NEW ISSUE
(Book-Entry Only)

RATINGS
Moody's: Aa1 (Intercept Program)
Aa1 (Underlying)
Standard & Poor's: AA+ (Intercept Program)
AA (Underlying)
See "MISCELLANEOUS – Ratings" herein

In the opinion of Bond Counsel, subject to the limitations and conditions described herein, interest on the Bonds is exempt from present State of Georgia income taxation, is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on corporations. See "LEGAL MATTERS – Tax-Exemption" herein.

$100,000,000
Cherokee County School System
General Obligation Bonds,
Series 2025A

$79,610,000
Cherokee County School System
General Obligation Refunding Bonds,
Series 2025B

Dated: Date of Delivery

Due: February 1, as shown on the Inside Front Cover

The Cherokee County School System (the "**School System**"), a political subdivision of the State of Georgia, is issuing its (a) General Obligation Bonds, Series 2025A, in an aggregate principal amount of 100,000,000 (the "**Series 2025A Bonds**") and (b) General Obligation Refunding Bonds Series 2025B, in an aggregate principal amount of 79,610,000 (the "**Series 2025B Bonds**" and together with the Series 2025A Bonds, the "**Bonds**") The Series 2025A Bonds are being issued for the purpose of paying (a) all or a portion of certain capital outlay projects and (b) the costs of issuing the Series 2025A Bonds. The Series 2025B Bonds are being issued for the purpose of providing funds to pay (a) the costs of refunding the School System's General Obligation Bonds, Series 2015 Bonds maturing February 1, 2026, through February 1, 2033, and (b) the costs of issuing the Series 2025B Bonds. See "**PLAN OF FINANCING**" herein.

The Bonds are general obligations of the School System payable from an ad valorem tax, without limitation as to rate or amount, levied on all property in the School System subject to taxation for general obligation bond purposes. The Bonds are also payable from any state appropriation to which the School System may be entitled, which the State of Georgia Board of Education has been authorized to withhold from the School System and transfer to Regions Bank, as Paying Agent (the "**Paying Agent**"), under certain circumstances. See "**THE BONDS – Security and Sources of Payment for the Bonds**" herein.

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 August 1, 2025. The Bonds bear interest from the Interest Payment Date next preceding their date of authentication, except as described herein. See "**THE BONDS – Description**" herein.

The Bonds will be issued in book-entry form and will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("**DTC**"). DTC will act as securities depository for the Bonds. Purchases will be made only in book-entry form through the Direct Participants and Indirect Participants (as herein defined), and no physical delivery of the Bonds will be made to Beneficial Owners (as herein defined). See "**THE BONDS – Book-Entry System of Registration**" herein.

The Bonds are not subject to redemption prior to maturity. See "**THE BONDS – Noncallable**" herein.

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 System, subject to prior sale and to withdrawal or modification of the offer without notice, and subject to the approving opinion of Murray Barnes Finister LLP, Atlanta, Georgia, Bond Counsel to the School System. Certain legal matters will be passed on for the School System by its General Counsel, Roach, Caudill & Frost, LLP, Canton, Georgia, and by its Disclosure Counsel, Murray Barnes Finister LLP, Atlanta, Georgia. The School System has employed Davenport & Company LLC, Atlanta, Georgia, as its Financial Advisor in connection with the issuance of the Bonds. The Bonds are expected to be available for delivery in book-entry form only through the facilities of DTC in New York, New York on or about March 6, 2025.

The Series 2025A Bonds were purchased by Jefferies LLC, and the Series 2025B Bonds were purchased by Wells Fargo Bank, National Association, each at a competitive bidding.

Dated: February 13, 2025

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, YIELDS AND CUSIPS

Series 2025A Bonds

Maturity (February 1)	Principal Amount	Interest Rate	Yield	CUSIP[1]
2026	$ 1,320,000	5.000%	2.700%	164231PL0
2027	7,035,000	5.000	2.720	164231PM8
2028	7,370,000	5.000	2.760	164231PN6
2029	7,725,000	5.000	2.810	164231PP1
2030	8,090,000	5.000	2.840	164231PQ9
2031	8,485,000	5.000	2.890	164231PR7
2032	8,890,000	5.000	2.930	164231PS5
2033	9,325,000	5.000	3.010	164231PT3
2034	23,845,000	4.000	3.060	164231PU0
2035	17,915,000	4.000	3.120	164231PV8

Series 2025B Bonds

Maturity (February 1)	Principal Amount	Interest Rate	Yield	CUSIP[1]
2026	$13,770,000	5.000%	2.700%	164231PW6
2027	18,525,000	5.000	2.720	164231PX4
2028	22,520,000	5.000	2.800	164231PY2
2029	4,475,000	5.000	2.800	164231PZ9
2030	4,700,000	5.000	2.830	164231QA3
2031	4,950,000	5.000	2.880	164231QB1
2032	5,200,000	5.000	2.930	164231QC9
2033	5,470,000	5.000	3.000	164231QD7

[1] CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein have been provided by CUSIP Global Services (CGS). CGS is managed on behalf of the American Bankers Association by FactSet Research Systems Inc. Copyright © 2025 CUSIP Global Services. All rights reserved. CUSIP numbers are set forth herein for the convenience of reference only the School System nor their respective agents take responsibility for the accuracy of such data.

CHEROKEE COUNTY SCHOOL SYSTEM

ELECTED OFFICIALS

Board of Education

Janet S. Read Welch, *Chair*
Patsy Jordan, *Vice Chair*
Kelly Poole
Robert Rechsteiner
Erin Ragsdale
Dr. Susan Padgett-Harrison
Chance Beam

ADMINISTRATIVE OFFICIALS

Superintendent

Mary Elizabeth Davis, PhD

Chief Financial Officer

Kenneth Owen

COUNSEL TO SCHOOL SYSTEM

Roach Caudill & Frost LLP
Canton, Georgia

SPECIAL SERVICES

BOND AND DISCLOSURE COUNSEL

Murray Barnes Finister LLP
Atlanta, Georgia

FINANCIAL ADVISOR

Davenport & Company LLC
Atlanta, Georgia

IMPORTANT INFORMATION

No dealer, broker, salesman or other person has been authorized to give any information or to make any representations, other than those contained in this Official Statement in connection with the offering contained herein, and if given or made, such other information or representations must not be relied upon. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

The information in this Official Statement has been obtained from representatives of the School System, public documents, records and other sources which are considered to be reliable, but such information is not guaranteed as to accuracy or completeness. The information and expression of opinions herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall under any circumstances create an implication that there has been no change in the affairs of the School System since the date hereof. Any statements in this Official Statement involving estimates, assumptions and matters of opinion, whether or not so expressly stated, are intended as such and not representations of fact.

NO REGISTRATION STATEMENT RELATING TO THE BONDS HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION ("**SEC**") OR ANY STATE SECURITIES AGENCY. THE BONDS HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SEC OR ANY STATE SECURITIES AGENCY, NOR HAS THE SEC OR ANY STATE SECURITIES AGENCY PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE. IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE SCHOOL SYSTEM AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED.

Any projections or forecasts contained herein are based on current expectations but are not intended as representations of fact or guarantees of results. The projections or forecasts are intended to be forward-looking statements as defined in the Securities Act of 1933, as amended (the "**1933 Act**"), and such projections and forecasts inherently are subject to a variety of risks and uncertainties, which could cause actual results to differ materially from those contemplated in such projections. These projections and forecasts speak only as of the date of this Official Statement. The School System disclaims any obligation or undertaking to release publicly any updates or revisions to any projections or forecasts contained herein to reflect any change in their expectations with regard thereto or any change in events, conditions or circumstances on which any such projections or forecasts are based.

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

References to website addresses presented herein are for informational purposes and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement.

THIS OFFICIAL STATEMENT IS BEING PROVIDED TO PROSPECTIVE PURCHASERS EITHER IN BOUND PRINTED FORM ("ORIGINAL BOUND FORMAT") OR IN ELECTRONIC FORMAT ON THE FOLLOWING WEBSITE: finpressllc.com. THIS OFFICIAL STATEMENT MAY BE RELIED UPON ONLY IF IT IS IN ITS ORIGINAL BOUND FORMAT, OR IF IT IS PRINTED OR SAVED IN FULL DIRECTLY FROM THE AFOREMENTIONED WEBSITE OR THE FOLLOWING WEBSITE: https://emma.msrb.org/.

TABLE OF CONTENTS

INTRODUCTION 1

The School System 1
Purpose of the Bonds 1
Security and Sources of Payment for the Bonds 1
Description of the Bonds 2
Tax Exemption 2
Bond Registrar and Paying Agent, Construction Fund Custodian 2
Professionals Involved in the Offering 3
Authority for Issuance 3
Offering and Delivery of the Bonds 3
Continuing Disclosure 3
Other Information 3

PLAN OF FINANCING 4

Estimated Sources and Application of Funds 4
The Projects 4
Change of Use of Bond Proceeds 5
Refunding Program 6

THE BONDS 6

Description 6
Security and Sources of Payment for the Bonds 6
Noncallable 7
Enforcement of Remedies 7
Registration Provisions; Transfer; Exchange 8
Book-Entry System of Registration 8
Authority for Issuance 10
Disbursement and Investment of Bond Proceeds and Other Moneys 11
Principal and Interest Requirements 14

THE SCHOOL SYSTEM 15

Introduction 15
Board of Education 15
School System Management 15
Operations 16
Schools 16
Enrollment 18
Employees, Employee Relations, and Labor Organizations 18

SCHOOL SYSTEM DEBT STRUCTURE 19

Summary of School System Debt by Category 19
Proposed Debt 19
Overlapping Debt 19
Limitations on School System Debt 20
Tax Supported Debt Ratios 21

THE SALES AND USE TAX 21

Sales Tax Collections 21

SCHOOL SYSTEM AD VALOREM TAXATION 23

Introduction 23
Property Subject to Taxation 23
Tax Reform 24

Assessed Value 24
Annual Tax Levy 25
Property Tax Collections 25
Appeals 26
Historical Property Tax Data 27
Category of Land Use 28
Property Tax Levies and Collections 29
Millage Rates 30
Ten Largest Taxpayers 30

SCHOOL SYSTEM FINANCIAL INFORMATION 31

Accounting System and Policies 31
General Fund History 31
Interim Financial Statements 33
Management Comments Concerning Material Trends in Revenues and Expenditures 33
Budgetary Process 33
Budget 34
Capital Improvement Program 35
Employee Benefits 35
Insurance 38

THE COUNTY 39

Introduction 39
Demographic Information 39
Economic Information 41
County Services 44

LEGAL MATTERS 45

Pending Litigation 45
Tax Exemption 45
Validation Proceedings 46
Closing Certificates 46

BONDHOLDERS' RISKS 47

MISCELLANEOUS 48

Ratings 48
Sale at Competitive Bidding 48
Financial Advisor 48
Independent Auditors 48
Additional Information 49

CERTIFICATION 50

APPENDIX A FINANCIAL STATEMENTS OF THE SCHOOL SYSTEM FOR THE FISCAL YEAR ENDED JUNE 30, 2024
APPENDIX B FORM OF OPINION OF BOND COUNSEL
APPENDIX C FORM OF CONTINUING DISCLOSURE CERTIFICATE

OFFICIAL STATEMENT

of the

CHEROKEE COUNTY SCHOOL SYSTEM (GEORGIA)

relating to its

$100,000,000
General Obligation Bonds,
Series 2025A

$79,610,000
General Obligation Refunding Bonds,
Series 2025B

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 Cherokee County School System of its (a) General Obligation Bonds, Series 2025A, in an aggregate principal amount of 100,000,000 (the "**Series 2025A Bonds**") and (b) General Obligation Refunding Bonds Series 2025B, in an aggregate principal amount of 79,610,000 (the "**Series 2025B Bonds**" and together with the Series 2025A Bonds, 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 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 hereto. No person is authorized to detach this Introduction from the Official Statement or to otherwise use it without the entire Official Statement including the Appendices hereto.

The School System

The Cherokee County School System (the "**School System**"), the issuer of the Bonds, is a political subdivision of the State of Georgia (the "**State**"). The School System is co-extensive with the territorial limits of Cherokee County, Georgia (the "**County**"). See "**THE SCHOOL SYSTEM**" and "**THE COUNTY**."

