Railway	9,026,323	364,231	1.34
Smarr EMC	Utility	8,996,976	287,224	1.05
Monroe County	Government	5,023,452	282,670	1.04
Total		$541,765,764	$17,657,855	64.73%

[1] Taxes levied in Fiscal Year 2025 relate to the taxes levied for Tax Year 2024.
[2] Based on the Tax Year 2024 total tax levy of $27,287,790 for property located in the County by the School District, the County, and the State of Georgia. Total may not add due to rounding.
[3] Represents total bill amounts for all entities for real & personal property. Amounts reported above are also after any applicable exemptions have been applied.
[4] The Assessed Values reflect a total net of the Freeport exemption.
Source: Monroe County Tax Commissioner.

SCHOOL DISTRICT FINANCIAL INFORMATION

Accounting System and Policies

The accounting policies and practices of the School District conform to generally accepted accounting principles ("**GAAP**") applicable to governmental entities. The School District's accounting system is organized and operated on a fund basis, with funds segregated for the purpose of accounting for specific activities and objectives. The School District's primary operating fund is the General Fund, which contains all School District revenues except those revenues required by law to be accounted for in other funds. The financial statements of the School District's governmental funds are presented on a modified accrual basis of accounting, with revenues recognized when they are measurable and available and expenditures recognized when the related liabilities are incurred.

Reference is made to Note 2, "Summary of Significant Accounting Policies," in the audited financial statements of the School District for a more complete discussion of the School District's significant accounting policies.

General Fund History

Set forth below is a historical, comparative summary of the revenues, expenditures, and changes in fund balance of the School District's General Fund for five fiscal years. Information in the following table has been extracted from audited financial statements of the School District for the fiscal years ended June 30, 2020, through June 30, 2025. No representation is made that the information as shown taken by itself presents fairly the financial condition of the School District for the fiscal years shown.

Funds received from the federal government are primarily for programs for disadvantaged and disabled students and for the school food service program. During the School District's fiscal year ended June 30, 2025, approximately 45.85% of the School District's total revenues were derived from local sources (including local taxes, charges for services, investment earnings, and miscellaneous), 48.17% from state sources, and 5.99% from federal sources.

The School District's total General Fund balance at June 30, 2025 was approximately $14,149,645, representing approximately 19.63% of total General Fund expenditures for fiscal year 2025. A portion of General Fund expenditures is supported by restricted federal revenues and enterprise activities, which reduces reliance on local resources for certain programmatic costs. The Board of Education has historically targeted maintaining a fund balance sufficient to provide operating liquidity and financial flexibility.

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

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Monroe County School District General Fund History

	Fiscal Years Ended June 30				
	2021	2022	2023	2024	2025
REVENUES					
Property Taxes	$25,756,991	$27,113,746	$24,410,244	$27,337,632	$30,266,094
Sales Taxes	510,311	531,705	400,105	381,220	462,225
State Funds	21,061,488	24,319,218	26,083,763	27,966,995	36,193,210
Federal Funds	5,998,680	6,719,206	8,350,337	6,416,243	4,497,941
Charges for Services	370,541	708,703	1,277,924	1,340,489	1,115,398
Investment Earnings	1,724	16,269	161,320	370,351	535,131
Miscellaneous	796,008	1,335,229	1,704,783	1,479,543	2,071,986
Total Revenues	$54,495,743	$60,744,075	$62,388,476	$65,292,472	$75,141,985
EXPENDITURES					
Current					
Instruction	$33,095,910	$35,694,426	$36,599,852	$40,541,752	$43,833,230
Support Services					
Pupil Services	1,689,458	1,867,150	2,112,184	2,416,413	2,542,916
Improvement of Instructional Services	1,549,892	1,603,318	1,788,048	1,926,338	1,419,826
Educational Media Services	724,002	769,160	786,521	834,543	856,480
General Administration	1,313,139	1,440,594	1,506,386	1,483,718	1,741,548
School Administration	2,551,817	2,609,120	2,468,869	2,640,767	2,958,208
Business Administration	535,559	601,261	618,843	631,962	698,014
Maintenance and Operation of Plant	4,600,326	4,685,578	5,109,097	5,534,455	6,201,770
Student Transportation Services	3,759,926	4,404,413	4,348,747	4,748,228	6,987,888
Central Support Services	12,721	28,684	89,192	54,012	8,446
Other Support Services	11,186	19,512	17,724	27,060	46,426
Enterprise Operations	638,668	1,020,991	1,196,365	1,342,906	1,181,580
Food Service Operations	2,367,544	3,052,390	3,099,801	2,857,562	3,285,392
Capital Outlay	-	-	-	-	324,000
Debt Services					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total Expenditures	$52,850,146	$57,796,596	$59,741,629	$65,039,717	$72,085,723
Excess of Revenues over (under) Expenditures	1,645,596	2,947,479	2,646,847	252,755	3,056,262
Net Change in Fund Balances	1,645,596	2,947,479	2,646,847	252,755	3,056,262
Fund Balances – Beginning	$3,600,707	$5,246,303	$8,193,782	$10,840,629	$11,093,384
Fund Balances – Ending	$5,246,303	$8,193,782	$10,840,629	$11,093,384	$14,149,645

Management Comments Concerning Material Trends in Revenues and Expenditures

For a narrative overview and analysis of the financial activities of the School District for fiscal year 2025, see "Management's Discussion and Analysis" included in APPENDIX A to this Official Statement. The Management's Discussion and Analysis (the "**Management's Discussion and Analysis**") is not a required part of the basic financial statements of the School District but is supplementary information required by the Governmental Accounting Standards Board that has not been audited by the School District's auditor.

General Fund revenues have generally increased over the past several fiscal years, reflecting growth in the local tax digest, increases in State Quality Basic Education ("**QBE**") formula funding, and the normalization of federal program funding following pandemic-related fluctuations. Enrollment in the School District has remained relatively stable in recent years, supporting consistent State funding levels. General Fund expenditures have increased primarily due to instructional and support service costs, including personnel compensation and benefits. Capital outlay expenditures reflected in prior fiscal years were largely project-specific and nonrecurring in nature. The School District continues to monitor staffing levels and operating expenditures in light of enrollment trends and available funding sources. As a result, the School District's unassigned General Fund balance increased to approximately $14.1 million at June 30, 2025, providing additional operating liquidity and financial flexibility. In addition, the School District has continued to invest significantly in its capital facilities. During fiscal year 2025, the School District's net capital assets increased from approximately $58.6 million to approximately $90.3 million, primarily reflecting ongoing construction of the College and Career Academy/Freshman Campus and the Field House and Stadium Renovation Project.

Budgetary Process

The School District adopts an annual operating budget for its General Fund. The operating budget contains proposed expenditures and the means for financing them. The School District is not legally required to stay within the budget, but under State law it must meet certain minimum expenditure requirements for allotted state funds. The School District, as required by the State Board, uses a modified cash basis of accounting in its adopted Governmental Funds budget, which is not in conformity with generally accepted accounting principles, and which is not consistent with the basis of accounting used in the School District’s audited financial statements. The revenues and expenditures of the General Fund of the School District for the years ended June 30, 2026 and June 30, 2027, are presented using the budget basis of accounting to facilitate comparison with the budget, in the Statement of Revenues and Expenditures - Actual and Budget (Non-GAAP Basis) General Fund, included in the required supplementary information to the basic financial statements of the School District included as APPENDIX A to the Official Statement. The notes to the required supplementary information to the basic financial statements included in APPENDIX A contain an explanation of the adjustments that were made to actual revenues and expenditures to facilitate comparison with the budget.

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

The budget is developed annually based upon anticipated revenues, projected expenditures, and the operational needs of the School District. Initial budget preparation, as well as control of individual budgeted expenditures, is vested with the Superintendent, with assistance from program directors and supervisors who have the responsibility of performing the various functions of the specific programs. The Board of Education’s business office serves as a resource function to aid in finding the best economic use of available revenues and to assure compliance with the Board of Education’s policies relative to budgetary control. The business office furnishes the Board of Education a monthly “budget” versus “actual” financial report and a summary financial statement to keep the Board of Education apprised of the School District’s financial condition. State law requires the School District's budget to reflect anticipated revenues from all sources and to allocate such revenues among the various funds and accounts of the School District. The School District may establish reserve funds or accounts to address unanticipated revenue shortfalls or expenditures, subject to applicable limitations under State law, and may establish capital accumulation funds or accounts for specifically identified future capital purposes. These statutory requirements are intended to promote fiscal accountability and transparency in the budgeting process.

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Budgets

Set forth below are summaries of the School District's operating budgets (using a non-GAAP budgetary basis of accounting) for the fiscal years ending June 30, 2026, and June 30, 2027. The operating budgets presented below combine the General Fund, Other State Funds (Pre-K), and Federal Funds and exclude Capital Projects and Debt Service funds. The budgets are based upon certain assumptions and estimates, the achievement of which will depend upon implementation by management of policies and procedures consistent with those assumptions. Accordingly, actual results for fiscal years 2026 and 2027 could differ materially from the budgeted amounts shown below.

Budgets for Fiscal Year 2026 and Fiscal Year 2027

	Fiscal Year 2026 Budget	Fiscal Year 2027 Budget
REVENUES:		
PY Fund Balance Needed	$1,197,200	$-
Local Taxes	31,792,000	42,815,000
State Sources	34,144,430	35,805,456
Federal Sources	4,802,844	3,512,100
Transfer In	100,000	100,000
Total Estimated Revenues	$72,036,474	$82,232,556
EXPENDITURES:		
Instruction	$47,140,049	$49,716,170
Pupil Services	1,801,494	2,654,202
Support Services	1,324,392	1,441,956
Instructional Professional Development	272,700	279,300
Education Media	922,162	951,361
General Administration	1,669,772	1,944,240
School Administration	3,408,709	3,192,310
Business Support Services	679,127	655,045
Maintenance and Operation	6,055,336	6,403,172
School Safety and Security	500,000	844,000
Transportation	5,161,734	6,201,723
Central Support Services	25,200	25,200
School Food & Nutrition	2,975,800	2,119,347
Transfer Out	100,000	100,000
Total Estimated Expenditures	$72,036,474	$76,528,026
Revenues Over (Under) Expenditures	$0	$5,704,530

The budgets reflect the planned use of available fund balance, where applicable, together with conservative budgeting assumptions. Actual results may differ materially from budgeted amounts, and the School District's year-end operating fund balances may vary from the estimates shown above.

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Budget to Actual Comparisons

The following table compares the School District's budget for fiscal years 2025 and 2026 with actual results for the same periods. The information is presented on the budgetary basis of accounting used by the School District for budgetary purposes and, accordingly, is not directly comparable to the General Fund information contained in the audited financial statements included in APPENDIX A.

	As of June 30, 2025		As of June 30, 2026	
	FY25 Annual Budget	Actual YTD Totals	FY26 Annual Budget	Actual YTD Totals
REVENUES:				
Local Funds	$27,487,000	$31,707,208	$31,292,000	$32,120,736
State Funds	30,556,962	29,569,712	34,111,698	30,639,268
Federal Funds	50,000	67,147	50,000	73,861
Total Revenues	$58,093,962	$61,344,067	$65,453,698	$62,833,865
EXPENDITURES:				
Instruction	$39,666,385	$33,806,979	$44,672,404	$37,098,040
Pupil Support Services	2,230,425	1,557,102	2,405,113	2,548,074
Support Services	1,155,849	1,105,374	1,298,131	1,207,833
Educational Media Services	866,360	691,158	8,300	14,857
General Administration	1,522,013	1,979,109	943,094	740,658
School Administration	2,870,613	2,690,664	1,657,772	1,781,974
Business Administration	676,055	654,700	3,022,546	3,083,772
Maintenance and Operation	5,740,464	5,297,944	679,127	648,853
School Safety and Security	-	400,675	6,055,336	6,389,631
Transportation	5,182,330	6,321,684	844,000	432,151
Support/Central	23,100	8,051	5,161,734	5,466,926
Capital Outlay	324,000	324,000	23,200	17,410
Total Expenditures	$60,257,594	$54,838,019	$66,770,756	$59,385,180
Net Revenues Over (Under) Expenditures	(2,433,632)	6,506,048	(1,317,058)	3,448,685

Employee Benefits

Teachers' Retirement System of Georgia. Substantially all of the teachers and the administrative and clerical personnel of the School District are covered by the Teachers Retirement System of Georgia ("**TRS**"), a cost-sharing, multiple-employer defined benefit pension plan administered by the State for the benefit of education personnel. The School District has no liability under TRS except for contributions established and made each year. TRS is funded by employee and employer contributions as provided by State law. 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 20.70% of payroll was required from the School District and 0.08% of payroll was required from the State. For the current fiscal year, employer contributions to the pension plan were $6,646,489.41 and $32,170.34 from the School District and the State, respectively.

Employees' Retirement System of Georgia (ERS). 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 and its political subdivisions. ERS is directed by a Board of Trustees. 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. 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. Employer contributions to the pension plan were $0.00 for the fiscal year ended June 30, 2025.

Public School Employees Retirement System. Bus drivers, lunchroom personnel, and maintenance and custodial personnel are covered by the Public School Employees' Retirement System of Georgia ("**PSERS**"), a multiple-employer retirement system administered by the State. The School District makes no contribution to this plan. The State, although not the employer of PSERS members, makes the employer contributions on behalf of PSERS members. The contribution for the fiscal year ended June 30, 2025, by the State of Georgia, equaled $124,567.00.

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

Contributions to the School OPEB Fund are made by employees and employers. Employer contributions required by the School District for the fiscal year ended June 30, 2025, equaled $1,209,346.17. 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 $706,447.83 for the School District's employees.

Reference is made to Notes 2, 12, and 13 of the general-purpose financial statements of the School District included as APPENDIX A for a more detailed description of the School District's employment and post-employment benefits.

New Accounting Pronouncements

In fiscal year 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 did not have a material impact on the School District's financial statements but resulted in a restatement of beginning net position. This statement will be applied prospectively as appropriate.

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.

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

Insurance Coverage and Governmental Immunity

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

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

The School District maintains cybersecurity policies and procedures designed to protect its information technology systems and periodically provides cybersecurity training to employees. The School District's independent auditors also consider information technology controls as part of their audit procedures.

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

COUNTY ECONOMIC AND DEMOGRAPHIC INFORMATION

Introduction

The County is a political subdivision of the State of Georgia that provides services to approximately 29,664 residents. The County is governed by a Board of Commissioners, composed of five members serving staggered four-year terms. The chair is elected county-wide, and the other four commissioners are elected through district elections. The Board of Commissioners, as the county's governing authority, is responsible for establishing policy for county operations, enacting ordinances and resolutions to promote the county's health, safety, and welfare, and approving the annual budget and millage rate which funds the operations of the constitutional officers as well as the departments under the Board of Commissioners' jurisdiction. The County operates under a county manager form of government. The county manager provides administrative support for the Board of Commissioners, increase the efficiency of the county government through effective and accurate records management, and to record and carry out official actions of the Board of Commissioners. The county manager is the official custodian of records for all actions taken by the

Board of Commissioners. Responsibilities include preparing and publishing agendas, preparing minutes and the informational notebooks for the board meetings, distributing the board actions to the constitutional officers and department heads, and maintenance of the records.