Purpose of the Bonds

The Series 2025A Bonds are being issued for the purpose of paying (a) all or a portion of certain capital outlay projects (the "**Projects**") and (b) the costs of issuing the Series 2025A Bonds. The Series 2025B Bonds are being issued for the purpose of providing funds to pay (a) the costs of refunding the School System's General Obligation Bonds, Series 2015 Bonds maturing February 1, 2026 through February 1, 2033 (the "**Refunded Bonds**") and (b) the costs of issuing the Series 2025B Bonds. For more complete information, see "**PLAN OF FINANCING – The Projects**."

Security and Sources of Payment for the Bonds

The Bonds are general obligations of the School System and, except to the extent that they may be paid from other revenues of the School System (in particular, the sales and use tax described below), are payable, as to both principal and interest, from ad valorem taxes that may be levied, without limitation as to rate or amount, upon all taxable property within the territorial limits of the School System subject to taxation for school bond purposes. The School System intends to pay a portion of the principal of and interest on the Bonds coming due from August 1, 2025, through August 1, 2027, from the separate account in which are placed the proceeds received by the School System from a one percent sales and use tax for educational purposes (the "**Sales Tax**"), to the extent proceeds of the Sales Tax are available. The Bonds are also payable from any state appropriation to which the School System

may be entitled, which the State of Georgia Board of Education (the "**State Board**") is required to withhold from the School System and transfer to the Paying Agent for the Bonds under certain circumstances. For more complete and detailed information, see. See "**THE BONDS – Security and Sources of Payment for the Bonds**", "**THE SALES AND USE TAX**" and "**SCHOOL SYSTEM AD VALOREM TAXATION**."

Description of the Bonds

Redemption. The Bonds are not subject to redemption prior to their stated maturity. See "**THE BONDS – Noncallable**."

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

Book-Entry Bonds. The Bonds will be issued in book-entry form and will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("**DTC**"). DTC will act as securities depository for the Bonds. Purchases will be made only in book-entry form through the Direct Participants and Indirect Participants (as herein defined), and no physical delivery of the Bonds will be made to Beneficial Owners (as herein defined). See "THE BONDS – Book-Entry System of Registration."

Payments. 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 August 1, 2025. Principal of the Bonds is payable at the times and in the amounts shown on the cover page of this Official Statement. See "**THE BONDS – Description**."

When in book-entry form, payments of principal of and interest on the Bonds will be made to Beneficial Owners by DTC through its Direct Participants and Indirect Participants. When not in book-entry form, payments of principal and interest will be made in accordance with the terms of the Bond Resolution (hereinafter defined). See "**THE BONDS – Description**" and "– **Book-Entry System of Registration**."

Registration, Transfers and Exchanges. The Bonds will be issued in fully registered form. When in book-entry form, ownership of the Bonds may be registered as transferred and Bonds may be exchanged in accordance with the rules and procedures of DTC. When not in book-entry form, ownership of the Bonds may be registered as transferred and Bonds may be exchanged in accordance with the terms of the Bond Resolution. See "**THE BONDS – Registration Provisions; Transfer; Exchange**" and – "**Book-Entry System of Registration**."

For a more complete description of the Bonds, see "**THE BONDS**" herein.

Tax Exemption

In the opinion of Bond Counsel, under existing law, subject to the exceptions, conditions, and limitations described herein, interest on the Bonds is exempt from present State of Georgia income taxation, is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on corporations. See Appendix B hereto for the form of the opinion Bond Counsel proposes to deliver in connection with the issuance of the Bonds. For a more complete discussion of such opinion and certain other tax consequences of owning the Bonds, including certain exceptions to the exclusion of the interest on the Bonds from gross income, see "**LEGAL MATTERS – Tax Exemption**."

Bond Registrar and Paying Agent, Construction Fund Custodian

Regions Bank, Atlanta, Georgia, will act as Bond Registrar and Paying Agent for the Bonds. Regions Bank, Atlanta, Georgia, will act as the custodian of the Construction Fund (hereinafter defined). The principal corporate trust office of the Paying Agent is 1180 West Peachtree Street, Suite 1200, Atlanta, Georgia 30309.

Professionals Involved in the Offering

Certain legal matters pertaining to the School System and its authorization and issuance of the Bonds are subject to the approving opinion of Murray Barnes Finister LLP, Atlanta, Georgia, the School System's Bond and Disclosure Counsel. Copies of such opinion will be available at the time of delivery of the Bonds, and a copy of the proposed form of such opinion is attached hereto as APPENDIX B. Certain legal matters will be passed on for the School System by its counsel, Roach, Caudill & Frost LLP, Canton, Georgia. The general-purpose financial statements of the School System as of June 30, 2024, and for the fiscal year then ended, attached hereto as APPENDIX A, have been audited by Williamson & Co., CPA's, Cartersville, Georgia, to the extent and for the period indicated in its report thereon, which appears in APPENDIX A hereto. See "**MISCELLANEOUS – Independent Auditors**."

Davenport & Company LLC, Atlanta, Georgia, serves as financial advisor to the School System in connection with the issuance of the Bonds. See "**MISCELLANEOUS – Financial Advisor**."

Authority for Issuance

The Bonds are being issued in accordance with the Constitution and laws of the State and a resolution of the Board of Education authorizing the issuance of the Bonds adopted on February 13, 2025 (the "**Bond Resolution**"). The qualified voters of the School System approved the issuance of the 2025A Bonds by a vote of 10,952 in favor and 3,719 opposed in an election held on November 2, 2021 (the "**Election**"). For more complete information, see "**THE BONDS – Authority for Issuance**" herein.

Offering and Delivery of the Bonds

The Bonds are offered when, as and if issued by the School System and subject to the approval of legality by Murray Barnes Finister LLP, Atlanta, Georgia, as Bond and Disclosure Counsel to the School System. The Bonds are expected to be delivered through DTC in New York, New York, on or about March 6, 2025.

Continuing Disclosure

The School System has covenanted in the Bond Resolution and a Continuing Disclosure Certificate (the "**Disclosure Certificate**") for the benefit of the beneficial owners of the Bonds to provide certain financial information and operating data relating to the School System (the "**Annual Report**") by not later than 12 months after the end of each fiscal year of the School System, commencing with fiscal year 2025, and to provide notices of the occurrence of certain enumerated events. The School System's undertaking to provide operating and financial data and notices of certain events pursuant to the Disclosure Certificate shall be substantially in the form attached hereto as APPENDIX C. The School System will file or cause the Annual Report and notices of listed events, if any, to be filed with the Municipal Securities Rulemaking Board's ("**MSRB**") reporting website, Electronic Municipal Market Access ("**EMMA**"), at http://emma.msrb.org. These covenants have been made in order to assist the underwriters in complying with Securities and Exchange Commission Rule 15c2-12(b)(5) (the "**Rule**").

The School System has entered certain prior written undertakings (collectively, the "**Prior Undertakings**") as an obligated person under the Rule. The Prior Undertakings are substantially similar to the Disclosure Certificate. The School System has been in material compliance with its continuing disclosure obligations under Prior Undertakings during the last five years.

Other Information

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

This Official Statement contains forecasts, projections, and estimates that are based on current expectations but are not intended as representations of fact or guarantees of results. If and when included in this Official Statement, the words "expects," "forecasts," "projects," "intends," "anticipates," "estimates," and analogous

expressions are intended to identify forward-looking statements as defined in the Securities Act of 1933, as amended, and any such statements inherently are subject to a variety of risks and uncertainties, which could cause actual results to differ materially from those contemplated in such forward-looking statements. These forward-looking statements speak only as of the date of this Official Statement. The School System 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 System's expectations with regard thereto or any change in events, conditions, or circumstances on which any such statement is based.

This Official Statement and the Appendices attached hereto contain brief descriptions of, among other matters, the School System, 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 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 and other documents and information are available, upon request and upon payment to the School System of a charge for copying, mailing, and handling, from the Cherokee County School System, 1205 Bluffs Parkway, Canton, Georgia 30114; telephone (770) 704-4244. During the period of the offering of the Bonds, copies of such documents are available, upon request and upon payment to the Financial Advisor of a charge for copying, mailing and handling, from Davenport & Company LLC, 901 East Cary Street, Suite 1100, Richmond, Virginia 23219, telephone (804) 697-2900.

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

PLAN OF FINANCING

Estimated Sources and Application of Funds

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

Estimated Sources of Funds:	
Proceeds of Series 2025A Bonds[1]	$108,665,999.00
Proceeds of Series 2025B Bonds[2]	84,862,423.00
Total Sources of Funds	$193,528,422.00
Estimated Applications of Funds:	
Projects[3]	$108,146,358.68
Refunding of Refunded Bonds[4]	84,445,151.00
Costs of Issuance[5]	866,001.96
Underwriting Discount Series 2025A Bonds[6]	38,041.30
Underwriting Discount Series 2025B Bonds[6]	32,869.06
Total Applications of Funds	$193,528,422.00

[1] After adding original issue premium of $8,665,999.
[2] After adding original issue premium of $5,252,423.
[3] See **"PLAN OF FINANCING – The Projects"** herein.
[4] See **"PLAN OF FINANCING - Refunding Program"** herein.
[5] Includes legal fees, initial Bond Registrar's, Paying Agent's fees, financial advisor's fees, printing costs, and other costs of issuance.
[6] See **"MISCELLANEOUS – Sale at Competitive Bidding"** herein.

The Projects

The School System will use the proceeds of the Bonds to fund a portion of the capital outlay projects authorized by the voters in the Election. The School System anticipates that the Projects will consist of funding a portion of the costs of acquiring, constructing, and equipping new school facilities, adding to, renovating, repairing, improving, and equipping existing school facilities, and acquiring system-wide technology improvements and land

for future facilities (the "**Authorized Projects**"). Approximately $84.5 million of the money to be spent on the Authorized Projects will be expended to acquire, construct, and equip new school facilities, including a portion of the costs to replace the existing Cherokee High School. The balance of the approximately $23.5 million of the money to be spent on the Authorized Projects will be expended to renovate, repair, and equip existing facilities, including a portion of the additions and renovations to Creekland Middle School, Creekview High School, Sequoyah High School, River Ridge High School, and Woodstock High School. However, the School System may elect not to fund one or more of these Authorized Projects with the proceeds of the Bonds and may in turn elect to fund one or more of the Authorized Projects with the proceeds of the Sales Tax, or other available moneys.

The proceeds of the Bonds will be deposited into the Construction Fund created in the Bond Resolution (the "**Construction Fund**") and held by Regions Bank, as the Construction Fund Custodian. The moneys on deposit in the Construction Fund will be used to pay costs of the Projects and the costs of issuing the Bonds. Prior to the expenditure of the proceeds deposited in the Construction Fund, such moneys may be invested, all as more fully set forth herein under "**THE BONDS – Disbursement and Investment of Bond Proceeds and Other Moneys**." The School System is required to submit a requisition to the Construction Fund in order to withdraw moneys from the Construction Fund.

The School System has developed a plan to finance the Projects that relies on a combination of the proceeds of the Bonds, investment earnings, and sales and use tax collections. The School System expects that these sources of funds will be sufficient to provide funding for the Projects. The expected categories of expenditures of funds related to the Projects are set forth below:

	Total Expenditures
Uses of Funds:	
Additions and Renovations	$ 23,558,235.68
Facility Replacements	84,588,123.00
Total	$108,146,358.68

Because the School System is entitled to use the proceeds of the Bonds for any of the capital outlay projects authorized pursuant to the Election or to otherwise, in certain circumstances, change its use of the proceeds of the Bonds as described in **"PLAN OF FINANCING - Change of Use of Bond Proceeds"** below, the Projects are subject to change as plans and specifications are refined or amended. The expected completion date of the Projects is May 2026.