The present Board of County Commissioners and their expiration of terms are as follows:

Name	Expiration of Current Term
Alan Gibbs, Chair	12/31/2028
Lamarcus Davis	12/31/2028
Eddie Rowland	12/31/2028
John Ambrose	12/31/2030
Al Turner	12/31/2026

The County is located in central Georgia approximately 60 miles southeast of the City of Atlanta and 25 miles northwest of the City of Macon. The County is bordered by Butts County on the north, Jones County on the east, Crawford County on the south, Lamar County on the west, Jasper County on the northeast, Bibb County on the southeast, and Upson County on the west-southwest. According to the U.S. Census Bureau, the County has a total area of 398 square miles. The County seat is Forsyth, Georgia.

Population and Median Age Data of the County

The following table sets forth estimated population and median age of the County. In 2020, the County's population was estimated at 27,455, ranking it the 67th most populous county in Georgia. The county seat is Forsyth with a 2020 census population of 4,384. The other city located within the county is Culloden with a 2020 census population of 200.

Year	Population	Median Age
2020	27,455	42.9
2021	27,825	42.8
2022	28,287	42.6
2023	28,919	42.5
2024	29,664	41.8

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

Population by Age

The following table presents estimated population percentages by age for the County for 2024:

Under 20 Years	20 to 44 Years	45 to 64 Years	65 Years and Over
24.90%	28.90%	27.10%	19.10%

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

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Level of Education

The following table presents the level of education for the County for 2024:

Not Completing High School	8.90%
High School Graduate	35.00
Some College, No Degree	21.00
Associate's Degree	8.20
Bachelor's Degree	15.20
Graduate or Professional Degree	11.80
Percent High School Graduate or Higher	91.10
Bachelor's Degree or Higher	27.00

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

Per Capita Income

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

Year	County	State	United States
2020	$48,381	$51,496	$59,151
2021	53,963	56,262	64,692
2022	54,836	57,396	66,298
2023	56,384	60,006	70,002
2024	59,086	63,006	73,204

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

Personal Income

Set forth below is personal income data for the County, the State, and the United States. All dollar estimates are in thousands of current dollars (not adjusted for inflation). Statistics presented in thousands of dollars do not indicate more.

Year	County	State	United States
2020	$1,357,510	$552,699,927	$19,613,059,000
2021	1,551,530	607,184,310	21,484,168,000
2022	1,615,195	627,438,954	22,144,814,000
2023	1,726,242	663,930,890	23,577,208,000
2024	1,857,489	704,463,898	24,897,613,000

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

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Category of Property Type

Set forth below are the percentages of property types for various purposes within Monroe County, computed based upon the assessed value of the various categories, as classified for ad valorem property tax purposes.

	Category of Property Type				
Year	Residential[1]	Agricultural	Commercial	Industrial	Other[2]
2021	37.57%	5.68%	7.95%	1.27%	47.53%
2022	37.72	5.59	8.28	1.19	47.23
2023	42.95	6.42	9.97	2.50	38.17
2024	46.55	7.24	9.00	2.32	34.90
2025	45.86	8.09	9.88	2.44	33.73

[1] Includes residential and residential transitional.
[2] Includes historical, preferential, conservation use, forest land conservation use, utility, motor vehicle, mobile home, timber (100%) and heavy equipment.
Source: Georgia Department of Revenue, Property Tax Division, Tax

Building Permits

Set forth below are the number and value of new construction building permits issued by the County, broken down by commercial, residential, apartment (permits are issued for each unit of apartments constructed) and additions (commercial and residential), for the last five calendar years and the estimated values of the permits.

	Commercial		Residential		Apartment		Additions Commercial & Residential	
Year	Permits	Value	Permits	Value	Permits	Value	Permits	Value
2021	40	$12,542,900	344	$103,204,337	0	N/A	13	$630,000
2022	29	7,783,274	309	102,905,626	0	N/A	15	1,389,905
2023	50	33,038,223	239	73,805,673	0	N/A	30	2,727,519
2024	101	8,239,145	200	68,320,051	0	N/A	19	1,312,500
2025	91	58,796,383	201	76,704,843	0	N/A	13	1,269,648

Source: Monroe County Permit Roster.

Banking Deposits

Set forth below is banking deposit data for the County:

Fiscal Year	Number of Banking Institutions[1]	Number of Offices[2]	Total Deposits in Financial Institutions ($000)[3]
2021	3	4	$247,183
2022	3	4	288,337
2023	3	4	234,977
2024	3	4	243,612
2025	3	4	249,802

[1] Total number of banking institutions inside of market as of June 30 of each year.
[2] Total number of offices inside of market as of June 30 of each year.
[3] Total deposits (in thousands) in financial institutions inside of market as of June 30 of each year.
Sources: The Federal Deposit Insurance Corporation, Deposit Market Share Report.

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Median Home Value

The following table shows the median home value for the County, the State, and the United States for census years 2020 through 2024.

Year	County	State	United States
2020	$175,000	$190,200	$229,800
2021	178,800	206,700	244,900
2022	204,100	245,900	281,900
2023	243,200	272,900	303,400
2024	271,200	303,300	332,700

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

Labor Statistics

The following table shows the total average annual labor force in the County, the County unemployment rate, the State unemployment rate, and the United States unemployment rate for calendar years 2021 through 2025.

	2021	2022	2023	2024	2025
Labor Force	13,475	13,609	13,970	13,940	14,446
County Unemployment Rate	3.1%	2.8%	2.8%	3.1%	2.9%
State Unemployment Rate	3.9%	3.2%	3.3%	3.5%	3.4%
United States Unemployment Rate	5.3%	3.6%	3.6%	4.0%	4.3%

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

Largest Employers

Set forth below are the ten largest employers located in the County and the industry or service provided by each. There can be no assurance that any employers listed below will continue to be located in the County or will continue employment at the level currently maintained. No independent investigation has been made of, and no representation can be made as to, the stability or financial condition of the employers listed.

Employer[1]	Industry or Service
Certifstaff III, Inc.	Staffing services
Encore Industries, Inc.	Manufacturing
Georgia Department of Corrections	Law enforcement
Georgia Power Company	Utility
Georgia Right of Way Company, Inc.	Road clearing services
Gresco Utility Supply Inc.	Manufacturing
Grogreen Solutions of Georgia, LLC	Manufacturing
Ingles Markets, Inc.	Retail
The Farmers Bank	Banking
Walmart Inc.	Retail

[1] Employers are listed alphabetically, not by the number of employees.
Source: Georgia Department of Labor; data shown is for the second quarter of 2022.

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Industry Mix

The following table shows the number of individuals employed within selected industries in the County which are covered by unemployment insurance. The table is intended to provide information regarding the types of industries employing residents of Monroe County and the compensation paid to those employees. The table does not provide information with respect to all industries and firms. It is based upon and includes only those industries and firms that participate in the State Unemployment Insurance Program.

In 2024, the largest employment sector in the County was government (comprising approximately 34.8% of the county's work force), followed, in order, by: retail trade; accommodation and food services; construction; health care and social assistance; and administration, support, waste management and remediation. For the twelve-month period ended December 31, 2024, total average monthly employment in the County increased 2.53% as compared to the same period ending December 31, 2023, and the weekly average wage increased by 5.39% during the same time period.

Average Monthly Number of Employees Within Selected Industries

Industry	2020	2021	2022	2023	2024
Accommodation and Food Services	590	596	691	724	767
Administrative and Waste Services	874	989	1,009	369	384
Agriculture, Forestry, Fishing, Hunting	129	126	120	115	124
Arts, Entertainment and Recreation	83	93	83	96	63
Construction	509	533	538	617	621
Educational Services	43	47	48	45	51
Finance and Insurance	139	136	145	176	160
Government	2,553	2,514	2,553	2,676	2,811
Health Care and Social Assistance	419	396	382	417	591
Information	†	†	†	†	†
Manufacturing	201	233	295	290	288
Mining	†	†	†	†	†
Non-Classifiable	18	28	40	51	18
Other Services	158	173	190	219	251
Professional and Technical Services	206	183	187	213	225
Real Estate, Rental and Leasing	38	37	45	73	65
Retail Trade	722	771	832	844	815
Transportation and Warehousing	131	118	89	96	105
Utilities	†	†	†	†	†
Wholesale Trade	177	196	216	255	272
Total[1]	7,488	7,557	7,877	7,717	8,067

[1] Figures may not equal totals when added due to the rounding of averages or the inclusion in the total figure of employees that were not disclosed in individual classifications.

† Figures were not released due to confidentiality.

Source: Georgia Department of Labor, Industry Mix.

Commercial Services

The County has one local newspaper, the *Monroe County/Macon Reporter*, which is published weekly. The County also has 13 hotels and approximately 10 meeting facilities, including school auditoriums, stadiums, and hotel conference facilities. The largest meeting facility is the Monroe County Fine Arts Center, which seats approximately 1,200 people.

The County is known as the "Safety Capital of Georgia" and is home to the Georgia Public Safety Training Center, a state agency established in 1980 that provides training and certification for law enforcement officers, firefighters, emergency medical personnel, and other public safety professionals throughout Georgia. The County is also home to the headquarters of the Georgia Department of Corrections.

The County has an active arts and cultural community, including the Monroe County Arts Alliance, the annual Forsythia Festival, the Juliette Opry, the historic Rose Theater, the Victorian Train Depot, and the 1823 Artisan Guild and Gallery, which together provide a variety of visual and performing arts opportunities for residents and visitors.

Recreation

Monroe County offers a variety of recreational opportunities, including rafting and kayaking on the Towaliga River, boating and camping at Lake Juliette and High Falls State Park, golf, hiking trails, pickleball, and other outdoor activities. The Monroe County Parks and Recreation Department offers youth athletic programs, including softball, baseball, football, soccer, cheerleading, and basketball, and maintains parks and recreational facilities throughout the County with ballfields, basketball and pickleball courts, playgrounds, walking tracks, and other green spaces.

High Falls State Park, known for the cascades of the Towaliga River, is a popular destination for boating, fishing, camping, and hiking. Other local attractions include the historic Jarrell Plantation State Historic Site and the Whistle Stop Café in Juliette, which gained national recognition as the filming location for *Fried Green Tomatoes*.

Utilities

Water service within the County is provided by the Monroe County Water System, the City of Forsyth, and private groundwater wells. Solid waste collection and disposal services are provided by Monroe County through its solid waste management system, including the Monroe County Municipal Solid Waste Landfill and a network of recycling and collection centers located throughout the County.

Electric service is provided by Central Georgia EMC, the City of Forsyth, Georgia Power, and Lamar EMC. Natural gas service is available from multiple providers. Telephone, cable television, and broadband internet services are available throughout the County from a variety of public and private providers.

Higher Education

There are also several colleges and universities located within a fifty mile radius of the County, including Gordon State College in Barnesville (19 miles), CGTC: Central Georgia Technical College in Macon (20 miles), Middle Georgia State University in Macon (18 miles), Wesleyan College in Macon (15 miles), Mercer University in Macon (22 miles), Southern Crescent Technical College in Griffin (38 miles), and Georgia College & State University in Milledgeville (47 miles).

Transportation

Monroe County is located in the Middle Georgia region directly on Interstate 75. Twenty-eight miles of Interstate I-75 run through the County with 8 exits/entrances for easy access. The direct access to I-75 along with the proximity to the port city of Savannah, Georgia and Atlanta Georgia's airport make the County an ideal location for new, expanding and existing businesses and industries. I-475 begins in the County and I-675 is just north of the County and about 40 miles to Interstate 285. In addition, U.S. Highways 23, 41, and 341 and State Routes 7, 18, 19, 42, 74, 83, 87, 401, and 408 run through the County. The nearest navigable seaport is the Port of Savannah, which is one of the most active ports on the Atlantic coast. It is approximately 186 miles from the County. The nearest commercial air service, Hartsfield Jackson International Airport, is approximately 50 miles away, and the Middle Georgia Regional Airport, approximately 25 miles away.

The Monroe County Road Department responsibilities include street repairs, drainage maintenance, mowing roadways during growing seasons, and road construction projects of limited size.

Medical Services

Monroe County Hospital is a 25-bed hospital located in the County and provides emergency and inpatient medical services. In addition, the County is served by two nursing homes and the Monroe County Health Department, which provides public health programs and services.

The Monroe County Emergency Management Agency ("**EMA**") coordinates emergency preparedness, response, recovery, and mitigation activities for natural and man-made disasters throughout the County.

Fire protection and emergency medical services are provided by Monroe County Emergency Services through a system of 13 stations staffed by a combination of career and volunteer firefighters and emergency medical personnel, including four stations providing 24-hour coverage.

LEGAL MATTERS

Litigation

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

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

Opinion of Bond Counsel

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

Validation Proceedings

The Bonds were validated by judgment of the Superior Court of Monroe County, Georgia on April 14, 2026. Under State law, the judgment of validation is final and conclusive with respect to the validity of the Bonds.

Closing Certificates

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

TAX MATTERS

The following is a summary of the material federal and State income tax consequences of holding and disposing of the Bonds. This summary is based upon laws, regulations, rulings, and judicial decisions now in effect, all of which are subject to change (possibly on a retroactive basis). This summary does not discuss all aspects of federal income taxation that may be relevant to investors in light of their personal investment circumstances or describe the tax consequences to certain types of owners subject to special treatment under the federal income tax laws (for example, dealers in securities or other persons who do not hold the Bonds as a capital asset, tax-exempt organizations, individual retirement accounts and other tax deferred accounts, and foreign taxpayers), and, except for the income tax laws of the State, does not discuss the consequences to an owner under any state, local, or foreign tax laws. The summary does not deal with the tax treatment of persons who purchase the Bonds in the secondary market. Prospective investors are advised to consult their own tax advisors regarding federal, state, local, and other tax considerations of holding and disposing of the Bonds.

Federal Tax Exemption of the Bonds

General. In the opinion of Butler Snow LLP, Bond Counsel, under existing laws, regulations, published rulings, and judicial decisions, interest on the Bonds (including any original issue discount properly allocable to the owner of a Bond) is excludable from gross income for federal income tax purposes. Bond Counsel is further of the opinion that interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest on the Bonds may be taken into account for the purpose of computing the alternative minimum tax imposed on certain corporations. The opinion described above assumes the accuracy of certain representations and compliance by the School District with covenants designed to satisfy the requirements of the Code that must be met subsequent to the issuance of the Bonds. Failure to comply with such requirements could cause interest on the Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds.

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

*Original Issue Discount**. The initial public offering prices of the Bonds maturing on __________________ (collectively, the "**Discount Bonds**"), are less than the principal amounts payable at maturity for such Bonds, and as a result, the Discount Bonds will be considered to be issued with original issue discount. The difference between the initial public offering prices of the Discount Bonds as set forth on the inside cover page of this Official Statement (assuming they are the first prices at which a substantial amount of each such maturity are sold) (the "**Issue Price**" for each such maturity), and the amounts payable at maturity of the Discount Bonds will be treated as "original issue discount." A taxpayer that purchases a Discount Bond in the initial public offering at the Issue Price for such maturity and that holds such Discount Bond to maturity may treat the full amount of original issue discount as interest which is excludable from the gross income of the owner of that Discount Bond for federal income tax purposes and will not, under present federal income tax law, realize taxable capital gain upon payment of the Discount Bond at maturity.