The School System may select one or more architects to serve as the design and inspecting architect for various components of the Projects. After an architect completes and the School System approves a set of plans and specifications for a particular component of the Projects, the School System will submit the plans and specifications to the Department of Education of the State (the "**Department of Education**") for approval. After the plans and specifications have been approved by the Department of Education, the School System, in conjunction with and with guidance from its construction manager, will advertise for bids from general contractors in local newspapers and in construction and trade industry publications. After the advertisements have been published for 30 days, the School System will publicly open all bids and award the construction contract for the particular Project to the responsible and responsive bidder who submits the lowest price and meets all of the requirements included in the bid invitation.

Change of Use of Bond Proceeds

The Bonds were authorized to be issued pursuant to the Election. The election ballot stated that the Bonds authorized pursuant to that election are being issued for the purpose of funding (a) the Authorized Projects, (b) capitalized interest on the Bonds, and (c) the costs of issuing the Bonds.

Section 36-82-4.2 of the Official Code of Georgia Annotated 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 System; provided the School System, not earlier than ten days prior to expending such Bond proceeds, publishes the resolution described above once in the official Cherokee County organ. In addition, the School System must send a copy of the resolution described above by registered or certified mail or statutory overnight delivery to the Paying Agent for the Bonds.

Refunding Program

The School System will use the proceeds of the sale of the Series 2025B Bonds, after payment of the costs of issuing the Series 2025B Bonds, to refund the Refunded Bonds, currently outstanding in the aggregate principal amount of $84,030,000, in order to achieve debt service savings. The Refunded Bonds will be paid in full on March 7, 2025. After giving effect to the refunding and defeasance of the Refunded Bonds and the issuance of the Bonds, the School System will have outstanding $467,475,000 in aggregate principal amount of general obligation bonds.

THE BONDS

Description

The Bonds will be dated their date of issuance and will bear interest at the rates specified on the cover page of this Official Statement (computed on the basis of a 360-day year of twelve 30-day months) from the Interest Payment Date next preceding their date of authentication to which interest has been paid (unless their date of authentication is an Interest Payment Date, in which case from such Interest Payment Date, unless their date of authentication is after a Record Date (hereinafter defined) but before an Interest Payment Date, in which case from the next Interest Payment Date, or unless their date of authentication is before the first Interest Payment Date, in which case from their date of issuance). Interest will be payable semiannually on each Interest Payment Date, commencing August 1, 2025, to the person in whose name the Bonds are registered at the close of business on the 15th day of the calendar month preceding each Interest Payment Date (each such date a "**Record Date**"). The principal amount of the Bonds is payable at the times and in the amounts set forth on the inside cover page of this Official Statement. Both the principal of and interest on the Bonds shall be payable in lawful money of the United States of America.

When in book-entry form, payments of principal of and interest on the Bonds will be made to Beneficial Owners by DTC through its Direct Participants and Indirect Participants. See "**Book-Entry System of Registration**." When not in book-entry form, principal of the Bonds will be payable at maturity upon presentation and surrender thereof at the principal corporate trust office of the Paying Agent. When not in book-entry form, payments of interest on the Bonds will be made by check or draft payable to the registered owner at such owner's address as it appears on the registry kept by the Bond Registrar.

Security and Sources of Payment for the Bonds

Generally. The Bonds will constitute valid and legally binding general obligations of the School System, and, unless paid from other sources (in particular, the Sales Tax), the principal of and interest on the Bonds will be payable from ad valorem taxes levied, without limitation as to rate or amount, upon all taxable property within the School System subject to taxation for school bond purposes, including real and personal property, privately owned utilities, certain motor vehicles, and mobile homes.

The School System intends to pay a portion of the principal of and interest on the Bonds coming due from August 1, 2025, through August 1, 2027, from the separate account in which are placed the proceeds received by the School System from the Sales Tax, to the extent proceeds of the Sales Tax are available. The Sales Tax will expire on the date described hereunder under the caption "**THE SALES AND USE TAX**." The School System presently plans to call a referendum to approve the reimposition of the one percent sales and use tax for educational purposes upon the expiration of the Sales Tax. If approved, the School System presently plans to use a portion of the

reimposed one percent sales and use tax for educational purposes to pay a portion of the principal of and interest on the Bonds. There can be no assurance, however, that the School System will call this referendum for such purpose or that the voters of the County will approve the reimposition of the one percent sales and use tax for educational purposes following the expiration of the Sales Tax.

Prior to the issuance of the Bonds, the Board of Commissioners of Cherokee County, upon the recommendation of the Board of Education, as required by law, will levy an ad valorem tax on all taxable property within the School System 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.

Prior to the issuance of the Bonds, the Board of Education, pursuant to Section 20-2-480 of the Official Code of Georgia Annotated, will notify the State of Georgia Board of Education of the proposed issuance of the Bonds and authorize and direct the State of Georgia Board of Education to withhold from the School System sufficient moneys from any state appropriation to which the School System may be entitled and to apply so much as shall be necessary to the payment of the principal of and interest on the Bonds then due. Pursuant to Section 20-2-170 of the Official Code of Georgia Annotated, if the State of Georgia Board of Education has received the notification described in the preceding sentence and if at any time the State of Georgia Board of Education is notified by the Paying Agent for the Bonds that the School System has failed to effect the punctual payment of the principal of or interest on the Bonds, the State of Georgia Board of Education is authorized to and shall withhold from any state appropriation to which the School System 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. Under the terms of the Bond Resolution, the School System is required to deposit with the Paying Agent before each January 15 and July 15 (or, if such day is not a business day, the immediately preceding business day) amounts sufficient to pay in full the principal of and interest on the Bonds on the following February 1 or August 1, respectively. Under the terms of the Bond Resolution, if by noon on any January 15 or July 15 (or, if such day is not a business day, the immediately preceding business day) the Paying Agent has not received from the School System amounts sufficient to pay in full the principal of and interest on the Bonds on the following February 1 or August 1, respectively, then the Paying Agent is required to notify the State of Georgia Board of Education of the amount of any such deficiency. Under the terms of the Bond Resolution, all funds received by the Paying Agent from the State of Georgia Board of Education must be held by the Paying Agent in trust until paid on such February 1 or August 1.

The amounts subject to interception by the State of Georgia Board of Education for the benefit of the owners of the Bonds will depend upon the amount and timing of annual appropriations made by the General Assembly of the State of Georgia to the School System. See **"SCHOOL SYSTEM FINANCIAL INFORMATION - General Fund History"** herein for the amounts paid to the School System by the State of Georgia for general operating purposes over the School System's past five fiscal years. The State of Georgia disburses the amount committed to the School System for each fiscal year in 12 approximately equal installments on or before the last day of each month of such fiscal year. The timing of the payment of any amounts subject to interception by the State of Georgia Board of Education to the Paying Agent for the benefit of the owners of the Bonds will depend upon the ability of the State of Georgia Board of Education to promptly liquidate investments of money appropriated but not disbursed by the General Assembly of the State of Georgia to the School System. 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 System or the timing of the payment of any amounts subject to interception by the State of Georgia Board of Education to the Paying Agent

Noncallable

The Bonds are not subject to redemption prior to maturity.

Enforcement of Remedies

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

Section 36-80-5 of the Official Code of Georgia Annotated provides that no School System 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. Section 36-80-5 of the Official Code of Georgia Annotated also provides that no chief executive or other governmental officer, governing body, or organization shall be empowered to cause or authorize the filing by or on behalf of any School System 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.

Registration Provisions; Transfer; Exchange

The Bonds will be issued only in fully registered form. When in book-entry form, ownership of the Bonds may be registered as transferred and Bonds may be exchanged in accordance with the rules and procedures of DTC. See "**Book-Entry System of Registration**."

When not in book-entry form, ownership of any Bond may be registered as transferred 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.

Book-Entry System of Registration

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

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 (a "**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 the 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 (if any) 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 an issuer 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).

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

A Beneficial Owner shall give notice to elect to have its Bonds purchased or tendered, through its Participant, to Paying 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 Paying 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 Paying Agent's DTC account.

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

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

THE ABOVE INFORMATION CONCERNING DTC AND DTC'S BOOK-ENTRY SYSTEM HAS BEEN OBTAINED FROM SOURCES THAT THE SCHOOL SYSTEM BELIEVES TO BE RELIABLE, BUT THE SCHOOL SYSTEM TAKES NO RESPONSIBILITY FOR THE ACCURACY THEREOF. NEITHER THE SCHOOL SYSTEM NOR THE PAYING AGENT WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO DTC PARTICIPANTS, BENEFICIAL OWNERS OR OTHER NOMINEES OF SUCH BENEFICIAL OWNERS FOR (i) SENDING TRANSACTION STATEMENTS; (ii) MAINTAINING, SUPERVISING OR REVIEWING, OR THE ACCURACY OF, ANY RECORDS MAINTAINED BY DTC OR ANY DTC PARTICIPANT OR OTHER NOMINEES OF SUCH BENEFICIAL OWNERS; (iii) PAYMENT OR THE TIMELINESS OF PAYMENT BY DTC TO ANY DTC PARTICIPANT, OR BY ANY DTC PARTICIPANT OR OTHER NOMINEES OF BENEFICIAL OWNERS TO ANY BENEFICIAL OWNER, OF ANY AMOUNT DUE IN RESPECT OF THE PRINCIPAL OF OR REDEMPTION PREMIUM, IF ANY, OR INTEREST ON BOOK-ENTRY BONDS; (iv) DELIVERY OR TIMELY DELIVERY BY DTC TO ANY DTC PARTICIPANT, OR BY ANY DTC PARTICIPANT OR OTHER NOMINEES OF BENEFICIAL OWNERS TO ANY BENEFICIAL OWNERS, OF ANY NOTICE (INCLUDING NOTICE OF REDEMPTION) OR OTHER COMMUNICATION WHICH IS REQUIRED OR PERMITTED UNDER THE TERMS OF THE BOND RESOLUTION TO BE GIVEN TO HOLDERS OR OWNERS OF BOOK-ENTRY BONDS; (v) THE SELECTION OF THE BENEFICIAL OWNERS TO RECEIVE PAYMENT IN THE EVENT OF ANY PARTIAL REDEMPTION OF BOOK-ENTRY BONDS, OR (vi) ANY ACTION TAKEN BY DTC OR ITS NOMINEE AS THE REGISTERED OWNER OF THE BOOK-ENTRY BONDS.

Authority for Issuance

Series 2025A Bonds

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

The Series 2015A Bonds were authorized to be issued pursuant to the Election, called under a resolution adopted by the Cherokee County Board of Education on June 17, 2021, and are being issued pursuant to the authority granted by (i) Part 3 of Article 9 of Chapter 2 of Title 20 of the Official Code of Georgia Annotated, (ii) Article 1 of Chapter 82 of Title 36 of the Official Code of Georgia Annotated, and (iii) the Bond Resolution. The resolution calling the election and the notice of the election stipulated an interest rate for the Bonds not exceeding 8.00% per annum. The canvass of the election showed 10,952 "Yes" votes and 3,719 "No" votes, an approximately 75% approval by those who voted in the election.

Series 2025B Bonds

Paragraph III of Section V of Article IX of the Constitution of the State of Georgia provides that the governing authority of any political subdivision may provide for the refunding of outstanding bonded indebtedness without the necessity of a referendum being held therefor, provided that neither the term of the original debt is extended, nor the interest rate of the original debt is increased. Paragraph III of Section V of Article IX of the Constitution of the State of Georgia also provides that (a) the principal amount of any debt issued in connection with such refunding

may exceed the principal amount being refunded in order to reduce the total principal and interest payment requirements over the remaining term of the original issue and (b) the proceeds of the refunding issue must be used solely to retire the original debt. Paragraph VI of Section V of Article IX of the Constitution of the State of Georgia requires a political subdivision, at or before the time of incurring bonded indebtedness, to provide for the assessment and collection of an annual tax sufficient in amount to pay the principal of and interest on the debt within 30 years from its incurrence.

The Series 2025B Bonds are being issued pursuant to the authority granted by (i) Article 1 of Chapter 82 of Title 36 of the Official Code of Georgia Annotated and (ii) the Bond Resolution.