The original issue discount on each of the Discount Bonds is treated as accruing daily over the term of such Discount Bonds on the basis of the yield to maturity determined on the basis of compounding at the end of each six-month period (or shorter period from the date of the original issue) ending ________1 and _________1 (with straight line interpolation between compounding dates).

Section 1288 of the Code provides, with respect to tax-exempt obligations such as the Discount Bonds, that the amount of original issue discount accruing each period will be added to the owner's tax basis for the Discount Bonds. Such adjusted tax basis will be used to determine taxable gain or loss upon disposition of the Discount Bonds (including sale, redemption, or payment at maturity). Owners of the Discount Bonds that dispose of Discount Bonds prior to maturity should consult their tax advisors as to the amount of original issue discount accrued over the period held and the amount of taxable gain or loss upon the sale or other disposition of such Discount Bonds prior to maturity.

The original issue discount that accrues in each year to an owner of a Discount Bond may result in certain collateral federal income tax consequences. Owners of any Discount Bonds should be aware that the accrual of original issue discount in each year may result in a tax liability from these collateral tax consequences even though the owners of such Discount Bonds will not receive a corresponding cash payment until a later year.

Owners that purchase Discount Bonds in the initial public offering but at a price different from the Issue Price for such maturity should consult their own tax advisors with respect to the tax consequences of the ownership of the Discount Bonds.

The Code and Treasury Regulations contain certain provisions relating to the accrual of original issue discount in the case of subsequent purchasers of bonds such as the Discount Bonds. Owners that do not purchase Discount Bonds in the initial public offering should consult their own tax advisors with regard to the other tax consequences of owning the Discount Bonds.

Owners of Discount Bonds should consult their own tax advisors with respect to the state and local tax consequences of owning Discount Bonds. It is possible under the applicable provisions governing the determination of state and local income taxes that accrued interest on the Discount Bonds may be deemed to be received in the year of accrual even though there will not be a corresponding cash payment until a later year.

*Original Issue Premium**. An amount equal to the excess of the purchase price of a Bond over its stated redemption price at maturity constitutes premium on such Bond. A purchaser of a Bond must amortize any premium over such Bond's term using constant yield principles, based on the Bond's yield to maturity (or, in the case of premium bonds callable prior to their maturity, generally by amortizing the premium to the call date, based on the purchaser's yield to the call date and giving effect to any call premium). As premium is amortized, the purchaser's basis in such Bond and the amount of tax-exempt interest received will be reduced by the amount of amortizable premium properly allocable to such purchaser. This will result in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes on sale or disposition of such Bond prior to its maturity. Even though the purchaser's basis is reduced, no federal income tax deduction is allowed. Purchasers of any Bond at a premium, whether at the time of initial issuance or subsequent thereto, should consult their tax advisors with respect to the determination and treatment of premium for federal income tax purposes, and with respect to state and local tax consequences of owning such Bonds.

Backup Withholding

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

State of Georgia Tax Exemption of the Bonds

Bond Counsel is also of the opinion that, under existing State statutes, interest on the Bonds is exempt from Georgia income tax. Bond Counsel has expressed no opinion regarding other tax consequences arising with respect to the Bonds under the laws of the State or any other state or jurisdiction.

Changes in Federal and State Tax Law

From time to time, there are legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to under this heading "TAX MATTERS" or adversely affect the market value of the Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted it would apply to Bonds issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value of the Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Bonds or the market value thereof would be impacted thereby. Purchasers of the Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives, or litigation. The opinions expressed by Bond Counsel are based on existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Bonds, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any pending legislation, regulatory initiatives or litigation.

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

MISCELLANEOUS

Ratings

Moody's Investors Service, Inc. ("**Moody's**"), has assigned the Bonds the rating of "Aa1" based on the School District's participation in the Intercept Program. Moody's has also assigned the Bonds an underlying rating of "A1" reflecting the credit quality of the School District without regard to the State Aid Intercept Program. S&P Global Ratings ("**S&P**") has assigned the Bonds a rating of "AA+" based on the understanding that the School District will participate in the State Aid Intercept program. The School District has also received an underlying stand-alone rating of "A+" by S&P.

The enhanced ratings reflect the School District's participation in the Intercept Program pursuant to State law, under which, upon notice of nonpayment, the State Board of Education is required to withhold certain State appropriations otherwise payable to the School District and apply such amounts to the payment of principal of and interest on the Bonds. The State of Georgia is not obligated to levy any tax or make any appropriation for the payment of the Bonds, and the Bonds do not constitute a debt of the State.

The ratings reflect only the views of the rating agencies, and an explanation of the significance of such rating may be obtained from the rating agency furnishing such rating, at the following addresses: Moody's Investors Service, Inc., 7 World Trade Center, 250 Greenwich Street, New York, New York 10007 and Standard & Poor's Rating Service, A Division of The McGraw-Hill Companies, Municipal Finance Department, 55 Water Street, 38th Floor, New York, New York 10041, telephone (212) 438-2074. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies, and assumptions of its own. There is no assurance that such rating will remain unchanged for any given period of time or that they will not be revised downward or withdrawn entirely by the rating agency furnishing the same, if, in its judgment, circumstances so warrant. Any such revision or withdrawal of such rating may have an adverse effect on the liquidity and market price of the Bonds.

Underwriting

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

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

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

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

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

Independent Auditors

The general-purpose financial statements of the School District as of June 30, 2025, and for the year then ended, attached hereto as part of APPENDIX A, have been audited by the Georgia Department of Audits and Accounts, Atlanta, Georgia, to the extent and for the period indicated in its report thereon, which appears in APPENDIX A. Such financial statements have been included herein in reliance upon the report of the Georgia Department of Audits and Accounts, given upon the authority of such firm as experts in accounting and auditing. The State of Georgia Department of Audits and Accounts, as a matter of policy, does not sign written consents to the inclusion of its audit reports in Official Statements and, pursuant to such policy, has not signed and will not sign a written consent to the inclusion of its audit report in APPENDIX A to this Official Statement. The State of Georgia Department of Audits and Accounts may assert the defense of sovereign immunity against any claim based upon its negligence in performing the audit of the School District's general purpose financial statements.

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

Additional Information

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

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

CERTIFICATION

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

MONROE COUNTY SCHOOL DISTRICT

By: ***PRELIMINARY OFFICIAL STATEMENT***

Chair, Monroe County Board of Education

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APPENDIX A

FINANCIAL STATEMENTS OF THE SCHOOL DISTRICT
FOR FISCAL YEAR ENDED JUNE 30, 2025

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ANNUAL FINANCIAL REPORT • FISCAL YEAR 2025

Monroe County Board of Education

Forsyth, Georgia

Including Independent Auditor's Report

Greg S. Griffin | State Auditor

DOAA
Georgia Department of Audits & Accounts

Annual Financial Report • Fiscal Year 2025

Table of Contents

Table of Contents *(Continued)*

Section I

Financial

DOAA
Georgia Department
of Audits & Accounts

Greg S. Griffin
State Auditor

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. Jim Finch, Superintendent and Members of the
Monroe 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 aggregate remaining fund information of the Monroe 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 aggregate remaining fund information 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.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the School District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient 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 July 29, 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 or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control over financial reporting and compliance.

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

Respectfully submitted,

Greg S. Griffin
State Auditor

July 29, 2026

Management's Discussion and Analysis

(Required Supplementary Information)

INTRODUCTION

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

FINANCIAL HIGHLIGHTS

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

- General revenues accounts for $41.7 million in revenue or 49.7% of all revenues. Program specific revenues in the form of charges for services, grants and contributions accounted for $42.2 million or 50.3% of total revenues of $83.8 million.
- The School District had $75.3 million in expenses related to governmental activities; however, $42.2 million of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily taxes) of $41.7 million were adequate to provide for these programs.
- Among major funds, the general fund had $75.1 million in revenues and $72.1 million in expenditures. The fund balance for the general fund increased from $11.1 million to approximately $14.1 million. Several factors led to this increase including enrollment growth that increases the amount of State funding, and the local property tax digest is also growing, leading to additional tax revenue.
- 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 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 15, Restatement of Prior Year Net Position.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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 and liabilities. All of the current fiscal year's revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid.

The two government-wide statements report the School District's net position and how it has changed. Net position, the difference between the School District's assets and deferred outflows of resources, and 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.

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

<u>Fiduciary Funds</u> - The School District is the trustee, or fiduciary, for assets that belong to others, such as school clubs and organizations within the principals' 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.

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	$ 55,348,754	61,404,511	$ (6,055,757)
Capital Assets, Net	90,316,721	58,598,388	31,718,333
Total Assets	145,665,475	120,002,899	25,662,576
Deferred Outflows of Resources			
Related to Defined Benefit Pension Plans	16,381,133	19,318,989	(2,937,856)
Related to OPED Plan	6,916,935	8,401,463	(1,484,528)
Total Deferred Outflows of Resources	23,298,068	27,720,452	(4,422,384)
Total Assets and Deferred Outflows of Resources	168,963,543	147,723,351	21,240,192
Liabilities			
Current and Other Liabilities	14,068,260	8,780,807	5,287,453
Long-Term Liabilities	121,799,931	115,294,138	6,505,793
Total Liabilities	135,868,191	124,074,945	11,793,246
Deferred Inflows of Resources			
Related to Defined Benefit Pension Plans	7,862,495	1,536,884	6,325,611
Related to OPED Plan	10,175,825	13,473,263	(3,297,438)
Total Deferred Inflows of Resources	18,038,320	15,010,147	3,028,173
Total Liabilities and Deferred Inflows of Resources	153,906,511	139,085,092	14,821,419
Net Position			
Net Investment in Capital Assets	61,683,679	54,079,611	7,604,068
Restricted	15,685,760	17,839,824	(2,154,064)
Unrestricted (Deficit)	(62,312,407)	(63,281,176)	968,769
Total Net Position	$ 15,057,032	$ 8,638,259	$ 6,418,773

(1) Fiscal Year 2024 balances do not reflect the effects of the restatement of balances.
See Note 15 in the Notes to the Basic Financial Statements for additional information.

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 2025	Fiscal Year 2024 (1)	Net Change
Revenues			
Program Revenues:			
Charges for Services	$ 1,115,398	1,340,489	$ (225,091)
Operating Grants and Contributions	38,450,653	34,701,554	3,749,099
Capital Grants and Contributions	2,602,194	2,932,842	(330,648)
Total Program Revenues	42,168,245	38,974,885	3,193,360
General Revenues:			
Taxes			
Property Taxes			
For Maintenance and Operations	29,646,446	27,891,004	1,755,442
Other Taxes	53,110	108	53,002
Sales Taxes			
Special Purpose Local Option Sales Tax			
For Capital Projects	7,091,373	7,892,067	(800,694)
Other Taxes	462,225	381,220	81,005
Grants and Contributions not			
Investment Earnings	2,325,456	2,291,472	33,984
Miscellaneous	2,083,009	1,479,543	603,466
Total General Revenues	41,661,619	39,935,414	1,726,205
Total Revenues	83,829,864	78,910,299	4,919,565
Program Expenses:			
Instruction	46,215,438	47,450,154	(1,234,716)
Support Services			
Pupil Services	2,565,374	2,570,552	(5,178)
Improvement of Instructional Services	1,438,613	2,088,358	(649,745)
Educational Media Services	858,974	896,247	(37,273)
General Administration	1,967,425	2,454,256	(486,831)
School Administration	2,963,093	2,851,302	111,791
Business Administration	1,011,548	647,760	363,788
Maintenance and Operation of Plant	6,944,452	5,974,970	969,482
Student Transportation Services	5,357,345	5,615,339	(257,994)
Central Support Services	8,446	21,558	(13,112)
Other Support Services	46,426	27,060	19,366
Operations of Non-Instructional Services			
Enterprise Operations	1,181,580	1,342,906	(161,326)
Food Services	3,266,683	2,872,759	393,924
Interest on Long-Term Debt	1,441,777	1,178,593	263,184
Total Expenses	75,267,174	75,991,814	(724,640)
Increase/(Decrease) in Net Position	$ 8,562,690	$ 2,918,485	$ 5,644,205

(1) Fiscal Year 2024 balances do not reflect the effects of the restatement of balances.
See Note 15 in the Notes to the Basic Financial Statements for additional information.

Program revenues, in the form of charges for services, operating grants and contributions and capital grants and contributions increased $3.2 million for governmental activities. This increase is largely due to an increase in funds earned through the State Quality Basic Education (QBE) Funding Formula.

General revenues increased by $1.7 million during fiscal year 2025 due to an increase in the local tax digest.

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	46,215,438	47,450,154	17,329,920	18,842,721
Support Services:				
Pupil Services	2,565,374	2,570,552	2,084,819	2,288,965
Improvement of Instructional Services	1,438,613	2,088,358	1,071,483	1,296,847
Educational Media Services	858,974	896,247	73,667	164,440
General Administration	1,967,425	2,454,256	741,636	1,382,547
School Administration	2,963,093	2,851,302	1,528,537	1,478,738
Business Administration	1,011,548	647,760	1,004,452	643,804
Maintenance and Operation of Plant	6,944,452	5,974,970	4,616,641	4,112,932
Student Transportation Services	5,357,345	5,615,339	1,655,487	4,312,150
Central Support Services	8,446	21,558	8,013	(11,822)
Other Support Services	46,426	27,060	41,620	26,201
Operations of Non-Instructional Services:				
Enterprise Operations	1,181,580	1,342,906	1,181,570	1,342,906
Food Services	3,266,683	2,872,759	319,307	(42,093)
Interest on Long-Term Debt	1,441,777	1,178,593	1,441,776	1,178,593
Total Expenses	$ 75,267,174	$ 75,991,814	$ 33,098,928	$ 37,016,929

(1) Fiscal Year 2024 balances do not reflect the effects of the restatement of balances.
See Note 15 in the Notes to the Basic Financial Statements for additional information.

Although program revenues make up a majority of the funding, the School District is still dependent upon tax revenues for governmental activities. For 2025, 44.0% of instruction and support activities were supplemented by taxes and other general revenues compared to 48.7% in 2024.

Expenses decreased $0.7 million from the prior year, the net costs of providing services decreased $3.9 million. This situation occurred because the school district did not fill all vacant positions and program revenue increased.

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS

The School District's governmental funds are accounted for using the modified accrual basis of accounting. Total governmental funds had revenues and other financing sources of $102.9 million and expenditures of $113.7 million. The capital projects fund had an overall decrease of $13.8 million. The general fund had an overall increase of $3.1 million. The increase in the general fund for the year is due mostly to the increase in program revenue.

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.

For the general fund, the final budgeted revenues of $66.1 million increased from the original budgeted amount of $63.2 million by $2.9 million. This difference was mainly due to the increase in the QBE allotment. The actual revenue was more than the budgeted amount by $9.0 million. The majority of the variances between final budget and actual revenue are due to the increase in State Revenue.

The final budgeted expenditures of $66.4 million was more than the original budgeted amount of $63.9 million by $2.5 million. This difference was due mainly to increased employee benefits. The actual expenditure of $72.1 million was $5.7 million more than budgeted. The majority of the variances between the final budgeted expenditures and actual are due to increase in employee benefits.