Disbursement and Investment of Bond Proceeds and Other Moneys

Bond Proceeds. For a description of the manner in which the proceeds of the sale of the Bonds will be disbursed, see "**PLAN OF FINANCING**." Prior to such use, said proceeds will be invested pending their disbursement. Section 36-82-7 of the Official Code of Georgia Annotated currently provides that the proceeds of the Bonds may be invested and reinvested by the governing authority of the School System in the following investments, and no others:

(1) the local government investment pool created in Chapter 83 of Title 36 the Official Code of Georgia Annotated;

(2) bonds or obligations of the School System, or bonds or obligations of the County, municipal corporation, School System, political subdivision, authority, or body or bonds or obligations of 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 and obligations guaranteed by agencies or instrumentalities of the United States government, including those issued by the Federal Land Bank, Federal Home Loan Bank, Federal Intermediate Credit Bank, Bank for Cooperatives, and any other such agency or instrumentality now or hereafter in existence; provided, however, that all such obligations shall have a current credit rating from a nationally recognized rating service of at least one of the three highest rating categories available and have a nationally recognized market;

(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 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 which have deposits insured by the Savings Association Insurance Fund of the Federal Deposit Insurance Corporation or the Georgia Credit Union Deposit Insurance Corporation, including the certificates of deposit of any bank, savings and loan association, or building and loan association acting as depository, custodian, or trustee for any such bond proceeds. The portion of such 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, shall 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 or with a trust office within the State, 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 or other states or of any county or municipal corporation in the State, obligations of the United States or subsidiary corporations included in paragraph (3) above, obligations of the agencies and instrumentalities of the United States government included in paragraph (4) above, or bonds,

obligations, or project notes of public housing agencies, urban renewal agencies, or municipalities included in paragraph (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 referenced in paragraphs (3) and (4) 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; 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. Paragraph VI of Section V of Article IX of the Constitution of the State 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 System.

Section 36-80-3 of the Official Code of Georgia Annotated provides that the governing body of the School System may invest and reinvest money subject to its control and jurisdiction in the following:

(1) Obligations of the United States and of its agencies and instrumentalities;

(2) Bonds or certificates of indebtedness of the State 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 or the United States which are of a par value equal to that portion of such certificates of deposit which would be uninsured.

Section 36-83-4 of the Official Code of Georgia Annotated provides that the governing body of the School System may invest and reinvest money subject to its control and jurisdiction in the following:

(1) Obligations of the State 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 Section 36-83-8 of the Official Code of Georgia Annotated;

(7) Repurchase agreements; and

(8) Obligations of other political subdivisions of the State.

Section 45-8-14 of the Official Code of Georgia Annotated provides that the School System shall designate one or more solvent banks, insured federal savings and loan associations, or insured state-chartered building and loan associations as depositaries of moneys belonging to the School System. Except as described below for certain operating funds, Section 45-8-12 of the Official Code of Georgia Annotated requires depositories to collateralize deposits in excess of the amount insured by the Federal Deposit Insurance Corporation. Banks participating in the State's Secure Deposit Program are required to pledge securities listed in Section 50-17-59 of the Official Code of Georgia Annotated having a value ranging from 25% to 110% of the uninsured deposit. The level of the collateral requirement is based upon the financial condition of the bank. Banks that do not participate in the State's Secure Deposit Program are required to pledge securities listed in Section 50-17-59 of the Official Code of Georgia Annotated or surety bonds having a value of 110% of the uninsured deposit. Section 45-8-11 of the Official Code of Georgia Annotated allows the School System, in its discretion, to waive the requirement for security in the case of operating funds placed in demand deposit checking accounts.

See Note 4 of the audited financial statements of the School System for information regarding deposits and cash equivalents.

[Remainder of Page Intentionally Left Blank]

Principal and Interest Requirements

Set forth below are the principal and interest payment requirements with respect to the Bonds, compared to the principal and interest payment requirements with respect to the outstanding general obligation bonds of the School System after the refunding and defeasance of the Refunded Bonds, for the years shown below. For purposes of calculating the principal payable in any year, the relevant maturity or mandatory redemption amount is used.

	Prior Bonds[1]		Series 2025A Bonds			Series 2025B Bonds			
Year Ending December 31	Principal	Total Debt Service Requirements	Principal	Interest	Total Debt Service Requirements	Principal	Interest	Total Debt Service Requirements	Combined Total Debt Service Requirements
2025	$ 24,655,000	$ 41,829,611	$ —	$ —	$ —	$ —	$ —	$ —	$ 41,829,611.00
2026	24,860,000	38,657,370	1,320,000	4,136,888.89	5,456,888.89	13,770,000	3,593,506.94	17,363,506.94	61,477,765.83
2027	40,445,000	52,905,268	7,035,000	4,516,400.00	11,551,400.00	18,525,000	3,292,000.00	21,817,000.00	86,273,668.00
2028	42,740,000	52,997,777	7,370,000	4,164,650.00	11,534,650.00	22,520,000	2,365,750.00	24,885,750.00	89,418,177.00
2029	32,055,000	39,795,163	7,725,000	3,796,150.00	11,521,150.00	4,475,000	1,239,750.00	5,714,750.00	57,031,063.00
2030	33,675,000	39,795,038	8,090,000	3,409,900.00	11,499,900.00	4,700,000	1,016,000.00	5,716,000.00	57,010,938.00
2031	35,360,000	39,781,363	8,485,000	3,005,400.00	11,490,400.00	4,950,000	781,000.00	5,731,000.00	57,002,763.00
2032	31,845,000	34,617,813	8,890,000	2,581,150.00	11,471,150.00	5,200,000	533,500.00	5,733,500.00	51,822,463.00
2033	29,205,000	30,484,844	9,325,000	2,136,650.00	11,461,650.00	5,470,000	273,500.00	5,743,500.00	47,689,994.00
2034	—	—	23,845,000	1,670,400.00	25,515,400.00	—	—	—	25,515,400.00
2035	—	—	17,915,000	716,600.00	18,631,600.00	—	—	—	18,631,600.00
Totals	$294,840,000	$370,864,245	$100,000,000	$30,134,188.89	$130,134,188.89	$79,610,000	$13,095,006.94	$92,705,006.94	$593,703,440.83

[1] The School System has designated (1) $48,375,000 in aggregate principal amount of its outstanding general obligation bonds, issued on July 8, 2009, as "Build America Bonds" for purposes of Section 54AA of the Internal Revenue Code of 1986, as amended (the "Code"), and (2) $40,055,000 in aggregate principal amount of its outstanding general obligation bonds, issued on December 14, 2010, as "Qualified School Construction Bonds" for purposes of Section 54F of the Code. Amounts shown include interest payments on these bonds prior to receipt by the School System of (i) its federal subsidy payments from the United States Treasury on each interest payment date for these bonds and (ii) expected earnings from an invested sinking fund that was established in connection with the issuance of the Qualified School Construction Bonds. Pursuant to the applicable provisions of the Code as in effect when the respective series of bonds were issued, the School System was entitled to annual payments from the U.S. Treasury equal to 35% of the interest payments on the Build America Bonds and equal to 100% of the interest payments on the Qualified School Construction Bonds (but not exceeding an interest rate equal to 5.43%); however, on March 1, 2013, certain automatic federal spending reductions resulting from budget sequestration went into effect under federal law, and the subsidy payments from the United States Treasury to issuers of Build America Bonds and Qualified School Construction Bonds, including the School System, are subject to the reductions. As a result, subsidy payments processed on or after October 1, 2023 and on or before September 30, 2024 will be reduced by the fiscal year 2024 sequestration rate of 5.7%. The sequestration reduction rate will continue to be applied through the August 1, 2028 maturity date of these bonds unless and until a law is enacted that cancels or otherwise impacts the sequester, at which time the sequestration reduction rate is subject to change.

THE SCHOOL SYSTEM

Introduction

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

Board of Education

Under Georgia law, the School System is confined to the control and management of the Cherokee County Board of Education (the "**Board of Education**"). Paragraph I of Section V of Article VIII of the Constitution of the State of Georgia of 1945 (the "**Constitutional Provision**") created the Board of Education to manage and control the School System. The Constitutional Provision was specifically continued as a part of the Constitution of the State of Georgia of 1983 pursuant to an Act of the General Assembly of the State of Georgia and has been modified by various Acts of the General Assembly of the State of Georgia.

Under the Constitutional Provision, the Board of Education consists of seven members. For the purpose of electing Board of Education members, the Constitutional Provision divides the School System into six geographic education districts and requires one member to be elected to the Board of Education from each education district. These six members are elected by the voters within each district. One member of the Board of Education is elected on a county-wide basis by all of the qualified voters of the County and serves as the chairperson of the Board of Education. The Constitutional Provision requires each candidate for election to the Board of Education to be a resident of the education district from which he or she seeks election and to remain a resident of such district while in office and the Chairperson of the Board of Education to be a resident of the County. Under the Constitutional Provision, the members of the Board of Education are elected to office for terms of four years or until their successors are elected and qualified.

The names, expiration of terms of office, years in office and principal occupation of all Board of Education members is set forth below:

Name	Expiration of Term	Years in Office	Principal Occupation
Janet S. Read Welch, *Chair*	December 31, 2028	10[1]	Community Development Officer in Child Advocacy
Patsy Jordan, *Vice Chair, District 2*	December 31, 2028	11	Retired Educator
Kelly Poole, *District 1*	December 31, 2028	11	Accountant
Chance Beam, *District 3*[2]	December 31, 2026	<1	Business Owner
Robert Rechsteiner, *District 4*	December 31, 2026	18	Realtor
Erin Ragsdale, *District 5*	December 31, 2026	2	Speech Language Pathologist
Dr. Susan Padgett-Harrison, *District 6*	December 31, 2026	2	Retired Educator

1 Chair Welch was elected Chair in November of 2024, and previously served on the Board of Education from January 2005 to June 2015.

2 In accordance with the Constitutional Provision, the Board of Education appointed Chance Beam at their February 13, 2025, meeting to serve the remainder of an unexpired term.

School System Management

The School Superintendent of the School System is the executive officer of the Board of Education and is employed by the Board of Education under written contract for a term of not less than one year and not more than three years. The School Superintendent acts as the Secretary of the Board of Education, ex officio. No person is eligible to be appointed or employed as School Superintendent unless such person is of good moral character, has never been convicted of any crime involving moral turpitude, and possesses acceptable business or management

experience as specified by the Professional Standards Commission or the minimum valid certificate or a letter of eligibility for such certificate required by the Professional Standards Commission.

Dr. Mary Elizabeth Davis has been the School Superintendent of the School System since March 2024. Dr. Davis earned her Bachelor of Science degree in Chemistry from Messiah College in Pennsylvania. She completed all of her graduate work at Georgia State University in Atlanta, Georgia. Prior to joining the School System, Dr. Davis served as the Superintendent of Schools of Henry County Schools for almost seven years. Prior to joining the Henry County community, Dr. Davis was the Chief Academic Officer for the Cobb County School District and the Assistant Superintendent for Curriculum & Instruction in Gwinnett County. She began her professional career as a chemistry teacher in Fairfax County, Virginia.

Kenneth Owen has been Chief Financial Officer of the School System since January 1, 2015 and is responsible for the financial affairs of the School System. Mr. Owen has been employed by the School System since 2001 in various capacities within the School System's educational programs and financial management departments. Prior to joining the School System, Mr. Owen was employed for 13 years in the post-secondary education field with primary responsibility for management of financial aid operations and grants. He is a founding member and past Secretary of the Georgia Chapter of the Grant Professional Association, serves on the Board of Directors of the Upper Etowah River Alliance and on the Board of the Cherokee County Educational Foundation. Mr. Owen received a B.A. degree in Business Administration from the University of Georgia in 1986.

Operations

The School System serves all of the area within Cherokee County. Funds for the general maintenance and operation of the School System are derived from local, state, and federal sources. Local revenues consist primarily of ad valorem property taxes. See "**SCHOOL SYSTEM AD VALOREM TAXATION**" herein. Funds received from the State of Georgia are determined by certain formulas, generally based upon the number of students served and the relative wealth of the school district in relation to other school districts in Georgia, established by the State of Georgia Department of Education. Funds received from the federal government are primarily for programs for disadvantaged and special needs students and for the school food service program. During the five fiscal years ended June 30, 2020 through June 30, 2024, approximately 46% of the School System's revenues were derived from local sources, approximately 45% from state sources, approximately 8% from federal sources, and approximately 1% from other sources. See **"SCHOOL SYSTEM FINANCIAL INFORMATION - General Fund History"** herein.