CAPITAL ASSETS

At the fiscal years ended June 30, 2025 and June 30, 2024, the School District had $90.3 million and $58.6 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 2025	Fiscal Year 2024	Net Change
Land	$ 3,217,065	3,165,429	$ 51,636
Construction In Progress	35,516,235	4,182,398	31,333,837
Building and Improvements	42,895,372	44,537,360	(1,641,988)
Equipment	5,013,666	3,503,960	1,509,706
Land Improvements	3,674,383	3,209,241	465,142
Total	$ 90,316,721	$ 58,598,388	$ 31,718,333

The overall capital assets increased in fiscal year 2025 by $31.7 million due to several ongoing construction projects.

Construction in progress increased primarily due to the continued construction of a new College and Career Academy/Freshman Campus and the start of the New Field House and Stadium Renovation Project.

DEBT ADMINISTRATION

At June 30, 2025, the School District had $42.1 million in total debt outstanding with $7.0 million due within one year. Table 5 summarizes bond debt outstanding at June 30, 2025 and 2024.

Table 5
Debt at June 30

	Governmental Activities		
	Fiscal Year 2025	Fiscal Year 2024 (1)	Net Change
Bonds Payable	$ 36,300,000	$ 26,895,000	$ 9,405,000
Unamortized Bond Premiums	3,161,745	1,783,088	1,378,657
Compensated Absences	2,641,163	-	2,641,163
	$ 42,102,908	$ 28,678,088	$ 13,424,820

(1) Fiscal Year 2024 balances do not reflect the effects of the restatement of balances.
See Note 15 in the Notes to the Basic Financial Statements for additional information.

The School District issued $16.0 million in Public Facilities Authority bonds to construct a new Mary Person High School athletic fieldhouse and renovation of the Dan Pitts Stadium.

CURRENT ISSUES

The School District remains financially stable. Continued enrollment growth has increased our QBE earnings for several years. Our local taxes have benefited from the growth as well, by increasing the local tax digest.

The sale of Bonds during the year allowed the School District to begin construction of a new field house, along with renovations to our stadium. We also are very close to the completion of our new College and Career Academy/Freshman Campus.

The School District anticipates challenges going forward, such as increased cost of benefits and the shortage of quality teachers statewide. The increase in our enrollment and an increasing local tax base, the School District feels encouraged in its ability to be good stewards of the tax dollars while continuing to provide a quality education for its students.

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 Chris Johnson, CGFM, at the Monroe County Board of Education, 25 Brooklyn Ave., Forsyth, GA 31029. You may also email your questions to chris.johnson@mcschools.org.

Monroe County Board of Education

Exhibits: Basic Financial Statements

Government-Wide Financial Statements

Statement of Net Position
June 30, 2025

	Governmental Activities
Assets	
Cash and Cash Equivalents	$ 48,928,543.62
Investments	75,209.05
Receivables, Net	
Taxes	1,139,551.49
State Government	4,591,967.94
Federal Government	544,137.41
Other	0.66
Inventories	69,344.54
Capital Assets, Non-Depreciable	38,733,298.97
Capital Assets, Depreciable (Net of Accumulated Depreciation)	51,583,421.69
Total Assets	145,665,475.37
Deferred Outflows of Resources	
Related to Defined Benefit Pension Plans	16,381,132.41
Related to OPEB Plan	6,916,935.17
Total Deferred Outflows of Resources	23,298,067.58
Liabilities	
Accounts Payable	2,182,200.65
Salaries and Benefits Payable	5,414,282.11
Payroll Withholdings Payable	2,522,226.40
Contracts Payable	3,206,168.30
Retainages Payable	743,382.62
Net Pension Liability	48,878,019.00
Net OPEB Liability	30,819,004.00
Long-Term Liabilities	
Due Within One Year	7,014,142.35
Due in More Than One Year	35,088,765.44
Total Liabilities	135,868,190.87
Deferred Inflows of Resources	
Related to Defined Benefit Pension Plans	7,862,495.00
Related to OPEB Plan	10,175,825.00
Total Deferred Inflows of Resources	18,038,320.00
Net Position	
Net Investment in Capital Assets	61,683,679.40
Restricted for	
Continuation of Federal Programs	360,221.72
Debt Service	1,482,073.72
Capital Projects	13,825,215.86
Permanent Funds	18,248.49
Unrestricted (Deficit)	(62,312,407.11)
Total Net Position	$ 15,057,032.08

The notes to the financial statements are an integral part of this statement.

Statement of Activities
for the Year Ended June 30, 2025

	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position
Governmental Activities					
Instruction	$ 46,215,438.49	$ 396,308.73	$ 28,682,648.98	$ (193,439.26)	$ (17,329,920.04)
Support Services					
Pupil Services	2,565,373.74	-	480,554.87	-	(2,084,818.87)
Improvement of Instructional Services	1,438,612.73	-	367,129.69	-	(1,071,483.04)
Educational Media Services	858,974.29	-	785,307.00	-	(73,667.29)
General Administration	1,967,424.84	-	1,092,064.83	133,724.40	(741,635.61)
School Administration	2,963,093.46	-	1,434,556.52	-	(1,528,536.94)
Business Administration	1,011,548.47	-	3,725.74	3,370.48	(1,004,452.25)
Maintenance and Operation of Plant	6,944,452.35	33,385.29	1,445,473.86	848,952.35	(4,616,640.85)
Student Transportation Services	5,357,344.82	-	1,893,604.89	1,808,252.97	(1,655,486.96)
Central Support Services	8,445.56	-	432.23	-	(8,013.33)
Other Support Services	46,425.55	-	4,805.91	-	(41,619.64)
Operations of Non-Instructional Services					
Enterprise Operations	1,181,580.19	-	10.28	-	(1,181,569.91)
Food Services	3,266,683.22	685,704.10	2,260,338.60	1,333.56	(319,306.96)
Interest on Long-Term Debt	1,441,776.44	-	-	-	(1,441,776.44)
Total Governmental Activities	$ 75,267,174.15	$ 1,115,398.12	$ 38,450,653.40	$ 2,602,194.50	$ (33,098,928.13)

General Revenues	
Taxes	
Property Taxes	
For Maintenance and Operations	29,646,445.43
Other Taxes	53,110.19
Sales Taxes	
Special Purpose Local Option Sales Tax	
For Capital Projects	7,091,373.01
Other Sales Tax	462,225.03
Investment Earnings	2,325,455.91
Miscellaneous	2,083,008.99
Total General Revenues	41,661,618.56
Change in Net Position	8,562,690.43
Net Position - Beginning of Year, as Previously Presented	8,638,258.92
Change in Accounting Principle - GASB Statement No. 101	(2,143,917.27)
Net Position - Beginning of Year, as Restated	6,494,341.65
Net Position - End of Year	$ 15,057,032.08

The notes to the financial statements are an integral part of this statement.

Fund Financial Statements

Balance Sheet
Governmental Funds
June 30, 2025

	General Fund	Capital Projects Fund	Debt Service Fund	Nonmajor Governmental Fund	Total
Assets					
Cash and Cash Equivalents	$ 16,847,461.26	$ 32,061,860.15	$ 973.72	$ 18,248.49	$ 48,928,543.62
Investments	75,209.05	-	-	-	75,209.05
Receivables, Net					
Taxes	1,139,551.49	-	-	-	1,139,551.49
State Government	4,591,967.94	-	-	-	4,591,967.94
Federal Government	544,137.41	-	-	-	544,137.41
Other	0.66	-	-	-	0.66
Inventories	69,344.54	-	-	-	69,344.54
Total Assets	$ 23,267,672.35	$ 32,061,860.15	$ 973.72	$ 18,248.49	$ 55,348,754.71
Liabilities					
Accounts Payable	$ 483,812.16	$ 1,698,388.49	$ -	$ -	$ 2,182,200.65
Salaries and Benefits Payable	5,414,282.11	-	-	-	5,414,282.11
Payroll Withholdings Payable	2,522,226.40	-	-	-	2,522,226.40
Contracts Payable	-	3,206,168.30	-	-	3,206,168.30
Retainages Payable	-	743,382.62	-	-	743,382.62
Total Liabilities	8,420,320.67	5,647,939.41	-	-	14,068,260.08
Deferred Inflows of Resources					
Unavailable Revenue - Property Taxes	697,706.27	-	-	-	697,706.27
Total Deferred Inflows of Resources	697,706.27	-	-	-	697,706.27
Fund Balances					
Nonspendable	69,344.54	-	-	10,000.00	79,344.54
Restricted	290,877.18	26,413,920.74	973.72	8,248.49	26,714,020.13
Assigned	574,828.32	-	-	-	574,828.32
Unassigned	13,214,595.37	-	-	-	13,214,595.37
Total Fund Balances	14,149,645.41	26,413,920.74	973.72	18,248.49	40,582,788.36
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 23,267,672.35	$ 32,061,860.15	$ 973.72	$ 18,248.49	$ 55,348,754.71

The notes to the financial statements are an integral part of this statement.

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
June 30, 2025

Total fund balances - governmental funds (Exhibit "C")		$ 40,582,788.36
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	$ 3,217,064.70	
Construction in progress	35,516,234.27	
Buildings and improvements	78,415,857.41	
Equipment	12,120,882.54	
Land improvements	8,453,008.28	
Accumulated depreciation	(47,406,326.54)	90,316,720.66
Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Net pension liability	$ (48,878,019.00)	
Net OPEB liability	(30,819,004.00)	(79,697,023.00)
Deferred outflows and inflows of resources related to pensions/OPEB are applicable to future periods and, therefore, are not reported in the funds.		
Related to pensions	$ 8,518,637.41	
Related to OPEB	(3,258,889.83)	5,259,747.58
Taxes that are not available to pay for current period expenditures are deferred in the funds.		697,706.27
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.		
Bonds payable	$ (36,300,000.00)	
Compensated absences payable	(2,641,162.32)	
Unamortized bond premiums	(3,161,745.47)	(42,102,907.79)
Net position of governmental activities (Exhibit "A")		$ 15,057,032.08

The notes to the financial statements are an integral part of this statement.

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2025

	General Fund	Capital Projects Fund	Debt Service Fund	Nonmajor Governmental Fund	Total
Revenues					
Property Taxes	$ 30,266,093.68	$ -	$ -	$ -	$ 30,266,093.68
Sales Taxes	462,225.03	7,091,373.01	-	-	7,553,598.04
State Funds	36,193,210.33	1,044,654.50	-	-	37,237,864.83
Federal Funds	4,497,941.26	-	-	-	4,497,941.26
Charges for Services	1,115,398.12	-	-	-	1,115,398.12
Investment Earnings	535,130.90	1,790,272.45	43.37	9.19	2,325,455.91
Miscellaneous	2,071,985.99	11,023.00	-	-	2,083,008.99
Total Revenues	75,141,985.31	9,937,322.96	43.37	9.19	85,079,360.83
Expenditures					
Current					
Instruction	43,833,229.93	862,995.91	-	-	44,696,225.84
Support Services					
Pupil Services	2,542,916.47	-	-	-	2,542,916.47
Improvement of Instructional Services	1,419,825.92	-	-	-	1,419,825.92
Educational Media Services	856,480.33	-	-	-	856,480.33
General Administration	1,741,547.79	142,913.72	-	-	1,884,461.51
School Administration	2,958,207.65	-	-	-	2,958,207.65
Business Administration	698,013.99	309,642.79	84.00	-	1,007,740.78
Maintenance and Operation of Plant	6,201,770.07	165,883.48	-	-	6,367,653.55
Student Transportation Services	6,987,887.59	-	-	-	6,987,887.59
Central Support Services	8,445.56	-	-	-	8,445.56
Other Support Services	46,425.55	-	-	-	46,425.55
Enterprise Operations	1,181,580.19	-	-	-	1,181,580.19
Food Services Operation	3,285,392.44	-	-	-	3,285,392.44
Capital Outlay	324,000.00	32,076,442.59	-	-	32,400,442.59
Debt Service					
Principal	-	-	6,585,000.00	-	6,585,000.00
Interest	-	-	1,441,776.44	-	1,441,776.44
Total Expenditures	72,085,723.48	33,557,878.49	8,026,860.44	-	113,670,462.41
Revenues over (under) Expenditures	3,056,261.83	(23,620,555.53)	(8,026,817.07)	9.19	(28,591,101.58)
Other Financing Sources (Uses)					
Proceeds of Bonds	-	15,990,000.00	-	-	15,990,000.00
Premiums on Bonds Sold	-	1,824,429.80	-	-	1,824,429.80
Transfers In	-	-	8,026,826.44	-	8,026,826.44
Transfers Out	-	(8,026,826.44)	-	-	(8,026,826.44)
Total Other Financing Sources (Uses)	-	9,787,603.36	8,026,826.44	-	17,814,429.80
Net Change in Fund Balances	3,056,261.83	(13,832,952.17)	9.37	9.19	(10,776,671.78)
Fund Balances - Beginning	11,093,383.58	40,246,872.91	964.35	18,239.30	51,359,460.14
Fund Balances - Ending	$ 14,149,645.41	$ 26,413,920.74	$ 973.72	$ 18,248.49	$ 40,582,788.36

The notes to the financial statements are an integral part of this statement.

Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities
June 30, 2025

Net change in fund balances total governmental funds (Exhibit "E")		$ (10,776,671.78)
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense.		
Capital outlay	$ 34,475,596.84	
Depreciation expense	(2,873,561.48)	31,602,035.36
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, donations, and disposals) is to increase net position.		116,297.27
Taxes reported in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.		(566,538.06)
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.		
General obligation bonds issued, including a premium of $1,824,429.80	$ (17,814,429.80)	
Bond principal retirements	6,585,000.00	
Amortization of bond premium	445,771.89	(10,783,657.91)
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	$ (1,652,357.57)	
OPEB expense	1,120,828.17	(531,529.40)
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.		
Compensated absences		(497,245.05)
Change in net position of governmental activities (Exhibit "B")		$ 8,562,690.43

The notes to the financial statements are an integral part of this statement.

Monroe County Board of Education

Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2025

	Private Purpose Trusts
Assets	
Cash and Cash Equivalents	$ 23,085.08
Net Position	
Held in Trust for Private Purposes	$ 23,085.08

The notes to the financial statements are an integral part of this statement.

Statement of Changes in Fiduciary Net Position
Fiduciary Funds
Year Ended June 30, 2025

	Private Purpose Trusts
Additions	
Investment Earnings	
Interest	$ 48.70
Deductions	
Donations	74,812.80
Change in Net Position	(74,764.10)
Net Position - Beginning	97,849.18
Net Position - Ending	$ 23,085.08

The notes to the financial statements are an integral part of this statement.

Notes to the Financial Statements
for the Fiscal Year Ended June 30, 2025

NOTE 1: DESCRIPTION OF SCHOOL DISTRICT AND REPORTING ENTITY

Reporting Entity

The Monroe 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.

Blended Component Unit

The Monroe County College and Career Academy, Inc. was organized under the laws of the State of Georgia on August 16, 2023. The purpose of the Monroe County College and Career Academy Inc. is to provide a seamless blend of academics with career and technical education and skill to better serve the Monroe County Community and region, generally and participating partners, specifically, in accordance with the educational purposes set forth in the "strategic waiver contract" agreed to by both the Local and State Board of Education. The Board of Directors is comprised of nine voting members. The Monroe County College and Career Academy is a component unit of the School District and as such the College and Career Academy's financial activity has been blended with the School District's basic financial statements.

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 and its component unit, 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.

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. All remaining governmental funds are aggregated and reported as nonmajor funds.