The School System currently operates as a "Strategic Waivers School System" ("**SWSS**") under the terms of an SWSS contract between the School System and the State of Georgia Board of Education. This contract became effective on July 1, 2016, and as amended in February 2022, expires on June 30, 2025. SWSS contracts are intended to provide school districts in Georgia with greater governance flexibility as a means to increase student achievement. This district flexibility option was enacted into Georgia law in 2008 and was amended in 2015. Under this law, local boards of education can enter into multi-year contracts with the State of Georgia Board of Education based on strategic plans developed in partnership with the State of Georgia Department of Education and the Georgia Governor's Office of Student Achievement. Such plans must identify specific school-level student achievement goals that are in addition to current federal accountability requirements. The Georgia Governor's Office of Student Achievement sets College and Career Ready Performance Index (CCRPI) target scores for SWSS schools and monitors which schools have met their annual targets. In exchange for agreeing to greater accountability, the school district receives flexibility in the form of waivers of certain state laws, rules, and guidelines, including waivers of certain academic, financial, human resources, and facilities requirements

Schools

The present facilities of the School System's school system consist of 23 elementary schools, seven middle schools, six high schools, one alternative school, one preschool center, one virtual academy, one transition academy for special education students, and one special education facility. In addition, the School System's school system has one maintenance facility, two transportation facilities, one training facility, one educational services facility, and two warehouse facilities.

Set forth below is information concerning the schools comprising the School System's school system for the 2024-2025 academic year.

School Name	Grades	Enrollment	Size of Site (acres)	Occupied Year[1]	Number of Classrooms	Special Rooms[2]	Portable Classrooms
Elementary Schools							
Arnold Mill	PK-5	761	32	1996	70	6	1
Avery	PK-5	1,095	32	2007	80	7	0
Ball Ground	PK-5	654	25	2012	68	5	0
Bascomb	PK-5	904	22	1995	68	7	6
Boston	PK-5	644	25	1988	54	5	2
Carmel	PK-5	900	33	2000	70	5	6
Clark Creek	PK-5	1,086	37	2012	76	6	0
Clayton	PK-5	282	19	1949	36	5	6
Free Home	PK-5	279	7	1945	16	5	3
Hasty	PK-5	1,101	38	2005	74	7	1
Hickory Flat	PK-5	875	35	1949	60	6	3
Holly Springs	PK-5	853	43	1999	70	7	3
Indian Knoll	PK-5	868	41	2011	76	6	0
Johnston	PK-5	581	33	1981	47	5	4
Knox	PK-5	886	26	2008	77	7	0
Liberty	PK-5	966	37	2002	74	6	5
Little River	PS-5	1,218	35	1977	96	7	0
Macedonia	PK-5	727	21	1956	54	4	0
Mountain Road	PK-5	369	30	1989	46	5	0
Oak Grove	PS-5	564	11	1956	49	5	0
R.M. Moore	PK-5	1,015	47	1997	68	5	2
Sixes	PK-5	735	25	1992	57	4	0
Woodstock	PK-5	1,173	34	2004	74	7	2
Middle Schools							
Creekland	6-8	1,501	45	2004	73	6	5
Dean Rusk	6-8	1,533	30	2016	101	11	0
E.T. Booth	6-8	1,663	46[3]	2013	89	6	3
Freedom	6-8	928	26	2005	73	6	0
Mill Creek	6-8	1,473	24	2009	73	6	0
Teasley	6-8	1,574	39	2014	94	7	0
Woodstock	6-8	1,065	104[4]	1996	61	6	8
High Schools							
Cherokee	9-12	2,910	41	1956	174	12	0
Creekview	9-12	1,989	63	2006	94	8	3
Etowah	9-12	2,350	46[3]	1977	129	9	0
River Ridge	9-12	1,866	73	2010	104	8	0
Sequoyah	9-12	2,068	61	1990	121	16	0
Woodstock	9-12	1,959	104[4]	1996	100	9	7
Special Schools							
Ace Academy	6-12	189	38	1986	49	2	5
iGrad Academy[5]	9-12	210	n/a	n/a	n/a	n/a	0
Transition Academy[5]	9-12	59	n/a	n/a	n/a	n/a	0
L.R. Tippens Center	K-12	53	6	1956	20	3	0
Ralph Bunche Center	PS-PK	105	6	1956	12	1	1
Totals		42,031	1,290		2,827	248	76

(1) Represents the year during which the school was initially opened and utilized for instructional purposes, but does not reflect the most recent year of subsequent additions, improvements, or renovations, if any, to such facility.
(2) Includes cafeterias, libraries, shops, gymnasiums, auditoriums, and art and music classrooms.
(3) E.T. Booth Middle School and Etowah High School share the same 46-acre site.
(4) Woodstock Middle School and Woodstock High School share the same 104-acre site.
(5) iGrad and Transition Academies operate at Ace Academy.
Source: Cherokee County School System.

There are currently 2,933 certificated personnel serving 42,031 students in the various schools. Specialists are available in the fields of speech, hearing, vision, learning disabilities, emotionally disturbed, psychological testing, physically disabled, mentally disabled, hospital-home bound, and gifted children. The 2024-25 estimated pupil-teacher ratio for all schools is approximately 14.3-to-1, not including non-teaching personnel such as counselors and librarians.

All teachers in the school system hold Bachelor's degrees and approximately 70.6% of the teachers hold Master's, Specialist's and/or Doctorate degrees. Most have a continuing interest in professional and personal growth through formal study and staff development workshops.

All schools in the school system are accredited by the Georgia Accrediting Commission and have met the requirements for Standard Schools as set forth by the Georgia Department of Education. The School System's schools are accredited by AdvancED.

Enrollment

Set forth below is information concerning enrollment in the School System's school system over the past five school years.

School Year	Pre-Kinder-garten[1]	Kinder-garten	Grades 1	2	3	4	5	6	7	8	9	10	11	12	Special Programs[2]	Total
2024-25	490	2,782	2,844	3,018	3,174	3,126	3,105	3,276	3,253	3,210	3,434	3,450	3,274	3,189	406	42,031
2023-24	652	2,705	2,907	3,063	3,032	2,995	3,180	3,178	3,166	3,141	3,669	3,535	3,342	3,048	403	42,016
2022-23	353	2,777	3,009	3,026	2,972	3,142	3,144	3,135	3,143	3,297	3,871	3,540	3,204	2,871	407	41,891
2021-22	310	2,845	2,905	2,919	3,033	3,067	3,100	3,092	3,286	3,365	4,040	3,480	3,120	2,874	465	41,901
2020-21	566	2,603	2,781	2,900	2,928	2,965	3,016	3,166	3,286	3,427	3,908	3,411	3,137	2,979	430	41,503

(1) Includes preschool and pre-kindergarten students, except those students enrolled at Ralph Bunche Center.
(2) Includes special education, alternative school, and Ralph Bunche Center students.

Employees, Employee Relations, and Labor Organizations

The School System's school system had approximately 5,541 full-time employees as of January 1, 2025, in the following categories:

Classroom Teachers	2,933
Administrators and Supervisors	211
Librarians, Guidance Counselors and Psychologists, Aides, Clerical, Attendance Officers, Transportation, Maintenance, Food Service, Custodians, and Others	2,397
Total	5,541

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

[Remainder of Page Intentionally Left Blank]

SCHOOL SYSTEM DEBT STRUCTURE

Summary of School System Debt by Category

Set forth below is information concerning debt of the School System as of February 1, 2025. The information set forth below should be read in conjunction with the School System 's financial statements included as Appendix A hereto.

Category of Debt	Amount Authorized But Unissued	Amount Outstanding[2]	Amount To Be Outstanding Upon Issuance of Bonds[2]
General Obligation Bonds[1]	$190,000,000	$287,865,000	$467,475,000

[1] General obligations of the School System to which its full faith and credit and taxing power are pledged. The School System intends to use a portion of the proceeds of the Sales Tax described in **"SCHOOL SYSTEM FINANCIAL INFORMATION - Sales Tax Collections"** herein to pay a portion of debt service on some of its outstanding general obligation bonds coming due through August 1, 2027.with respect to

[2] Assumes the refunding and defeasance of the Refunded Bonds

There has never been a default in payment of the principal of or interest on any general obligation bonds issued by the School System.

In addition to the general obligation bonds described above, the School System has entered into various leases for office equipment and subscription-based contracts for certain administrative and instructional software. These leases and subscription-based contracts are considered to be long-term liabilities for accounting purposes. As of June 30, 2024, the School System's total remaining payments were $300,735 on the leases and $7,642,415 on the subscription-based contracts. See Note 7 to the basic financial statements of the School System included as Appendix A to this Official Statement. The School System's obligations under these leases and subscription-based contracts do not constitute debt of the School System for purposes of the constitutional debt limit described in **"SCHOOL SYSTEM DEBT STRUCTURE - Limitations on School System Debt"** herein and do not count against the School System's debt limitation.

Proposed Debt

The School System expects to issue approximately $90 million in aggregate principal amount of additional general obligation bonds in the next 12 to 24 months. These bonds represent a portion of the general obligation bonds authorized pursuant to the Election. The proceeds of these additional general obligation bonds, net of underwriter's discount and other issuance costs, will be applied to the costs of acquiring, constructing, and equipping new school facilities, including athletic facilities, adding to, renovating, and improving existing school facilities, including athletic facilities, acquiring system-wide technology improvements and land for future facilities, and other capital outlay projects.

The School System also expects to periodically enter into leases for certain administrative and instructional software.

Overlapping Debt

In addition to the School Sytem's debt obligations, property owners in the School System are responsible for certain debt obligations of other taxing entities in the proportion to which the jurisdiction of the School System overlaps such entities. Set forth below is the estimated overlapping general obligation debt and estimated overlapping property tax supported or guaranteed revenue debt of the School System. These amounts exclude for all entities any applicable GEFA and SRF loans because they are expected to be paid with system revenues. Although the School System has attempted to obtain accurate information as to the outstanding overlapping debt, it does not warrant its completeness or accuracy, as there is no central reporting entity which has this information available, and the amounts are based on information supplied by others.

Name of Overlapping Entity	Amount of Outstanding Debt	Percent of Outstanding Debt Chargeable to Property in the School System[1]
Cherokee County General Obligation Bonds[2]	$ 30,830,000	100%
City of Ball Ground[3]	1,944,110	100
City of Canton[2]	9,310,454	100
City of Holly Springs[4]	34,907,268	100
City of Woodstock[3]	54,310,311	100
Total	$131,302,143	

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

[2] As of September 30, 2024.

[3] As of June 30, 2024.

[4] As of December 31, 2024.

Limitations on School System Debt

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

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. In addition, refunded obligations and amounts deposited into a sinking fund cease to count against the School System's debt limitations.

As computed in the table below, based upon the 2024 assessed value and after the issuance of the Bonds, the School System could incur (upon necessary voter approval) approximately $1,247,120,049 in additional long-term obligations payable out of general property taxes (or general obligation bonds).

Computation of Legal Debt Margin

Net Bond Digest	$17,145,950,489
Debt Limit (10% of Assessed Value)	1,714,595,049
Amount of Debt Applicable to Debt Limit	467,475,000
Legal Debt Margin	$1,247,120,049

(1) Includes the Bonds in the aggregate principal amount of $179,610,000 and the refunding and defeasance of the Refunded Bonds.

Section 20-2-506(b)(4) of the Official Code of Georgia Annotated provides that lease and installment purchase contracts subject to annual appropriation must contain provisions limiting the total combined annual

payments for such contracts and intergovernmental contracts in any calendar year to an amount equal to 7.5 percent of the total local revenue collected for maintenance and operation of the School System in the most recently completed fiscal year.

The School System has covenanted in the Bond Resolution that, to the extent allowed by applicable law, so long as any of the Bonds are outstanding, it will not incur any additional debt or obligation of the School System payable from any State of Georgia appropriation to which the School System may be entitled unless the amount of any appropriation to which the v has been entitled for a period of 12 consecutive months immediately preceding the adoption of the proceedings authorizing the issuance of such additional debt or obligation has been equal to at least 2.0 times the maximum annual debt service requirement for any succeeding year on the Bonds and any other outstanding debt or obligation then outstanding payable from such appropriation and on the additional debt or obligation proposed to be issued.