The School District reports the following major governmental funds:

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

- The debt service fund accounts for and reports financial resources that are restricted, committed, or assigned including taxes (sales) legally restricted for the payment of general long-term principal and interest.

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.

All governmental funds not meeting the criteria established for major funds are presented in the nonmajor governmental column of the fund financial statements.

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.

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, 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 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 did not have a material impact but was significant 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. 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.

Investments

The School District can invest its funds as permitted by O.C.G.A. §36-83-4. In selecting among options for investment or among institutional bids for deposits, the highest rate of return shall be the objective, given equivalent conditions of safety and liquidity.

Investments made by the School District in nonparticipating interest-earning contracts (such as certificates of deposit) and repurchase agreements are reported at cost. Participating interest-earning contracts and money market investments with a maturity at purchase of one year or less are reported at amortized cost. All other investments are reported at fair value.

For accounting purposes, certificates of deposit are classified as investments if they have an original maturity greater than three months when acquired.

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	ALL	N/A
Land Improvements	ALL	15 years
Buildings	$ 25,000.00	40 years
Portable Buildings	$ 25,000.00	10 years
Buildings and Improvements	$ 25,000.00	20 to 40 years
Equipment, Excluding Vehicles	$ 25,000.00	5 to 15 years
Buses	$ 25,000.00	8 to 14 years
Vehicles	$ 25,000.00	5 to 10 years
Intangible Assets	$ 25,000.00	5 to 50 years

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 45 days. The School District does not provide for payout of unused sick leave upon resignation or retirement; accordingly, the liability represents the portion of accumulated sick leave that is more likely than not to be used by employees during active employment. Members of the Teachers Retirement System of Georgia (TRS) may apply unused sick leave toward retirement service credit. This benefit is administered and funded by TRS; therefore, the related liability is not reported by the School District. 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.

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 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 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.

Property Taxes

The Monroe County Board of Commissioners adopted the property tax levy for the 2024 tax digest year (calendar year) on September 30, 2024 (levy date) based on property values as of January 1, 2024. Taxes were due on December 2, 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 Monroe 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 $27,460,328.46.

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	16.212	mills

Additionally, Title Ad Valorem Tax revenues, at the fund reporting level, amounted to $2,752,655.03 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 $7,091,373.01 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, except the various school activity (principal) accounts, 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.

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

NOTE 4: DEPOSITS AND CASH EQUIVALENTS

Collateralization of Deposits

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

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

(1) Surety bond signed by a surety company duly qualified and authorized to transact business within the State of Georgia,

(2) Insurance on accounts provided by the Federal Deposit Insurance Corporation,

(3) Bonds, bills, notes, certificates of indebtedness or other direct obligations of the United States or of the State of Georgia,

(4) Bonds, bills, notes, certificates of indebtedness or other obligations of the counties or municipalities of the State of Georgia,

(5) Bonds of any public authority created by the laws of the State of Georgia, providing that the statute that created the authority authorized the use of the bonds for this purpose,

(6) Industrial revenue bonds and bonds of development authorities created by the laws of the State of Georgia, and

(7) Bonds, bills, notes, certificates of indebtedness, or other obligations of a subsidiary corporation of the United States government, which are fully guaranteed by the United States government both as to principal and interest or debt obligations issued by or securities guaranteed by the 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 $4,628,150.63, and a bank balance of $5,933,367.38. The bank balances insured by Federal depository insurance were $258,780.31.

At June 30, 2025, $5,674,587.07 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.

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

Cash and cash equivalents		
Statement of Net Position	$	48,928,543.62
Statement of Fiduciary Net Position		23,085.08
Total cash and cash equivalents		48,951,628.70
Add:		
Deposits with original maturity of three months or more reported as investments		75,209.05
Less:		
Investment pools reported as cash and cash equivalents		
Georgia Fund 1		44,398,687.12
Total carrying value of deposits - June 30, 2025	$	4,628,150.63

Categorization of Cash Equivalents

The School District reported cash equivalents of $44,398,687.12 in Georgia Fund 1, a local government investment pool, which is included in the cash balances above. Georgia Fund 1 is not registered with the SEC as an investment company and does not operate in a manner consistent with the SEC's Rule 2a-7 of the Investment Company Act of 1940. The investment is valued at the pool's share price, $1.00 per share, which approximates fair value. The pool is an AAAf rated investment pool by Fitch. The weighted average maturity of Georgia Fund 1 may not exceed 60 days. The weighted average maturity for Georgia Fund 1 on June 30, 2025 was 51 days.

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

NOTE 5: CAPITAL ASSETS

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	$ 3,165,429.20	$ 51,635.50	$ -	$ -	$ 3,217,064.70
Construction in Progress	4,182,398.11	32,126,240.90	-	(792,404.74)	35,516,234.27
Total Capital Assets Not Being Depreciated	7,347,827.31	32,177,876.40	-	(792,404.74)	38,733,298.97
Capital Assets,					
Being Depreciated:					
Buildings and Improvements	78,333,247.41	-	(82,610.00)	-	78,415,857.41
Equipment	10,285,432.70	2,297,720.44	462,270.60	-	12,120,882.54
Land Improvements	7,660,603.54	-	-	792,404.74	8,453,008.28
Less Accumulated					
Depreciation:					
Buildings and Improvements	33,795,887.28	1,776,268.41	51,670.76	-	35,520,484.93
Equipment	6,781,473.11	770,030.64	444,287.11	-	7,107,216.64
Land Improvements	4,451,362.54	327,262.43	-	-	4,778,624.97
Total Capital Assets, Being Depreciated, Net	51,250,560.72	(575,841.04)	(116,297.27)	792,404.74	51,583,421.69
Governmental Activities Capital Assets - Net	$ 58,598,388.03	$ 31,602,035.36	$ (116,297.27)	$ -	$ 90,316,720.66

Current year depreciation expense by function is as follows:

Instruction		$ 1,723,672.07
Support Services		
General Administration	98,437.29	
Business Administration	2,481.08	
Maintenance and Operation of Plant	624,931.32	
Student Transportation Services	423,058.06	1,148,907.75
Food Services		981.66
		$ 2,873,561.48

NOTE 6: INTERFUND TRANSFERS

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

Transfer to	Transfer From: Capital Projects Fund
Debt Service Fund	$ 8,026,826.44

Transfers are used to move Special Purpose Local Option Sales Tax collected in the capital projects fund to the debt service fund as needed for repayment of bond debt principal and interest.

NOTE 7: LONG-TERM LIABILITIES

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

	Governmental Activities				
	Balance July 1, 2024 Restated	Additions	Deductions	Balance June 30, 2025	Due Within One Year
General Obligation (G.O.) Bonds	$ 26,895,000.00	$ 15,990,000.00	$ 6,585,000.00	$ 36,300,000.00	$ 5,415,000.00
Unamortized Bond Premiums	1,783,087.56	1,824,429.80	445,771.89	3,161,745.47	567,400.55
Compensated Absences (1)	2,143,917.27	497,245.05	-	2,641,162.32	1,031,741.80
	$ 30,822,004.83	$ 18,311,674.85	$ 7,030,771.89	$ 42,102,907.79	$ 7,014,142.35

(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 callable with interest payable semiannually. Bond proceeds primarily pay for acquiring or constructing capital facilities. The School District repays general obligation bonds from voter-approved 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.

During the current year, the School District issued general obligation bonds totaling $15,990,000.00 for the construction of a new Field House and Dan Pitts Stadium Improvements.

General obligation bonds currently outstanding are as follows:

Description	Interest Rates	Issue Date	Maturity Date	Amount Issued	Amount Outstanding
General Government - Series 2023	5.00%	3/8/2023	2/1/2029	$ 25,000,000.00	$ 20,310,000.00
Monroe County Public Facilities Authority - Series 2024	4.00 - 5.00%	11/12/2024	8/1/2038	15,990,000.00	15,990,000.00
				$ 40,990,000.00	$ 36,300,000.00

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

	General Obligation Debt		Unamortized Bond
Fiscal Year Ended June 30:	Principal	Interest	Premium
2026	$ 5,415,000.00	$ 1,790,600.00	$ 567,400.55
2027	5,690,000.00	1,523,250.00	567,400.55
2028	5,975,000.00	1,239,250.00	567,400.55
2029	6,280,000.00	937,250.00	121,628.66
2030	1,025,000.00	621,375.00	121,628.66
2031 - 2035	5,965,000.00	2,261,875.00	608,143.30
2036 - 2039	5,950,000.00	613,750.00	608,143.20
Total Principal and Interest	$ 36,300,000.00	$ 8,987,350.00	$ 3,161,745.47

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. 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 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 8: RISK MANAGEMENT

Insurance

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

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 Education Workers’ Compensation Trust

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

Unemployment Compensation

The School District is self-insured with regard to unemployment compensation claims. The School District accounts for claims within the general fund with expenses/expenditures and liability being reported when it is probable that a loss has occurred, and the amount of that loss can be reasonably estimated. The School District has not incurred or paid unemployment compensation claims during the past two fiscal years.

Surety Bond

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

Position Covered	Amount	
Superintendent	$	50,000.00

NOTE 9: FUND BALANCE CLASSIFICATION DETAILS

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

Nonspendable		
Inventories	$ 69,344.54	
Permanent Funds Principal	10,000.00	$ 79,344.54
Restricted		
Continuation of Federal Programs	$ 290,877.18	
Capital Projects	24,932,820.74	
Debt Service	1,482,073.72	
Permanent Funds	8,248.49	26,714,020.13
Assigned		
School Activity Accounts		574,828.32
Unassigned		13,214,595.37
Fund Balance, June 30, 2025		$ 40,582,788.36

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

NOTE 10: SIGNIFICANT COMMITMENTS

Commitments under Construction Contracts

The following is an analysis of significant outstanding construction or renovation contracts executed by the School District as of June 30, 2025:

Project	Unearned Executed Contracts (1)	Payments through June 30, 2025 (2)
College and Career Academy	$ 255,342.86	$ 23,982,925.12
New Fieldhouse and Stadium Renovation	9,540,851.66	8,504,785.14
Hubbard Roof Replacement	1,825,543.44	1,320,259.71
	$ 11,621,737.96	$ 33,807,969.97

(1) The amounts described are not reflected in the basic financial statements.

(2) Payments include contracts and retainages payable at year-end.

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.

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 $1,209,346.17 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 $706,447.83 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 $30,819,004.00 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 0.270429%, which was a decrease of 0.004617% from its proportion measured as of June 30, 2023.

For the year ended June 30, 2025, the School District recognized OPEB expense of $88,160.00. 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	$ 1,511,311.00	$ 5,564,795.00
Changes of assumptions	3,593,630.00	3,050,698.00
Net difference between projected and actual earnings on OPEB plan investments	-	200,624.00
Changes in proportion and differences between School District contributions and proportionate share of contributions	602,648.00	1,359,708.00
School District contributions subsequent to the measurement date	1,209,346.17	-
Total	$ 6,916,935.17	$ 10,175,825.00

School District contributions subsequent to the measurement date are reported as deferred outflows of resources and will be recognized as a reduction of the net OPEB liability in the year ended June 30, 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	$	(1,513,626.00)
2027	$	(1,957,552.00)
2028	$	(942,068.00)
2029	$	(44,468.00)
2030	$	(8,082.00)
Thereafter	$	(2,440.00)

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.

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:

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

* Net of inflation

Discount Rate: In order to measure the total OPEB liability for the School OPEB Fund, a single equivalent interest rate of 3.98% 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.

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	$ 34,867,692.00	$ 30,819,004.00	$ 27,404,684.00

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	$ 26,629,378.00	$ 30,819,004.00	$ 35,967,571.00

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, 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 20.70% of payroll was required from the School District and 0.08% of payroll was required from the State. For the current fiscal year, employer contributions to the pension plan were $6,646,489.41 and $32,170.34 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.

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. Employer contributions to the pension plan were $0.00 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 $124,567.00.

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 $48,878,019.00 for its proportionate share of the net pension liability for TRS.

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	$	48,878,019.00
State of Georgia's proportionate share of the net pension liability associated with the School District		236,265.00
Total	$	49,114,284.00

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 School District's proportion of the net pension liability was based on contributions to TRS during the fiscal year ended June 30, 2024.

At June 30, 2024, the School District's TRS proportion was 0.194465%, which was an increase of 0.003134% from its proportion measured as of June 30, 2023. At June 30, 2024, the School District's ERS proportion was 0.00%, which was the same as 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 $553,403.00.

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 $8,354,071.85 for TRS, ($2,996.00) for ERS and $127,998.00 for PSERS and revenue of $52,229.00 for TRS and $127,998.00 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.

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	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 5,530,888.00	$ 146,086.00
Changes of assumptions	3,400,207.00	-
Net difference between projected and actual earnings on pension plan investments	-	6,814,651.00
Changes in proportion and differences between School District contributions and proportionate share of contributions	803,548.00	901,758.00
School District contributions subsequent to the measurement date	6,646,489.41	-
Total	$ 16,381,132.41	$ 7,862,495.00

The School District contributions subsequent to the measurement date for TRS are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ended June 30, 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
2026	$ 903,746.00
2027	$ 6,089,322.00
2028	$ (2,943,431.00)
2029	$ (2,177,489.00)

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

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:

Participant Type	**Membership Table**	**Set Forward (+)/ Setback (-)**	**Adjustment to Rates**
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:

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

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

The long-term expected rate of return on TRS, 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.

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%) or 1-percentage-point higher (7.90%) 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	$ 84,128,855.00	$ 48,878,019.00	$ 20,102,547.00

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: SUBSEQUENT EVENTS

On July 8, 2025, the Monroe County Board of Education awarded a contract to Buxton Construction LLC for the T.G. Scott Traffic Circulation Improvement project for $1,209,699.96.

On November 4, 2025, the voters of Monroe County approved the continuation of the Special Purpose Local Option Sales Tax (SPLOST) along with the issuance of $96,500,000.00 in General Obligation Bonds for the purpose of building a new Mary Person High School.

On November 11, 2025 the Monroe County Board of Education agreed to a change order for the Fieldhouse and Dan Pitts Stadium renovation contract in the amount of $2,596,727.00.

NOTE 15: RESTATEMENT OF PRIOR YEAR NET POSITION

During fiscal year 2025, the School District implemented the provisions of GASB Statement No. 101, *Compensated Absences*, which represent 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 $2,143,917.27.

Net Position, July 1, 2024, as previously reported	$	8,638,258.92
Change in Accounting Principal - GASB Statement No. 101		(2,143,917.27)
Net Position, July 1, 2024, as restated	$	6,494,341.65

Schedules: Required Supplementary Information

Required Supplementary Information
Schedule of Proportionate Share of the Net Pension Liability
Teachers Retirement System of Georgia

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	0.194465%	$ 48,878,019.00	$ 236,265.00	$ 49,114,284.00	$ 30,424,290.87	160.65%	80.86%
2024	0.191331%	$ 56,489,129.00	$ 204,603.00	$ 56,693,732.00	$ 28,037,705.24	201.48%	76.29%
2023	0.197924%	$ 64,269,749.00	$ 235,097.00	$ 64,504,846.00	$ 26,812,069.34	239.70%	72.85%
2022	0.200618%	$ 17,743,324.00	$ 63,414.00	$ 17,806,738.00	$ 26,137,343.55	67.88%	92.03%
2021	0.192405%	$ 46,608,022.00	$ 148,493.00	$ 46,756,515.00	$ 24,891,484.71	187.24%	77.01%
2020	0.191693%	$ 41,219,178.00	$ 159,120.00	$ 41,378,298.00	$ 23,490,186.66	175.47%	78.56%
2019	0.192220%	$ 35,680,149.00	$ 139,402.00	$ 35,819,551.00	$ 22,984,172.62	155.24%	80.27%
2018	0.191634%	$ 35,615,769.00	$ 251,459.00	$ 35,867,228.00	$ 22,175,353.84	160.61%	79.33%
2017	0.192562%	$ 39,727,688.00	$ 496,385.00	$ 40,224,073.00	$ 21,393,966.39	185.70%	76.06%
2016	0.194108%	$ 29,551,016.00	$ 292,453.00	$ 29,843,469.00	$ 20,821,711.00	141.92%	81.44%

Required Supplementary Information
Schedule of Contributions
Teachers Retirement System of Georgia

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	$ 6,646,489.41	$ 6,646,489.41	$ -	$ 32,116,391.98	20.70%
2024	$ 6,049,300.98	$ 6,049,300.98	$ -	$ 30,424,290.87	19.88%
2023	$ 5,583,594.00	$ 5,583,594.00	$ -	$ 28,037,705.24	19.91%
2022	$ 5,293,665.00	$ 5,293,665.00	$ -	$ 26,812,069.34	19.74%
2021	$ 4,964,007.89	$ 4,964,007.89	$ -	$ 26,137,343.55	18.99%
2020	$ 5,245,228.71	$ 5,245,228.71	$ -	$ 24,891,484.71	21.07%
2019	$ 4,888,974.76	$ 4,888,974.76	$ -	$ 23,490,186.66	20.81%
2018	$ 3,848,600.70	$ 3,848,600.70	$ -	$ 22,984,172.62	16.74%
2017	$ 3,139,455.22	$ 3,139,455.22	$ -	$ 22,175,353.84	14.16%
2016	$ 3,013,891.51	$ 3,013,891.51	$ -	$ 21,393,966.39	14.09%

Required Supplementary Information
Schedule of Proportionate Share of the Net Pension Liability
Employees’ Retirement System of Georgia

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	0.000000%	$ -	$ -	0.00%	78.75%
2024	0.000000%	$ -	$ -	0.00%	71.20%
2023	0.000000%	$ -	$ -	0.00%	67.44%
2022	0.000609%	$ 14,244.00	$ 21,881.07	65.10%	87.62%
2021	0.003517%	$ 148,240.00	$ 88,680.96	167.16%	76.21%
2020	0.003316%	$ 136,836.00	$ 83,592.00	163.70%	76.74%
2019	0.003197%	$ 131,430.00	$ 81,552.96	161.16%	76.68%
2018	0.000000%	$ 129,150.00	$ 78,003.96	165.57%	76.33%
2017	0.000000%	$ -	$ -	0.00%	72.34%
2016	0.000349%	$ 14,139.00	$ 7,984.46	177.08%	76.20%

Required Supplementary Information
Schedule of Contributions
Employees' Retirement System of Georgia

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	$ -	$ -	$ -	$ -	0.00%
2024	$ -	$ -	$ -	$ -	0.00%
2023	$ -	$ -	$ -	$ -	0.00%
2022	$ -	$ -	$ -	$ -	0.00%
2021	$ 5,395.86	$ 5,395.86	$ -	$ 21,881.07	24.66%
2020	$ 21,868.68	$ 21,868.68	$ -	$ 88,680.96	24.66%
2019	$ 20,714.04	$ 20,714.04	$ -	$ 83,592.00	24.78%
2018	$ 20,233.32	$ 20,233.32	$ -	$ 81,552.96	24.81%
2017	$ 19,352.76	$ 19,352.76	$ -	$ 78,003.96	24.81%
2016	$ -	$ -	$ -	$ -	0.00%

Monroe County Board of Education

Schedule “5”

Required Supplementary Information
Schedule of Proportionate Share of the Net Pension Liability
Public School Employees Retirement System of Georgia

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%	$ -	$ 553,403.00	$ 553,403.00	$ 1,820,804.75	N/A	90.02%
2024	0.00%	$ -	$ 795,109.00	$ 795,109.00	$ 1,723,376.41	N/A	85.67%
2023	0.00%	$ -	$ 1,044,113.00	$ 1,044,113.00	$ 1,628,545.13	N/A	81.21%
2022	0.00%	$ -	$ 112,511.00	$ 112,511.00	$ 1,628,545.13	N/A	98.00%
2021	0.00%	$ -	$ 756,994.00	$ 756,994.00	$ 1,611,307.11	N/A	84.45%
2020	0.00%	$ -	$ 739,659.00	$ 739,659.00	$ 1,569,727.12	N/A	85.02%
2019	0.00%	$ -	$ 723,381.00	$ 723,381.00	$ 1,446,184.38	N/A	85.26%
2018	0.00%	$ -	$ 657,570.00	$ 657,570.00	$ 1,234,909.83	N/A	85.69%
2017	0.00%	$ -	$ 854,291.00	$ 854,291.00	$ 1,332,623.23	N/A	81.00%
2016	0.00%	$ -	$ 520,150.00	$ 520,150.00	$ 1,369,387.64	N/A	87.00%

Required Supplementary Information
Schedule of Proportionate Share of the Net OPEB Liability
School OPEB Fund

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	0.270429%	$ 30,819,004.00	$ -	$ 30,819,004.00	$ 29,782,769.67	103.48%	6.88%
2024	0.275046%	$ 30,126,922.00	$ -	$ 30,126,922.00	$ 27,194,435.60	110.78%	6.05%
2023	0.284182%	$ 28,143,061.00	$ -	$ 28,143,061.00	$ 28,120,421.94	100.08%	6.17%
2022	0.280575%	$ 30,388,594.00	$ -	$ 30,388,594.00	$ 25,506,206.75	119.14%	6.14%
2021	0.276426%	$ 40,600,542.00	$ -	$ 40,600,542.00	$ 23,743,399.44	171.00%	3.99%
2020	0.274476%	$ 33,684,094.00	$ -	$ 33,684,094.00	$ 22,693,079.89	148.43%	4.63%
2019	0.270680%	$ 34,402,597.00	$ -	$ 34,402,597.00	$ 20,647,717.12	166.62%	2.93%
2018	0.270494%	$ 38,004,298.00	$ -	$ 38,004,298.00	$ 21,690,661.74	175.21%	1.61%

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Required Supplementary Information
Schedule of Contributions
School OPEB Fund

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	$ 1,209,346.17	$ 1,209,346.17	$ -	$ 31,085,979.84	3.89%
2024	$ 1,106,354.00	$ 1,106,354.00	$ -	$ 29,782,769.67	3.71%
2023	$ 1,057,756.00	$ 1,057,756.00	$ -	$ 27,194,435.60	3.89%
2022	$ 1,027,530.00	$ 1,027,530.00	$ -	$ 28,120,421.94	3.65%
2021	$ 1,043,692.00	$ 1,043,692.00	$ -	$ 25,506,206.75	4.09%
2020	$ 934,807.00	$ 934,807.00	$ -	$ 23,743,399.44	3.94%
2019	$ 1,478,242.00	$ 1,478,242.00	$ -	$ 22,693,079.89	6.51%
2018	$ 1,402,911.00	$ 1,402,911.00	$ -	$ 20,647,717.12	6.79%
2017	$ 1,410,380.00	$ 1,410,380.00	$ -	$ 21,690,661.74	6.50%

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Notes to the Required Supplementary Information for the Year Ended June 30, 2025

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, 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.

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.

General Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
Year Ended June 30, 2025

	Nonappropriated Budgets Original (1)	Final (1)	Actual Amounts	Variance Over/Under
Revenues				
Property Taxes	$ 28,902,000.00	$ 29,902,000.00	$ 30,266,093.68	$ 364,093.68
Sales Taxes	225,000.00	225,000.00	462,225.03	237,225.03
State Funds	30,962,269.00	32,530,786.00	36,193,210.33	3,662,424.33
Federal Funds	2,280,720.00	2,606,318.00	4,497,941.26	1,891,623.26
Charges for Services	15,000.00	15,000.00	1,115,398.12	1,100,398.12
Investment Earnings	125,000.00	125,000.00	535,130.90	410,130.90
Miscellaneous	720,000.00	720,000.00	2,071,985.99	1,351,985.99
Total Revenues	63,229,989.00	66,124,104.00	75,141,985.31	9,017,881.31
Expenditures				
Current				
Instruction	41,332,080.50	41,766,922.89	43,833,229.93	(2,066,307.04)
Support Services				
Pupil Services	2,019,000.00	2,020,040.03	2,542,916.47	(522,876.44)
Improvement of Instructional Services	1,554,586.00	1,608,292.99	1,419,825.92	188,467.07
Educational Media Services	891,542.00	891,542.00	856,480.33	35,061.67
General Administration	1,536,013.00	1,536,013.00	1,741,547.79	(205,534.79)
School Administration	3,113,067.00	3,073,812.09	2,958,207.65	115,604.44
Business Administration	676,055.00	676,055.00	698,013.99	(21,958.99)
Maintenance and Operation of Plant	6,130,622.00	6,383,208.00	6,201,770.07	181,437.93
Student Transportation Services	5,182,330.00	5,182,330.00	6,987,887.59	(1,805,557.59)
Central Support Services	23,560.00	23,582.50	8,445.56	15,136.94
Other Support Services	-	-	46,425.55	(46,425.55)
Enterprise Operation	-	-	1,181,580.19	(1,181,580.19)
Food Services Operation	-	2,889,126.12	3,285,392.44	(396,266.32)
Capital Outlay	1,448,000.00	324,000.00	324,000.00	-
Total Expenditures	63,906,855.50	66,374,924.62	72,085,723.48	(5,710,798.86)
Excess of Revenues over (under) Expenditures	(676,866.50)	(250,820.62)	3,056,261.83	3,307,082.45
Other Financing Sources (Uses)				
Other Sources	75,294.00	75,294.00	-	(75,294.00)
Other Uses	(75,294.00)	(75,294.00)	-	75,294.00
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	(676,866.50)	(250,820.62)	3,056,261.83	3,307,082.45
Fund Balances - Beginning	11,118,277.91	11,118,277.91	11,093,383.58	(24,894.33)
Adjustments	120.00	(4,761.39)	-	4,761.39
Fund Balances - Ending	$ 10,441,531.41	$ 10,862,695.90	$ 14,149,645.41	$ 3,286,949.51

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

(1) Original and Final Budget amounts do not include the budgeted revenues or expenditures of the various principal accounts. The actual revenues and expenditures of the various principal accounts are $1,321,522.50 and $1,174,680.09, respectively.

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

See notes to the financial statements.

Supplementary Information

Schedule of Expenditures of Federal Awards
Year Ended June 30, 2025

Funding Agency Program/Grant	Assistance Listing Number	Pass-Through Entity ID Number	Federal Expenditures
Agriculture, U.S. Department of			
Child Nutrition Cluster			
Pass-Through From Georgia Department of Education			
Food Services			
School Breakfast Program	10.553	245GA324N1199	486,115.24
National School Lunch Program	10.555	245GA324N1199	2,598,054.03
Total Child Nutrition Cluster			3,084,169.27
Other Programs			
Pass-Through From Georgia Department of Education			
Food Services			
State Administrative Expenses for Child Nutrition	10.560	245GA904N2533	76,244.86
Child Nutrition Discretionary Grants Limited Availability	10.579	258GA000L4303	61,499.00
Total Other Programs			137,743.86
Total U.S. Department of Agriculture			3,221,913.13
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	84.425W	S425W210011	15,728.15
Total Education Stabilization Fund			15,728.15
Special Education Cluster			
Pass-Through From Georgia Department of Education			
Special Education			
Grants to States	84.027A	H027A230073	124,234.00
Grants to States	84.027A	H027A240073	1,057,779.70
Preschool Grants	84.173A	H173A230081	32,175.00
Total Special Education Cluster			1,214,188.70
Other Programs			
Pass-Through From Georgia Department of Education			
Career and Technical Education - Basic Grants to States	84.048A	V048A230010	48,802.47
Student Support and Academic Enrichment Program	84.424F	S424F220011	18,214.70
Supporting Effective Instruction State Grants	84.367A	S367A230001	27,744.00
Supporting Effective Instruction State Grants	84.367A	S367A240001	60,807.94
Title I Grants to Local Educational Agencies	84.010A	S010A230010	3,780.00
Title I Grants to Local Educational Agencies	84.010A	S010A240010	890,590.00
Total Other Programs			1,049,939.11
Total U.S. Department of Education			2,279,855.96
Defense, U.S. Department of			
Direct			
Department of the Army			
R.O.T.C. Program	12.Unknown		67,146.61
Total U.S. Department of Defense			67,146.61
Total Expenditures of Federal Awards			$ 5,568,915.70

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 Monroe 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 $67,054.00 and $8,240.00 were transferred from the Student Support and Academic Enrichment program (ALN 84.424A) and the Supporting Effective Instruction State Grants program (ALN 84.367A), respectively, and expended in the Title I Grants to Local Education Agencies program (ALN 84.010A) during Fiscal Year 2025.

See notes to the financial statements.

Schedule of State Revenue
Governmental Funds
Year Ended June 30, 2025

Agency/Funding	General Fund	Capital Projects Fund	Total
Grants			
Bright From the Start:			
Georgia Department of Early Care and Learning			
Pre-Kindergarten Program	$ 1,148,525.34	$ -	$ 1,148,525.34
Education, Georgia Department of			
Quality Basic Education			
Direct Instructional Cost			
Kindergarten Program	1,813,633.00	-	1,813,633.00
Kindergarten Program - Early Intervention Program	289,510.00	-	289,510.00
Primary Grades (1-3) Program	4,148,878.00	-	4,148,878.00
Primary Grades - Early Intervention (1-3) Program	663,145.00	-	663,145.00
Upper Elementary Grades (4-5) Program	1,895,377.00	-	1,895,377.00
Upper Elementary Grades - Early Intervention (4-5) Program	490,956.00	-	490,956.00
Middle School (6-8) Program	3,403,877.00	-	3,403,877.00
High School General Education (9-12) Program	3,234,834.00	-	3,234,834.00
Vocational Laboratory (9-12) Program	1,172,888.00	-	1,172,888.00
Students with Disabilities	5,951,474.00	-	5,951,474.00
Gifted Student - Category VI	2,696,370.00	-	2,696,370.00
Remedial Education Program	117,870.00	-	117,870.00
Alternative Education Program	261,250.00	-	261,250.00
English Speakers of Other Languages (ESOL)	66,279.00	-	66,279.00
Media Center Program	650,715.00	-	650,715.00
20 Days Additional Instruction	200,060.00	-	200,060.00
Staff and Professional Development	104,476.00	-	104,476.00
Principal Staff and Professional Development	1,591.00	-	1,591.00
Indirect Cost			
Central Administration	895,943.00	-	895,943.00
School Administration	1,170,341.00	-	1,170,341.00
Facility Maintenance and Operations	1,111,927.00	-	1,111,927.00
Categorical Grants			
Pupil Transportation			
Regular	1,651,992.00	-	1,651,992.00
Bus Replacement	1,145,430.00	-	1,145,430.00
Nursing Services	107,341.00	-	107,341.00
Other State Programs			
Career, Technical and Agricultural Education (CTAE)	324,000.00	-	324,000.00
Custodian Supplement	31,000.00	-	31,000.00
Dyslexia Screener State Grant	13,577.00	-	13,577.00
Food Services	85,352.95	-	85,352.95
Hygiene Products	3,657.00	-	3,657.00
Math and Science Supplements	31,054.00	-	31,054.00
One Time QBE Adjustment	929.00	-	929.00
Preschool Disability Services	27,529.50	-	27,529.50
Pupil Transportation - State Bonds	88,110.00	-	88,110.00
School Security Grant	235,620.00	-	235,620.00
Teachers Retirement	32,170.34	-	32,170.34
Vocational Education	80,071.37	-	80,071.37
Vocational Supervisors	14,442.00	-	14,442.00
Georgia State Financing and Investment Commission			
Reimbursement on Construction Projects	-	903,655.80	903,655.80
Office of the State Treasurer			
Public School Employees Retirement	124,567.00	-	124,567.00
Community Health, Georgia Department of			
Other Post-Employment Benefits (OPEB)	706,447.83	-	706,447.83
Technical College System of Georgia			
College and Career Academy	-	140,998.70	140,998.70
	$ 36,193,210.33	$ 1,044,654.50	$ 37,237,864.83

See notes to the financial statements.