Tax Supported Debt Ratios

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

	Direct Tax Supported Debt	Overlapping Tax Supported Debt	Overall Tax Supported Debt
Per Capita Debt[(1)]	$1,658.81	$458.13	$2,116.94
Percentage of Gross Tax Digest[(2)]	2.085%	0.576%	2.661%
Percentage of Fair Market Value[(3)]	0.834%	0.230%	1.065%
Per Capita Debt as Percentage of Per Capita Income[(4)]	2.328%	0.643%	2.971%

(1) Based upon 2023 estimated population figure of 286,602.
(2) Based upon 2024 Gross Tax Digest of $22,798,244,702.
(3) Based upon 2024 estimated actual value of $56,995,611,755.
(4) Based upon 2023 estimated per capita income figure of $71,255.

THE SALES AND USE TAX

Sales Tax Collections

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

A sales and use tax for educational purposes of the School System (the "**Prior Sales Tax**") was authorized to be imposed pursuant to an election in Cherokee County held on November 8, 2016, called under a resolution adopted by the Board of Education on July 21, 2016. The resolution calling the election and the notice of the election authorized (1) the issuance of $115,000,000 in aggregate principal amount of general obligation debt of the School System (the "**2016 Authorized Bonds**") for the purpose of funding (a) the costs of (i) acquiring, constructing, and equipping various capital outlay projects for educational purposes (collectively the "**2016 Authorized Projects**"); (b) capitalized interest on the 2016 Authorized Bonds; and (c) the costs of issuing the 2016 Authorized Bonds; and (2) the imposition of the Prior Sales Tax in Cherokee County for a period of time not to exceed 20 calendar quarters and for the raising of not more than $210,000,000 for the purpose of funding (x) the payment of a portion of the debt service on certain outstanding general obligation bonds of the School System in the maximum amount of $194,950,000, (y) the payment of a portion of the debt service on the 2016 Authorized Bonds in the maximum amount of $6,125,000, and (z) a portion of the costs of the 2016 Authorized Projects in the maximum amount not to exceed the balance of the Prior Sales Tax proceeds. The Prior Sales Tax began to be imposed on January 1, 2018 and ceased to be imposed on September 30, 2022.

The Sales Tax was authorized to be reimposed pursuant to the Election, called under a resolution adopted by the Board of Education on June 17, 2021. The resolution calling the election and the notice of the election authorized (1) the issuance of $290,000,000 in aggregate principal amount of general obligation debt of the School System (the "**2021 Authorized Bonds**") for the purpose of funding (a) the Authorized Projects; (b) capitalized interest on the 2021 Authorized Bonds; and (c) the costs of issuing the 2021 Authorized Bonds; and (2) the imposition of the Sales Tax in the County for a period of time not to exceed 20 calendar quarters and for the raising of not more than $290,000,000 for the purpose of funding (d) the payment of a portion of the debt service on certain outstanding general obligation bonds of the School System in the maximum amount of $156,000,000, (e) the payment of a portion of the debt service on the 2021 Authorized Bonds in the maximum amount of $89,000,000, and (f) a portion of the costs of the Authorized Projects in the maximum amount not to exceed the balance of the Sales Tax proceeds.

The Sales Tax began to be imposed on October 1, 2022 and will cease to be imposed on the earlier of (1) September 30, 2027 or (2) the end of the calendar quarter during which the Revenue Commissioner of the State of Georgia (the "**Revenue Commissioner**") determines that the Sales Tax has raised revenues sufficient to provide to the School System net proceeds equal to or greater than the amounts described in the preceding paragraph as the maximum cost of capital outlay projects to be funded and the maximum amount of debt to be retired.

The one percent sales and use tax for educational purposes of the School System is imposed on the 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 to certain governmental entities and to certain non-profit organizations, professional, insurance, and personal service transactions, sales of certain agricultural products, sales to and by certain agricultural enterprises, sales of certain types of manufacturing equipment, the sale or use of certain types of industrial materials, sales of prescription drugs, certain medical devices and equipment, and lottery tickets. Most online retail sales of tangible personal property delivered electronically or physically to a location within Cherokee County for use or consumption within the County are subject to the one percent sales and use tax for educational purposes.

Set forth below are the net proceeds of the one percent sales and use tax for educational purposes of the School System (including the Prior Sales Tax) received by the School System for the past five calendar years and for the month ended January 31, 2025.

Year Ended December 31	Historical Sales Tax Collections
2020	$47,544,694
2021	56,695,906
2022	63,509,596
2023	66,209,306
2024	68,456,671
2025	6,812,555

Source: State of Georgia Department of Revenue.

Georgia law provides that the proceeds received from the one percent sales and use tax for educational purposes shall be used by the School System exclusively for the purpose or purposes specified in the resolution calling for imposition of the sales and use tax. Such proceeds are required by Georgia law to be kept in a separate account from other funds of the School System and may not in any manner be commingled with other funds of the School System prior to expenditure. The School System expects to use proceeds of the one percent sales and use tax for educational purposes described above to pay a portion of the debt service coming due through August 1, 2027 on some of its outstanding general obligation bonds (including the Bonds). **No assurance can be given, however, that sales tax proceeds will be available to pay any debt service on the Bonds, or that the School System will use such proceeds, even if available, to pay such debt service. No recourse may be had against any of the proceeds received by the School System from the sales tax to pay debt service on the Bonds.**

SCHOOL SYSTEM AD VALOREM TAXATION

Introduction

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

Property Subject to Taxation

Ad valorem property taxes are levied on the assessed value of real and personal property within the School System limits. There are, however, certain classes of property which are exempt from taxation, including the following: (a) public property, (b) places of burial, (c) places of religious worship, (d) property owned by religious groups and used only for single-family residences, (e) property of nonprofit hospitals used in connection with patient care, the delivery of healthcare services or training or educating physicians, nurses and other health care personnel, (f) buildings erected for and used as a college, incorporated academy or other seminary of learning, (g) funds or property held or used as endowment by colleges, nonprofit hospitals, incorporated academies or other seminaries of learning when the funds or property are not invested in real estate, (h) real and personal property of public libraries and literary associations, (i) all books, philosophical apparatus, paintings and statuary of any company or association which are kept in a public hall and which are not held as merchandise or for purposes of sale or gain, (j) certain air or water pollution control property, (k) property of a nonprofit home for the aged used in connection with the provision of residential or health care services for the aged, (l) property of any nonprofit home for the mentally disabled used in connection with the provision of residential or healthcare services for the mentally disabled, (m) property which is owned by and used exclusively as the headquarters, post home or similar facility of a veterans organization, (n) property which is owned by and used exclusively by any veterans organization organized for the purpose of refurbishing and operating historic military aircraft, (o) property that is owned by a historical fraternal benefit association and which is used exclusively for charitable, fraternal and benevolent purposes, (p) certain qualified farm products and harvested agricultural products, (q) personal property used within the home, (r) certain other personal property including personal property valued at less than $7,500 and (s) certain fertilizers.

Cities and counties are not permitted under Georgia law to reduce or abate a company's property taxes. When a community wants to offer economic incentives to a company in order to create or retain jobs, the company's property is transferred to a development authority and leased back to the company. The development authority's fee ownership interest in the property becomes "public property" exempt from ad valorem taxation as described above. The company may or may not be taxed on the value of its leasehold interest. The School System 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 System's digest without the School System's consent.

For purposes of reducing the burden of ad valorem taxation on property owned and occupied by a taxpayer at his or her legal residence, Georgia general law grants several types of homestead exemptions. In addition, the County allows exemptions from ad valorem taxation for school purposes for (1) homesteads, or owner-occupied residences, of disabled veterans and certain un-remarried surviving spouses of members of the armed forces of the United States, not to exceed the greater of $50,000 of assessed value or an amount determined under federal law; (2) homesteads, or owner-occupied residences, of all persons, up to $2,000 of assessed value (this exemption, however, is inapplicable to taxes levied to pay bonded indebtedness); and (3) homesteads, or owner-occupied residences, of persons 62 years of age or older or persons who are disabled (the "Senior Homestead Exemption").

The County is authorized by law to exempt from ad valorem taxation, including all such taxes levied for educational purposes and for state purposes, all or any combination of the following types of tangible personal property (a) (i) inventory of goods in the process of manufacture or production, (ii) inventory of finished goods manufactured or produced in Georgia held by the manufacturer or producer for a period not to exceed 12 months, (iii) inventory of finished goods which, on January 1, are stored in a warehouse, dock or wharf and which are destined for shipment to a final destination outside of Georgia and inventory of finished goods which are shipped into Georgia from outside of Georgia and stored for the transshipment to a final destination outside of Georgia for a period not to exceed 12 months and (iv) stock in trade of a fulfillment center which, on January 1, are stored in a

fulfillment center and which are made available to remote purchasers who may make such purchases by electronic, Internet, telephonic or other remote means and where such stock in trade of a fulfillment center will be shipped from the fulfillment center and delivered to the purchaser at a location other than the location of the fulfillment center for a period not to exceed 12 months (the "**Level 1 Freeport Exemption**") and (b) goods, wares and merchandise of every character and kind constituting business inventory which would not otherwise qualify for the Level 1 Freeport Exemption (the "**Level 2 Freeport Exemption**"). Both the Level 1 Freeport Exemption and the Level 2 Freeport Exemption must be approved by the voters and exempt from ad valorem tax either 20%, 40%, 60%, 80% or 100% of the property. The Level 2 Freeport Exemption may be granted either in lieu of or in addition to the Level 1 Freeport Exemption. Once approved by the voters, the Level 1 Freeport Exemption and the Level 2 Freeport Exemption remain in effect until they are repealed by the voters.

Pursuant to Freeport Exemption laws described above, the Level 1 Freeport Exemption has been approved by the County at 100% on class (i), (ii) and (iii) property.

Tax Reform

House Bill 386 (2012) eliminated the ad valorem taxation of new vehicles and replaced it with a one-time title tax (the "**Title Tax**") that is levied whenever the title to a vehicle is registered to a new owner (except if a transfer is made between immediate family members). The Title Tax is based upon the fair market value of the vehicle and is currently levied at a rate of 7.0%. The rate may be adjusted in future years; provided, however, the rate may not exceed 9%. The revenues are shared among the State and local governments by formula. As a result of this change in law, the assessed value of motor vehicles subject to ad valorem tax in the School System has decreased, and the School System expects the assessed value of motor vehicles to continue to decrease in future years as motor vehicles subject to ad valorem tax come out of service.

SB 388 (2023), which was ratified by referendum in May of 2024, expanded the Senior Homestead Exemption to exempt the full value of certain homesteaded properties. Property owners 62 years of age and older, or who are disabled and have been granted a homestead exemption for property located within the School System for at least five years and each resident of the County who in 2025 qualifies for the homestead exemption as it existed in 2024 is eligible for an exemption on that person's homestead from all School System ad valorem taxes for educational purposes in the amount of the full value of that homestead. This change will result in an approximately $14 million decrease in School System revenue for the upcoming school year.

HB 581 (2024), which was ratified by constitutional amendment on November 5, 2024, created a statewide floating exemption that restricts assessed value increases on homesteaded property by 3 percent annually beginning on January 1, 2025.

HB 581 applies to all ad valorem taxes levied on behalf of the State, any county, consolidated government, municipality, or local school district, except for ad valorem taxes levied to pay interest on and to retire bonded indebtedness unless a local government was to opt out of the homestead exemption. A local government may opt out of the homestead exemption by adopting and filing a resolution with the Georgia Secretary of State by March 1, 2025, after conducting three public hearings and placing an advertisement in the local newspaper and on the local government's website. The School System currently plans to opt out of HB 581 in accordance with the procedures outlined above.

Assessed Value

Assessed valuation, which represents the value upon which ad valorem property taxes are levied, is calculated as a percentage of fair market value. Georgia law requires taxable tangible property to be assessed, with certain exceptions, at 40% of its fair market value. The property tax millage rates are applied to the assessed value to determine the amount of the taxpayer's ad valorem tax liability. Georgia law requires certain qualifying agricultural real property, certain historical property, certain agricultural, timber, and environmentally sensitive real property and certain single-family real property located in transitional developing areas to be valued and assessed in preferential manners.

The chief appraiser of the County is required to submit a certified list of assessments for all taxable property, except motor vehicles and property owned by public utilities, within the County to the County Board of Tax Assessors. The County Board of Tax Assessors is required to complete its revision and assessment of returns by July 1 of each year and to forward a copy of the completed digest to the State Revenue Commissioner for examination and approval. The State 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. Digests may also be subject to review at various stages by state courts.

The State Motor Vehicle Tax Division appraises the value of motor vehicles by make, model, and year by county and provides this information to each county tax office, which issues formal assessments for vehicles purchased prior to March 1, 20213 and non-titled vehicles. The State Board of Equalization approves the digest containing the values of the property of public 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.

Effective January 1, 2000, the General Assembly of the State of Georgia enacted Senate Bill 177, Act 431, known as The Property Taxpayer's Bill of Rights (the "**Taxpayer's Act**"). The purpose of the Taxpayer's Act was to prevent indirect tax increases resulting from increases to existing property values due purely to inflation. The Taxpayer's Act requires that each taxing jurisdiction located within the State (including local governments and political subdivisions of the State, such as the School System), roll back (or reduce) the millage rate in each year to offset any inflationary increases in the tax digest of such taxing jurisdiction that have occurred since the last tax year. Any local government or taxing jurisdiction that elects to set the millage rate higher than the rollback rate must follow certain requirements to notify the public of such increase, including three public hearings, the publication of a notice of the increase in the local newspaper and the publication of a press release to explain the intent of the increase in taxes. The Taxpayer's Act also requires that the notice of assessment sent to any taxpayer who receives a 15% increase or greater in their property value contains a simple, non-technical description of the basis for the increased assessment and permits taxpayers to have access to records used in preparing the increased assessment and to record any meetings or hearings held in connection with an appeal of their property tax assessment. The Taxpayer's Act also entitles any taxpayer who wins an appeal by demonstrating a property value that is 85% or less than the proposed assessed value (80% for commercial property) to recover litigation costs and reasonable attorney's fees.

Annual Tax Levy

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

Under Georgia law, the annual rate of levy for the support and maintenance of the School System's school system may not exceed 20 mills, subject to the reduction for the Local Option Sales Tax described above. 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 System. **Under Georgia law, there is no limitation on the annual rate of levy for the payment of principal of and interest on bonded indebtedness of the School System**. Ad valorem property taxes received for the payment of debt service on general obligation bonds of the School System are required by law to be held and accounted for separately from other funds of the School System. 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 System on behalf of the School System. Under Georgia law, the tax collector of the County is required to pay over to the School System on a bi-weekly basis

all taxes collected for school purposes. 2.00% of the taxes collected on behalf of the School System are remitted or retained by the County to reimburse the County for the costs of collecting property taxes on behalf of the School System. Real and personal property taxes are levied on the assessed value as of January 1. Taxes levied by the County on behalf of the School System are normally billed in September and are due on November 15 of each year. Interest applies to taxes paid after the due date as prescribed in Section 48-2-40 of the Official Code of Georgia Annotated, and penalties apply to taxes paid more than 120 days after the due date as prescribed in Section 48-2-44.

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. Georgia law provides that taxes must be paid before any other debt, lien, or claim of any kind, except for certain claims against the estate of a decedent and except that the title and operation of a security deed is superior to the taxes assessed against the owner of property when the tax represents an assessment upon property of the owner other than the property specifically subject to the title and operation of the security deed.

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

When the last day for the payment of taxes has arrived, the tax collector notifies the taxpayer in writing of the fact that the taxes have not been paid and that, unless paid, an execution will be issued. At any time after 30 days from giving the notice described in the preceding sentence, the Tax Commissioner (acting as Ex-Officio Sheriff) may issue an execution for nonpayment of taxes. The Ex-Officio then publishes a notice of the sale in a local newspaper weekly for four weeks and gives the taxpayer ten days written notice by registered or certified mail. A public sale of the property is then made by the Ex-Officio at the 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 valuations. 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 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.

[Remainder of Page Intentionally Left Blank]

Historical Property Tax Data

Set forth below is information concerning the assessed (40% of fair market value) and estimated actual (fair market) value of taxable property within the School System for calendar years 2019 through 2024.

	Assessed Values									
Calendar Year	Real & Personal Property	Public Utilities	Motor Vehicles[1]	Mobile Homes	Gross Tax Digest	Bond Exemptions	General Obligation Bond Tax Digest[2]	Maintenance & Support Exemptions	Maintenance & Support Tax Digest[3]	Estimated Actual Value
2019	$11,745,304,421	$169,577,080	$138,891,860	$15,198,674	$12,068,972,035	$2,817,902,612	$ 9,251,069,423	$2,877,484,612	$ 9,191,487,423	$30,172,430,088
2020	12,631,898,902	187,247,836	116,053,730	15,360,150	12,950,560,618	3,110,563,104	9,839,997,514	3,169,860,065	9,780,700,553	32,376,401,545
2021	13,978,109,705	194,169,830	97,858,520	15,972,188	14,286,110,243	3,509,495,925	10,776,614,318	3,569,409,925	10,716,700,318	35,715,275,608
2022	17,327,166,882	201,433,241	97,858,520	15,972,188	17,642,430,831	4,263,173,432	13,379,257,399	4,323,459,432	13,318,971,399	44,106,077,078
2023	21,055,720,392	211,572,624	89,464,450	18,571,929	21,375,329,395	5,176,960,667	16,198,368,728	5,238,350,667	16,136,978,728	53,438,323,488
2024	22,362,260,397	240,330,019	82,929,000	18,330,387	22,703,849,803	5,652,294,213	17,051,555,590	5,715,180,213	16,988,669,590	56,759,624,507

(1) As of March 1, 2013, only motor vehicles titled prior to March 1, 2013 are subject to ad valorem tax. Motor vehicles titled after that date are subject instead to a one-time state and local title fee. As a result of this change in law, the assessed value of motor vehicles subject to ad valorem tax has decreased in each year shown, and the School System expects the assessed value of motor vehicles to continue to decrease in future years as motor vehicles subject to ad valorem tax come out of service. For more information, see **"SCHOOL SYSTEM AD VALOREM TAXATION – Tax Reform"** herein.

(2) Total assessed value, after deducting exemptions, for purposes of levying tax for School System's general obligation bonds.

(3) Total assessed value, after deducting exemptions, for purposes of levying tax for the support and maintenance of the School System's school system.

Sources: State of Georgia Department of Revenue, Property Tax Division (2016 – 2023 data); Cherokee County Tax Commissioner (2024 data).

Category of Land Use

Set forth below are the percentages of land use for various purposes within Cherokee County, computed based upon the assessed value and acreage of the various categories, as classified for ad valorem property tax purposes for calendar year 2024.

Land Type	Percentage by Acreage[1]	Percentage by Assessed Value[2]
Agricultural	43.93%	12.02%
Commercial	4.30	12.77
Industrial	1.69	2.35
Residential	18.84	69.62
Conservation Use	26.09	1.67
Other[3]	5.15	1.13
	100.00%	99.56%[4]

(1) Percentages are based on the number of acres of real property set aside for each purpose. The total acreage of all real property subject to ad valorem taxation located in the School System is approximately 221,195 acres

(2) Percentages are based on the assessed value of real property set aside for each purpose.

(3) Includes Forest Land Conservation Use, Qualified Timberland, Utility, Brownfield, Historic, and Timber 100%.

(4) Motor Vehicles and Mobile homes account for the remaining 0.44%.

Source: Georgia Department of Revenue Consolidated Digest Summary, 2024.

Conservation Use Property

Approximately 26.09% by acreage (approximately 1.67% of the total assessed value) of the real property on the County's 2024 general tax digest was designated as Conservation Use property. Conservation Use property is real property that consists of timber land or agricultural land and is assessed at 40% of its current use value, which gives a reduced assessment to the owner of this type of property compared to other property assessed at 40% of fair market value. The purpose of this tax treatment is designed to protect property owners of agricultural and timber lands from being pressured by property tax burdens to convert their land to residential or commercial use. Conservation Use property must remain undeveloped and employed for a qualifying use (*i.e.*, agricultural or timber land) for at least ten years after its original designation. The value of conservation use property is not permitted to be increased or decreased by more than 3% from the current use valuation for the immediately preceding tax year or increased or decreased during the ten-year covenant period by more than 34.39% from its current use valuation in the initial year of the 10-year period.

The large amount of Conservation Use property in the County means that increases in the millage rate may generate a disproportionately small increase in tax revenues on these properties.

[Remainder of Page Intentionally Left Blank]

Property Tax Levies and Collections

The following table sets forth the real and personal tax levy and collection record of the School System for the last five fiscal years.

Fiscal Year	Tax Levy[1]	Tax Collections[2]			Percentage of Collection of Current Year's Levy to Tax Levy	Percentage of Total Tax Collections to Tax Levy	Delinquent Taxes Outstanding as of Year End
		Current Year's Levy[1]	Prior Years	Total			
2021	$189,964,691	$185,196,174	$1,359,420	$186,555,594	97.49%	98.21%	1,687,905
2022	206,279,667	200,095,222	1,556,455	201,651,677	97.00	97.76	1,614,474
2023	237,103,224	228,216,933	1,128,780	229,345,713	96.25	96.73	1,944,206
2024	275,877,983	266,600,188	801,867	267,402,055	96.64	96.93	1,979,924
2025[3]	303,778,304	291,639,372	1,452,469	293,091,841	96.00	96.48	--

(1) Relates to the preceding calendar year tax digest.
(2) Amounts shown are net of collection fee of 2.00% paid to Cherokee County.
(3) Collections through December 31, 2024.
Source: Cherokee County Tax Commissioner.

Set forth below is the estimated value of total tax executions (or fi fas) owned by the School System as of the end of its past five fiscal years. The amounts set forth below are cumulative amounts from all preceding years.

Estimated Value as of June 30				
2020	2021	2022	2023	2024
$1,813,788	$1,687,905	$1,614,474	$1,944,206	$1,979,924

Source: Cherokee County Tax Commissioner.

[Remainder of Page Intentionally Left Blank]

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 System and all overlapping governments for calendar years 2020-2024.

	School System							
Calendar Year	Support and Maintenance	Legal Limit[1]	Debt Service	Total	Cherokee County	Recreation Bond	Fire District	County-wide Total
2020	18.450	20.00	1.000	19.450	5.212	0.461	3.292	28.415
2021	18.200	20.00	0.000	18.200	5.212	0.434	3.292	27.138
2022	16.450	20.00	1.500	17.950	4.995	0.354	2.984	26.283
2023	16.450	20.00	1.500	17.950	4.954	0.319	2.764	25.987
2024	16.450	20.00	1.500	17.950	5.153	0.270	2.888	26.261

Calendar Year	Ball Ground[2]	Canton	Canton CID	Holly Springs[2]	Mountain Park	Nelson[2]	Waleska[2]	Woodstock[3]
2020	8.292	5.400	12.00	7.692	9.550	4.099	6.635	6.307
2021	7.925	5.400	12.00	7.512	8.000	4.438	6.411	5.981
2022	6.922	5.400	12.00	6.825	7.080	3.649	5.508	5.693
2023	6.702	5.400	12.00	6.605	6.255	3.301	4.809	5.125
2024	6.614	5.400	12.00	6.888	6.037	3.416	4.925	5.687

(1) See **"SCHOOL SYSTEM AD VALOREM TAXATION - Annual Tax Levy"** herein
(2) Including applicable Fire District.
(3) Including Park Bond Millage.
Source: Georgia Department of Revenue.