Monroe County Board of Education

Schedule of Approved Local Option Sales Tax Projects
Year Ended June 30, 2025

Project	Original Estimated Cost (1)	Current Estimated Costs (2)	Amount Expended in Current Year (3)	Amount Expended in Prior Years (3)	Total Completion Cost	Excess Proceeds Not Expended	Estimated Completion Date
2019 SPLOST							
(i) Acquiring miscellaneous new equipment, fixtures and furnishing for the School District, including technology equipment, software and safety and security equipment;	$ 4,200,000.00	$ 5,250,000.00	$ 657,913.70	$ 4,450,765.04	$ -	$ -	6/30/2026
(ii) Adding to, renovating, repairing, improving and equipping existing school buildings and School District facilities;	1,550,000.00	5,500,000.00	361,269.65	5,059,768.93	-	-	6/30/2026
(iii) Acquiring band instruments and equipment, textbooks and library books for the School District, including electronic media;	1,200,000.00	1,200,000.00	350,339.34	826,881.88	-	-	6/30/2026
(iv) Acquiring school buses, vehicles and transportation and maintenance equipment;	2,800,000.00	2,800,000.00	-	1,919,044.44	-	-	6/30/2026
(v) Constructing and equipping new school facilities, including instructional, fine arts and athletic facilities;	2,200,000.00	2,200,000.00	-	1,791,506.32	-	-	6/30/2026
(vi) Acquiring land for future schools and facilities;	-	51,635.50	51,635.50	-	-	-	6/30/2026
(vii) Paying any general obligation debt of the School District issued in conjunction with the continuation of such sales and use tax including associated interest; and	12,000,000.00	13,392,798.14	1,914,139.50	11,478,658.64	13,392,798.14	-	Completed
(viii) Paying expenses incident to accomplishing the foregoing.	50,000.00	50,000.00	409.42	652.22	-	-	6/30/2026
Subtotal 2019 Projects	24,000,000.00	30,444,433.64	3,335,707.11	25,527,277.47	13,392,798.14	-	
2023 SPLOST							
(i) Acquiring miscellaneous new equipment, fixtures and furnishings for the School District, including technology equipment, software and safety and security equipment;	$ 500,000.00	$ 500,000.00	$ -	$ -	$ -	$ -	7/31/2029
(ii) Adding to, renovating, repairing, improving and equipping existing school buildings and School District facilities;	1,000,000.00	1,000,000.00	-	-	-	-	7/31/2029
(iii) Acquiring band instruments and equipment, textbooks and library books for the School District, including electronic media;	250,000.00	250,000.00	-	-	-	-	7/31/2029
(iv) Acquiring school buses, vehicles, and transportation and maintenance equipment;	750,000.00	750,000.00	100,667.00	-	-	-	7/31/2029
(v) Constructing and equipping new school facilities, including a ninth grade campus, field house and stadium improvements;	30,000,000.00	42,500,000.00	31,726,410.51	3,124,991.30	-	-	7/31/2029
(vi) Acquiring land for future schools and facilities;	50,000.00	50,000.00	-	-	-	-	7/31/2029
(vii) Paying any general obligation debt of the School District issued in conjunction with the continuation of such sales and use tax including associated interest; and	6,940,000.00	7,600,000.00	6,112,636.94	1,393,749.07	-	-	7/31/2029
(viii) Paying expenses incident to accomplishing the foregoing.	10,000.00	309,534.00	309,533.37	-	-	-	7/31/2029
Subtotal 2023 Projects	39,500,000.00	52,959,534.00	38,249,247.82	4,518,740.37	-	-	
Total	$ 63,500,000.00	$ 83,403,967.64	$ 41,584,954.93	$ 30,046,017.84	$ 13,392,798.14	$ -	

Notes to the Schedule of Approved Local Option Sales Tax Projects

(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 Monroe County approved the imposition of a 1% sales tax to fund the above projects and retire associated debt.

See notes to the financial statements.

Section II

Compliance and Internal Control Reports

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. Jim Finch, Superintendent and Members of the
Monroe County Board of Education

We have audited the financial statements of the governmental activities, each major fund, and aggregate remaining fund information of the Monroe 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 July 29, 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying *Schedule of Findings and Questioned Costs* in finding FS 2025-001 that we consider to be a significant deficiency.

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*.

School District's Response to Findings

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

Purpose of this Report

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

Respectfully submitted,

Greg S. Griffin
State Auditor

July 29, 2026

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. Jim Finch, Superintendent and Members of the
Monroe County Board of Education

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Monroe County Board of Education's (School District) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the School District's major federal programs for the year ended June 30, 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.

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

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying *Schedule of Findings and Questioned Costs* in finding FA 2025-001 to be a significant deficiency.

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.

Government Auditing Standards requires the auditor to perform limited procedures on the School District's response to the internal control over compliance finding identified in our audit and described in the accompanying *Schedule of Findings and Questioned Costs*. The School District's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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,

Greg S. Griffin
State Auditor

July 29, 2026

Section III

Auditee's Response to Prior Year Findings and Questioned Costs

Monroe County Board of Education

Auditee's Response
Summary Schedule of Prior Audit Findings
Year Ended June 30, 2025

Prior Year Financial Statement Findings

FS 2024-001 **Internal Controls at the Central Office**

Repeat of Prior Year Finding: FS 2023-001

Finding Status: Partially Resolved

The School District will strengthen controls and review procedures in specific audit areas. The estimated completion date is June 30, 2026.

FS 2023-001 **Internal Controls at the Central Office**

Finding Status: Partially Resolved

See response to finding number FS 2024-001.

FS 2024-002 **Internal Controls over Financial Reporting**

Repeat of Prior Year Finding: FS 2023-002

Finding Status: Previously Reported Corrective Action Implemented

FS 2023-002 **Internal Controls over Financial Reporting**

Finding Status: Previously Reported Corrective Action Implemented

Prior Year Federal Award Findings and Questioned Costs

FA 2024-001 **Strengthen Controls over Special Reporting**

Federal Awarding Agency: U.S. Department of Agriculture

Pass-Through Entity: Georgia Department of Education

Repeat of Prior Year Finding: FA 2023-001, FA 2022-001

Finding Status: Partially Resolved

The School District will print a Meal Participation Report from Primero Edge software for the school district and each school every month. The totals from this report will be entered for claims to complete the DE106 and DE107. Managers will print the Meal Participation Report and verify information is correct by providing a signature on the document. The report will then be sent to the Central Office for review.

FA 2023-001 **Strengthen Controls over Special Reporting**

Finding Status: Partially Resolved

See response to finding number FA 2024-001.

FA 2022-001	**Strengthen Controls over Special Reporting**
Finding Status:	Partially Resolved

See response to finding number FA 2024-001.

FA 2024-002	**Strengthen Controls over Journal Entries**
Federal Awarding Agency:	U.S. Department of Agriculture
Pass-Through Entity:	Georgia Department of Education
Finding Status:	Previously Reported Corrective Action Implemented
FA 2024-003	**Strengthen Controls over Expenditures**
Federal Awarding Agency:	U.S. Department of Agriculture
Pass-Through Entity:	Georgia Department of Education
Finding Status:	Previously Reported Corrective Action Implemented

Section IV

Findings and Questioned Costs

I Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:

Governmental Activities, Each Major Fund, and Aggregate Remaining Fund Information	Unmodified

Internal control over financial reporting:

▪ Material weakness(es) identified?	No
▪ Significant deficiency(ies) identified?	Yes
Noncompliance material to financial statements noted:	No

Federal Awards

Internal control over major programs:

▪ Material weakness(es) identified?	No
▪ Significant deficiency(ies) identified?	Yes

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)?	Yes

Identification of major programs:

Assistance Listing Number	Assistance Listing Program or Cluster Title
10.553, 10.555	Child Nutrition Cluster

Dollar threshold used to distinguish between Type A and Type B programs:	$750,000.00
Auditee qualified as low-risk auditee?	No

II Financial Statement Findings

FS 2025-001 Internal Controls at the Central Office

Internal Control Impact: Significant Deficiency

Repeat of Prior Year Finding: FS 2024-001, FS 2023-001

Description:

School District's accounting procedures at the Central Office are not sufficient to ensure prevention or timely detection of errors in key financial processes, specifically those related to journal entries, cash management, capital asset tracking, and payroll processing.

Criteria:

The School District is responsible for designing and maintaining a system of internal controls that provides reasonable assurance that transactions are properly authorized, recorded, and reported in accordance with generally accepted accounting principles (GAAP) and applicable state and local policies. This includes adequate documenting of journal entries, timely and accurate bank reconciliations, accurate capital asset tracking, and accurate reporting of payroll benefit expenditures.

Condition:

The auditor noted the following inadequate controls at the central office:

Journal Entries

- Adequate documentation and evidence of approval could not be provided for five journal entries.

Cash and Cash Equivalents

- One bank reconciliation was not performed until 70 days after year end, and a second bank reconciliation was not dated by the reviewer.
- Three bank accounts were not properly reconciled to the general ledger at fiscal year-end. A total discrepancy of $6,260.58 existed on the bank reconciliations that were unidentified.
- Two bank reconciliations had reconciling items totaling $1,049.71 that were not supporting by detailed listings.

Capital Assets

- The title for one bus could not be located due to the bus being sold during the year, while the asset remained on the capital asset listing.
- One bus approved for surplus was not listed on the capital asset listing.
- One fully depreciated item was sold during the current year, but it was not removed from the capital asset listing.

Employee Compensation

- State Health Benefit Plan (SHBP) invoices are not being reconciled to employee benefit records.

Cause:

In discussing these deficiencies with the School District, they indicated the errors occurred due to not following established internal control policies and procedures.

Effect:

Inadequate internal controls across these financial areas increase the risk of misstatements, misclassification of expenditures, and potential misappropriation of assets. The lack of timely reconciliations and failure to properly track, reconcile and report financial activity may compromise the reliability of financial reporting and may prevent errors or fraud from being detected. In addition, it could result in inaccurate presentation of the School District's financial position and noncompliance with GAAP.

Recommendation:

The School District should strengthen internal controls across key accounting functions by taking the following actions:

- Ensure journal entry documentation is kept on file and includes preparer and reviewer dates.
- Ensure bank reconciliations are completed and reviewed in a timely manner and include clear documentation of preparer and reviewer dates.
- Reconcile cash balances per the financial statements to bank balances and investigate any variances.
- Ensure the fixed asset listing is properly updated accordingly.
- Reconcile SHBP invoices to payroll and employee benefit records prior to payment and investigate any variances.

Views of Responsible Officials:

We concur with this finding.

III Federal Award Findings and Questioned Costs

FS 2025-01 Strengthen Controls over Special Reporting

Compliance Requirement:	Reporting
Internal Control Impact:	Significant Deficiency
Compliance Impact:	Nonmaterial Noncompliance
Federal Awarding Agency:	U.S. Department of Agriculture
Pass-Through Entity:	Georgia Department of Education
Assistance Listing Number and Title:	10.553 – School Breakfast Program 10.555 – National School Lunch Program
Federal Award Number:	255GA324N1199 (Year: 2025)
Questioned Costs:	$89
Repeat of Prior Year Finding:	FA 2024-001, FA 2023-001, FA 2022-001

Description:

The policies and procedures of the School District were insufficient to provide adequate internal controls over the monthly Claims for Reimbursement process.

Background Information:

The Child Nutrition Cluster (CNC) is comprised of various programs that are intended to assist states in administering and overseeing food service program operators that provide healthful, nutritious meals to eligible children in public and non-profit private schools, residential child care instructions, and summer programs. This Cluster of programs also fosters healthy eating habits in children by providing fresh fruits and fresh vegetables to children attending elementary and secondary schools and encourages the domestic consumption of nutritious agricultural commodities.

CNC funding is granted to the Georgia Department of Education (GaDOE) by the U.S. Department of Agriculture. GaDOE is responsible for distributing funds to local educational agencies (LEAs) based upon each School District's monthly Form DE0106 Claim Data report submissions. These DE0106 reports are to be supported by the corresponding Form DE0112 Daily Record of Number of Breakfasts Served and Form DE0118 Daily Record of Number of Lunches Served, which are prepared by the School District from their School Food Service meal sales system.

Criteria:

As a recipient of federal awards, the School District is required to establish and maintain effective internal control over federal awards that provides reasonable assurance of managing the federal awards in compliance with federal statutes, regulations, and the terms and conditions of the federal awards pursuant to Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements* for Federal Awards (Uniform Guidance), Section 200.303 – Internal Controls.

Provisions included in Title 7 CFR Section 210.7(c) require that the School District "base Claims for Reimbursement on lunch counts, taken daily at the point of service, which correctly identify the number of free, reduced price and paid lunches served to eligible children" and "correctly record, consolidate and report those lunch and supplement counts on the Claim for Reimbursement."

In addition, provisions included in Title 7 CFR Section 220.11(d) state that the School District "shall establish internal controls which ensure the accuracy of breakfast counts prior to the submission of the monthly Claim for Reimbursement."

Condition:

A sample of three Form DE0106 reports was randomly selected for testing using a nonstatistical sampling approach. Additionally, the months of July 2024 and June 2025 were selected for testing. These reports were reviewed to determine if appropriate internal controls were implemented and applicable reporting compliance requirements were met. Meal count errors were noted for three out of the five months tested. The number of meals served per the Form DE0112 and DE0118 reports for these three months did not match the number of meals reported and claimed on the Form DE0106 reports resulting in the over-claiming of 31 lunch or breakfast meals during the period under review.

Questioned Costs:

Upon testing a sample of $613,855 in Form DE0106 reports submitted for reimbursement, known questioned costs of $89 were identified for excess reimbursements. Using the population being sampled, which totaled $1,887,172, we project the likely questioned costs to be approximately $273. The following Assistance Listing Numbers were affected by known and likely questioned costs: 10.553 and 10.555.

Cause:

In discussing these deficiencies with management, errors were made when entering meal counts on to the Form DE-0106 from the daily meal count sheets.

Effect:

The School District is not in compliance with the Uniform Guidance and GaDOE guidance. Failure to submit accurate monthly Claims for Reimbursement to GaDOE can result in the School District obtaining more federal funding than they are eligible to receive. This deficiency may expose the School District to unnecessary financial strains and overages within the CNC fund.

Recommendation:

The School District should evaluate their internal control processes regarding the creation of the Form DE0106 reports and develop or modify procedures to ensure Claims for Reimbursement are based on final and accurate meal counts. The School District should become more familiar with the federal regulations related to the CNC programs in order to develop or modify procedures that will ensure accurate reporting of meals served. Furthermore, management should develop and implement a monitoring process to ensure that controls are operating appropriately.

Views of Responsible Officials:

We concur with this finding.

Section V

Management's Corrective Action for Current Year Findings

Schedule of Management's Corrective Action

Corrective Action Plans - Financial Statement Findings

FS 2025-001 Internal Controls at the Central Office

Internal Control Impact: Significant Deficiency
Repeat of Prior Year Finding: FS 2024-001, FS 2023-001

Description:
The School District's accounting procedures at the Central Office are not sufficient to ensure prevention or timely detection of errors in key financial processes, specifically those related to journal entries, cash management, capital asset tracking, and payroll processing.

Corrective Action Plans:
Journal Entries - All journal entries will be printed out, which show the preparer, reviewer and filed in numerical order beginning with FY26.
Cash and Cash Equivalents - All bank balances are reconciled to the financial statements and are signed and dated by both preparer and reviewer. Monthly School Bookkeeper meetings are being held to ensure that all school level accounts are reconciled as well.
Capital Assets - A complete physical inventory including bus titles will be completed in August of 2026.
Employee Compensation - SHBP invoices starting with January 2026 have been reconciled to payroll and benefit records prior to payment and any corrections needed have been submitted to SHBP.

Estimated Completion Date: January 1, 2026

Contact Person: Chris Johnson, Director of Financial Services
Telephone: 478-994-2031
Email: chris.johnson@mcschools.org

Corrective Action Plans - Federal Award Findings and Questioned Costs

FA 2025-001 Strengthen Controls over Special Reporting

Compliance Requirement:	Reporting
Internal Control Impact:	Significant Deficiency
Compliance Impact:	Nonmaterial Noncompliance
Federal Awarding Agency:	U.S. Department of Agriculture
Pass-Through Entity:	Georgia Department of Education
Assistance Listing Number and Title:	10.553 – School Breakfast Program 10.555 – National School Lunch Program
Federal Award Number:	245GA324N1199 (Year: 2025)
Questioned Costs:	None Identified.
Repeat of Prior Year Finding:	FA 2024-001, FA 2023-001, FA 2022-001

Description:
The policies and procedures of the School District were insufficient to provide adequate internal controls over the monthly Claims for Reimbursement process.

Corrective Action Plans:
Monroe County School Nutrition will print a Meal Participation Report from Primero Edge software for the school district and each school every month. The report mirrors the DE112 and DE118 forms. The software report has been approved by the Georgia Department of Education Area Coach. Breakfast and Lunch totals for each school and district will be entered for claims to complete the DE106 and DE107. Managers will print the Meal Participation Report and verify information is correct by providing a signature on the document. The report is then submitted to the Central Office for review. Edit checks will be performed in the software and both will sign off on the Meal Participation Report.

Estimated Completion Date: January 1, 2026

Contact Person: Danny Durham, Director of School Nutrition
Telephone: 478-994-2031
Email: danny.durham@mcschools.org

Signature: Chris J. Johnson

Title: Director of Financial Services

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APPENDIX B

BOOK-ENTRY ONLY SYSTEM OF REGISTRATION

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

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

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

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

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

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

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

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

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

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

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

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

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APPENDIX C

FORM OF OPINION OF BOND COUNSEL

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[FORM OF BOND COUNSEL OPINION]

August 26, 2026

Monroe County School District
Forsyth, Georgia

Re: $96,500,000* Monroe County School District (Georgia) General Obligation Bonds, Series 2026

To the Addressee:

We have acted as Bond Counsel to our client, the Monroe County School District (the "**School District**"), in connection with the issuance by the School District of $96,500,000* in aggregate principal amount of Monroe County School District (Georgia) General Obligation Bonds, Series 2026, dated August 26, 2026 (the "**Bonds**"). In such capacity, we have examined the Bond Resolution adopted by the governing body of the School District on August 11, 2026, the judgment and decree of validation entered by the Superior Court of Monroe County, Georgia on April 14, 2026, applicable law, and such other certified proceedings, certifications, and documents as we have deemed necessary to give the opinions below.

Regarding questions of fact material to the opinions below, we have relied on the certified proceedings and other certifications of representatives of the School District and certifications of others furnished to us without undertaking to verify them by independent investigation. As to certain matters of law material to the opinions below, we also have relied upon certifications of public officials.

Based on the foregoing, we are of the opinion that:

1. The Bonds have been duly authorized and executed by the School District and are valid and binding general obligations of the School District.

2. All taxable property in the territory of the School District subject to taxation for school bond purposes is subject to *ad valorem* taxation without limitation as to rate or amount to pay the Bonds. The School District is required by law to provide for the levy of an annual ad valorem tax sufficient to pay the principal and interest on the Bonds as the same become due, to the extent that necessary funds are not provided from other sources.

3. Interest on the Bonds is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "**Code**"), and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest on the Bonds may be taken into account for the purpose of computing the alternative minimum tax imposed on certain corporations. The opinion set forth in the preceding sentence is subject to the condition that the School District comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that the interest thereon be, and continue to be, excludable from gross income for federal income tax purposes under Section 103 of the Code. The School District has covenanted to comply with

*Preliminary; subject to change.

all such requirements. Failure to comply with certain of such requirements may cause interest on the Bonds to be includable in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds.

4. Interest on the Bonds is exempt from present State of Georgia personal income taxes.

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

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

In this opinion letter issued in our capacity as Bond Counsel, we are opining only upon those matters set forth herein, and we are not passing upon the accuracy, adequacy or completeness of statements made in connection with any offer or sale of the Bonds or upon any federal or state tax consequences arising from the receipt or accrual of interest on or the ownership or disposition of the Bonds, except those specifically addressed herein or upon any federal or state law with respect to the sale or distribution of the Bonds. Further, we express no opinion herein regarding tax consequences arising with respect to the Bonds other than as expressly set forth herein.

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

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

Very truly yours,

APPENDIX D

FORM OF CONTINUING DISCLOSURE CERTIFICATE

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CONTINUING DISCLOSURE CERTIFICATE

This **CONTINUING DISCLOSURE CERTIFICATE** (this "**Disclosure Certificate**") is dated and effective as of August 26, 2026 (the "**Effective Date**"), and is executed and delivered by the Monroe County School District (the "**School District**") in connection with the issuance of $96,500,000* in aggregate principal amount of its General Obligation Bonds, Series 2026 (the "**Series 2026 Bonds**"). The School District hereby covenants and agrees as follows:

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

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

"Annual Report" shall mean any Annual Report provided by the School District pursuant to the Rule and this Disclosure Certificate.

"Beneficial Owner or Owner" shall mean any person who (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any of the Series 2026 Bonds (including persons holding the Series 2026 Bonds through nominees, depositories or other intermediaries) or (b) is treated as the owner of any of the Series 2026 Bonds for federal income tax purposes.

"Bond Resolution" shall mean the resolution of the Monroe County Board of Education adopted on August 11, 2026, pursuant to which the Series 2026 Bonds were issued, and any amendments or supplements thereto.

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

"EMMA" means the MSRB's Electronic Municipal Market Access System, as described in Securities Exchange Act of 1934, Act Release No. 34-59062, which receives electronic submissions of the Annual Report on the EMMA website at https://emma.msrb.org.

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

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

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

"Official Statement" means the final Official Statement prepared in connection with the Bonds.

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

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

"State" shall mean the State of Georgia.

SECTION 3. Provision of Annual Reports.

(a) Not later than 12 months after the end of each Fiscal Year, commencing with the School District's Fiscal Year ended June 30, 2026, the School District shall provide, or cause the Dissemination Agent (if other than the School District) to provide, an Annual Report electronically to EMMA in the electronic format prescribed by the MSRB. The Annual Report will be made to EMMA as PDF files configured to permit documents to be saved, viewed, printed, and retransmitted by electronic means. In each case, 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. Within one year after the end of each Fiscal Year, commencing with the Fiscal Year ended June 30, 2026, or if unavailable at that time, then as soon thereafter as is available, the School District shall provide to EMMA the audited financial statements of the School District for the respective Fiscal Year. Notwithstanding the foregoing, the audited financial statements of the School District may be submitted separately from the balance of the Annual Report when such audited financial statements are available. 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 statements in the Annual Report and shall indicate in the Annual Report that the audited financial statements will be submitted to EMMA promptly upon receipt.

(b) Not later than 15 business days prior to the date specified in paragraph (a) of this Section 3 for providing the Annual Report to EMMA, the School District shall provide the Annual Report to the Dissemination Agent (if other than the School District). If the School District is unable to provide an Annual Report by the date required in paragraph (a), the Dissemination Agent shall send a notice to EMMA in substantially the form attached as Exhibit A. Provided, however, if the sole reason the School District is unable to provide an Annual Report timely is the unavailability of audited financial statements and provided further that the School District has complied with the provisions of Section 3(a), no notice in substantially the form attached as Exhibit A shall be required to be separately filed.

(c) The Dissemination Agent shall also:

1. determine each year prior to the date for providing the Annual Report, the manner of filing with EMMA; and

2. (if the Dissemination Agent is other than the School District) notify the School District that the Annual Report has been provided pursuant to this Disclosure Certificate, stating the date it was provided to EMMA.

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

(a) The School District's general purpose financial statements for the preceding Fiscal Year, (1) which must be prepared in accordance with generally accepted accounting principles ("**GAAP**") as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board, and (2) which must be accompanied by an audit report, if available at the time an Annual Report is filed, 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 and standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and

(b) If GAAP has changed since the last Annual Report was prepared pursuant to Section 3 hereof and if such changes are material to the School District, a narrative explanation describing the impact of such changes on the School District; and

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

Any and all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the School District, or where the School District is an "obligated person," which have been filed in accordance with the Rule. If the document incorporated by reference is a final official statement, it must be available from the MSRB. The School District shall clearly identify each such other document so incorporated by reference.

SECTION 5. Reporting of Listed Events.

(a) The School District shall file or cause to be filed with the MSRB, in a timely manner not in excess of ten (10) business days after the occurrence of the event, notice of any of the events listed below with respect to the Bonds. All of the events currently mandated by the Rule are listed below; however, some may not apply to the Bonds.

(1) Principal and interest payment delinquencies;

(2) Non-payment related defaults, *if material*;

(3) Unscheduled draws on debt service reserves reflecting financial difficulties;

(4) Unscheduled draws on credit enhancements reflecting financial difficulties;

(5) Substitution of credit or liquidity providers or their failure to perform;

(6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;

(7) Modifications to rights of bondholders, *if material*;

(8) Bond calls, *if material*, and tender offers;

(9) Defeasances;

(10) Release, substitution or sale of property securing repayment of the Bonds, *if material;*

(11) Rating changes;

(12) Bankruptcy, insolvency, receivership or similar event of the obligated person;[1]

(13) The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, *if material*;

(14) Appointment of a successor or additional trustee or the change of name of a trustee, *if material*;

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

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

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

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

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

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

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

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

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

SECTION 8. Dissemination Agent.

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

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

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

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

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

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

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

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

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

SECTION 12. 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 School District has provided such information to the Dissemination Agent as required by this Disclosure Certificate. The Dissemination Agent shall have no duty with respect to the content of any disclosures or notice made pursuant to the terms hereof. The Dissemination Agent shall have no duty or obligation to review or verify any School District Annual Report, School District Audited Financial Statements, Listed Events or any other information, disclosures or notices provided to it by the School District and shall not be deemed to be acting in any fiduciary capacity for the School District, the Holders of the Series 2026 Bonds or any other party. The Dissemination Agent shall have no responsibility for the School District's failure to report a Listed Event to the Dissemination Agent. The Dissemination Agent shall have no duty to determine, or liability for failing to determine, whether the School District has complied with this Disclosure Certificate. The Dissemination Agent may conclusively rely upon certifications of the School District at all times.

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

The obligations of the School District under this Section shall survive resignation or removal of the Dissemination Agent and defeasance, redemption or payment of the Series 2026 Bonds.

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

SECTION 13. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the School District, the Participating Underwriter, and Beneficial Owners from time to time of the Series 2026 Bonds and shall create no rights in any other person or entity.

SECTION 14. Intermediaries; Expenses. The Dissemination Agent is hereby authorized to employ intermediaries to carry out its obligations hereunder. The Dissemination Agent shall be reimbursed promptly for all such reasonable expenses and any other reasonable expense incurred hereunder (including, but not limited to, attorney's fees).

SECTION 15. Counterparts. This Disclosure Certificate may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 16. Governing Law. This Disclosure Certificate shall be governed by and construed in accordance with the laws of the State.

SECTION 17. Severability. In case any one or more of the provisions of this Disclosure Certificate shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Disclosure Certificate, but this Disclosure Certificate shall be construed and enforced as if such illegal or invalid provision had not been contained herein.

[Signatures on Next Page]

Dated: August 26, 2026.

(SEAL)

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

By: ______________________________
Greg Head, Chair

Attest:

____
Dr. Jim Finch, Secretary and Ex-Officio Secretary

EXHIBIT "A"

NOTICE OF FAILURE TO FILE ANNUAL REPORT

Name of School District:	Monroe County School District
Name of Bond Issue:	$96,500,000* Monroe County School District (Georgia) General Obligation Bonds, Series 2026
Date of Issuance:	August 26, 2026
CUSIP Number(s)[1]:	[Insert]___________________________

NOTICE IS HEREBY GIVEN that the Monroe County School District has not provided an Annual Report due with respect to the above-named Bonds as required by its Continuing Disclosure Certificate, dated August 26, 2026. The School District anticipates that the Annual Report will be filed by __________, 20___.

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

Dated: __________, 20___.

MONROE COUNTY SCHOOL DISTRICT

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

EXHIBIT “B”

OFFICIAL STATEMENT TABLES TO BE UPDATED

The information included in the School District’s Official Statement dated August 11, 2026 related to the Series 2026 Bonds titled as follows:

SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – Historical Collections

THE SCHOOL DISTRICT – Schools and Enrollment

THE SCHOOL DISTRICT – Enrollment

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

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

SCHOOL DISTRICT AD VALOREM TAXATION – Historical Property Tax Data

SCHOOL DISTRICT AD VALOREM TAXATION – Property Tax Levies and Collections

SCHOOL DISTRICT AD VALOREM TAXATION – Millage Rates

SCHOOL DISTRICT AD VALOREM TAXATION – Ten Largest Taxpayers

SCHOOL DISTRICT FINANCIAL INFORMATION – General Fund History

EXHIBIT C

NOTICE OF THE OCCURRENCE OF [INSERT THE LISTED EVENT]

Relating to

$96,500,000* MONROE COUNTY SCHOOL (GEORGIA)
GENERAL OBLIGATION BONDS, SERIES 2026
CUSIP NUMBER(S)[1]: [Insert]

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: __________, 20___

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

MONROE COUNTY SCHOOLS

MC

Committed to Excellence

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