Ten Largest Taxpayers

Set forth below are the 10 largest taxpayers (by assessed value) and the amount of taxes levied on such taxpayers for the School System for calendar year 2024 for property located in the County by the School System. 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	Taxes Levied[1]	Net Assessed Valuation	Percent of Net Tax Digest[2]
1. Georgia Power Co	Electric Utility	$1,595,223	$ 88,435,271	0.52%
2. Atlanta Gas Light	Gas Utility	841,904	47,150,298	0.28
3. Trea Sycamore Lane LLC	Apartments	745,895	46,687,176	0.27
4. Cobb EMC	Utility	666,722	37,952,767	0.22
5. Bells Ferry Owner LLC	Apartments	635,793	35,420,200	0.21
6. CS 1031 Quincy Apartments	Apartments	634,609	35,354,239	0.21
7. Toll Southeast LP Co	Home Builder	589,060	34,713,448	0.20
8. MP The Palmer LLC	Apartments	569,574	31,731,177	0.19
9. Westdale Grand Canton LLC	Retail	557,516	28,347,793	0.17
10. Canton Market Place	Retail	563,233	20,268,802	0.12
Totals		$7,399,529	$406,061,171	2.42%

(1) The 2024 Taxes Levied by the School System were estimated by taking the 2024 School District millage rate (17.950 mills) divided by the 2024 County-wide millage rate (26.261 mills) and applying that percentage (68.352%) against County-wide taxes levied for each taxpayer.
(2) Represent the percentage of assessed valuation as compared to the total value of the School System's maintenance and support digest of calendar year 2024 ($17,083,064,489).
Source: Cherokee County Tax Commissioner.

SCHOOL SYSTEM FINANCIAL INFORMATION

Accounting System and Policies

The accounting policies of the School System conform to generally accepted accounting principles ("**GAAP**") as applicable to governmental entities. The School System's accounting system is organized and operated on a fund basis. The School System's funds are segregated for the purpose of accounting for the operation of specific activities or attaining certain objectives. The School System's primary fund is the General Fund, which contains all School System revenues except revenues that are specifically allocated by law for other purposes. The School System may appropriate money from the General Fund for all ordinary School System expenses.

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

General Fund History

During fiscal year 2024, approximately 49% of the School System's General Fund revenues were derived from local sources, approximately 42% from State sources, approximately 8% from federal sources, and 1% from other sources.

Set forth below is a historical, comparative summary of the revenues, expenses and changes in fund balance of the School System's General fund for the past five fiscal years. The information in the following table for the fiscal years ended June 30, 2020 through June 30, 2024 has been extracted from the audited financial statements of the School System. Although information was taken from the financial statements, no representation is made that the information is comparable from year to year, or that the information as shown presents fairly the financial results of the General Fund for the fiscal years shown. For more complete information, reference is made to the School System's complete audited financial statements, copies of which are available from the School System upon request.

[Remainder of Page Intentionally Left Blank]

	School System General Fund Years Ended June 30 (Audited)				
	2020	2021	2022	2023	2024
Revenues					
Local Sources	$209,489,996	$218,735,618	$238,499,154	$272,664,158	$315,928,546
State Funds	233,767,920	224,090,221	239,464,375	250,140,203	276,469,693
Federal Funds	23,153,274	40,079,719	63,670,981	49,541,770	51,013,218
Investment Earnings	901,234	93,798	273,006	5,530,589	7,555,614
Miscellaneous	1,134,738	1,794,607	1,728,977	542,718	—
Total Revenues	468,447,162	484,793,963	543,636,493	578,419,438	650,967,071
Expenditures					
Current:					
Instructional Services	308,220,025	310,874,228	332,209,264	361,618,255	401,844,169
Support Services:					
Pupil Services	21,844,282	22,829,049	24,760,065	29,210,267	33,737,726
Improvement of Instructional Services	17,733,122	16,163,915	18,499,176	21,714,165	28,326,134
Instructional Staff Training	—	1,893,348	1,935,229	3,149,149	3,242,532
Educational Media Services	5,096,652	4,971,260	5,025,650	5,531,644	5,922,920
General Administration	4,159,247	3,796,280	4,107,917	4,549,723	4,558,293
School Administration	26,550,667	27,226,376	28,794,584	29,570,757	32,577,592
Support Services – Business	2,910,475	2,937,470	3,092,813	4,680,774	3,483,159
Maintenance and Operation of Plant Services	27,642,626	31,090,153	31,428,333	37,842,305	45,246,215
Student Transportation Services	23,607,716	23,629,764	26,376,177	27,785,035	30,268,513
Support Services – Central	4,767,651	4,192,431	4,603,178	6,456,750	5,623,915
Community Services	1,813,722	1,659,278	1,884,602	2,032,925	1,967,489
School Nutrition	15,672,153	16,344,638	21,383,365	22,023,286	25,166,783
Facilities Acquisition and Construction	326,188	2,299,379	—	—	—
Debt Service					
Principal Repayment	—	—	300,735	725,670	1,689,068
Interest and Fees	43,377	11,767	—	—	67,928
Total Expenditures	460,387,903	469,919,336	504,401,088	556,890,705	623,722,436
Excess (Deficiency) of Revenues Over (Under) Expenditures	8,059,259	14,874,627	39,235,405	21,528,733	27,244,635
Other Financing Sources (Uses)					
Proceeds from Sale of Capital Assets	211,673	275,044	204,272	741,642	1,393,400
Lease Liability Proceeds	—	—	1,202,940	—	—
Subscription Liability Proceeds	—	—	—	3,327,600	6,128,083
Transfers Out	—	—	(140,445)	(15,472,723)[1]	(22,892,554)[1]
Total Other Financing Sources (Uses)	211,673	275,044	1,266,767	(11,403,481)	(15,371,071)
Net Change in Fund Balances	8,270,932	15,149,671	40,502,172	10,125,252	11,873,564
Fund Balance, Beginning of Year	67,555,309	76,369,862	91,519,533	132,021,705	142,146,957
Adjustments	543,621[2]	—	—	—	—
Fund Balance, End of Year	$76,369,862	$91,519,533	$132,021,705	$142,146,957	$154,020,521

(1) At its November 17, 2022 meeting, the Board of Education committed $32,500,000 of unassigned General Fund balance to capital outlay purposes. The years ended June 30, 2023 and 2024 amounts shown include transfers to the Capital Projects Fund of a portion of the committed amount to fund construction projects, as well as funding transfers for additional construction projects. The Board of Education has budgeted a transfer of the remainder of the committed amount during the current fiscal year. See **"SCHOOL SYSTEM FINANCIAL INFORMATION – Budget"** herein.

(2) Restated beginning net position and beginning fund balance for the general fund for the cumulative effect of GASB Statement No. 84.

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**."

Interim Financial Statements

Set forth below is a summary of the revenues, expenditures, and changes in fund balance of the School System's General Fund for the six-month periods ending December 31, 2023 and December 31, 2024. The information in the following table has not been audited and was prepared by the School System's staff on a cash basis. Therefore, such information should not be compared with the financial information in the table above. The financial results for the period ending December 31, 2024 is not necessarily indicative of the actual financial results for the fiscal year ending June 30, 2025.

	Comparison of Revenue and Expenses	
	December 31, 2023	December 31, 2024
Estimated Revenues:		
Local Sources	$260,289,299	$274,693,907
State Funds	99,647,572	103,472,809
Federal Funds	11,347,238	11,162,890
Investment Earnings	2,802,913	2,188,636
Total Revenues	$374,087,021	$391,518,242
Estimated Expenditures:		
Instructional Services	$173,390,887	$166,200,999
Instructional Staff Training:	1,432,216	1,135,271
Pupil Services	14,623,369	14,915,217
Improvement of Instructional Services	12,126,842	12,697,292
Educational Media Services	2,751,041	2,735,776
General Administration	3,755,588	3,764,373
School Administration	16,502,124	17,284,380
Support Services – Business	1,818,608	1,939,640
Maintenance and Operation of Plant Services	19,044,935	19,644,780
School Safety and Security	--	2,124,302
Student Transportation Services	15,620,712	12,563,945
Support Services – Central	3,198,947	3,708,608
School Nutrition	11,783,775	12,497,852
Community Services	989,394	1,010,952
Total Expenditures	$277,038,437	$272,223,386
Other Financing Sources (Uses)		
Transfers In	998,466	307,092
Miscellaneous	--	469,799
Transfers Out	(998,466)	(307,092)
Total Other Financing Sources (Uses)	$0	$469,799

Source: Cherokee County School System.

Management Comments Concerning Material Trends in Revenues and Expenditures

For a narrative overview and analysis of the financial activities of the School System for fiscal year 2024, see "Management's Discussion and Analysis" included in Appendix A to this Official Statement. The Management's Discussion and Analysis is not a required part of the basic financial statements of the School System but is supplementary information required by the Governmental Accounting Standards Board that has not been audited by the School System's auditor.

Budgetary Process

The School System adopts an operating budget for its General Fund by June 30 of each year. The operating budget contains proposed expenditures and the means for financing them. The School System is not legally required to stay within the budget, but under Georgia law it must meet certain minimum expenditure requirements for allotted state funds. The School System, however, currently has a waiver from these minimum expenditure requirements pursuant to its Strategic Waivers School System contract with the State of Georgia Board of Education. See "**THE**

SCHOOL SYSTEM - Operations" herein. Prior to fiscal year 2021, the School System, as required by the State of Georgia Board of Education, used a modified cash basis of accounting in its adopted General Fund 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 System's General Fund financial statements summarized in this Official Statement under the caption "**SCHOOL SYSTEM FINANCIAL INFORMATION - General Fund History**." Beginning in fiscal year 2021, the School System now uses a modified accrual basis of accounting in its adopted General Funds budget, which is consistent with the basis of accounting used in the School System 's basic financial statements. Annual budgets are also adopted for the School System 's Debt Service Fund and Capital Projects Fund. Annual budgets are not adopted for any of the School System 's other funds because they are not legally required.

The administration of the School System generally begins budget preparations in January of each year. After various budget meetings, a proposed budget is adopted by the Board of Education in May and is advertised in the legal organ of Cherokee 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 by Georgia law, is submitted to the State of Georgia Department of Education by August 31 each year for acceptance or rejection.

The budget is developed on a zero base each year, under which each program must substantiate its request rather than ask for an increment over the previous year's allocation. Initial budget preparation as well as control of individual budgeted expenditures are 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 System 's financial condition.

Georgia law requires the budget of the School System to reflect all anticipated revenues from each source, to designate all of such anticipated revenues among the several funds or accounts of the School System, and to not leave any anticipated revenues undesignated. Except as otherwise described below, Georgia law requires all amounts allocated to each fund or account and any existing balance in each fund or account to be intended for expenditure within the budget year for the purposes of that fund or account. Georgia law allows no fund or account in the nature of a "surplus" or "unobligated surplus" fund or account. The School System is permitted, however, under Georgia law to establish a single reserve fund or reserve account intended to cover unanticipated deficiencies in revenue or unanticipated expenditures, provided that the budget for any year must not allocate to such reserve fund or reserve account any amounts which, when combined with the existing balance in such fund or account, exceed 15 percent of that year's total budget. The School System is permitted under Georgia law to also establish one or more capital accumulation funds or accounts, and the School System may allocate amounts to such capital accumulation funds or accounts for expenditure in future budget years only if the purpose for which such amounts will be expended and the anticipated date of expenditure of such amounts are clearly and specifically identified. The stated purpose of the provisions of Georgia law described above is to prohibit local school systems from accumulating surplus funds through taxation without accounting to the taxpayers for how such funds will be expended. The School System currently has a waiver from these provisions of Georgia law pursuant to its Strategic Waivers School System contract with the State of Georgia Board of Education. See **"THE SCHOOL SYSTEM - Operations"** herein.

The audited financial statements for fiscal years ending June 30, 2020 through June 30, 2024 are presented herein under the heading "**SCHOOL SYSTEM FINANCIAL INFORMATION – General Fund History**."

Budget

Set forth below is a summary of the School System's adopted budget for its General Fund for the year ending June 30, 2025. This budget is based upon certain assumptions and estimates of the School System regarding future events, transactions, and circumstances. Realization of the results projected in this budget will depend upon implementation by management of the School System of policies and procedures consistent with the assumptions. There can be no assurance that actual events will correspond with such assumptions, that uncontrollable factors will

not affect such assumptions, or that the projected results will be achieved. Accordingly, the actual results achieved could materially vary from those projected in the budget set forth below.

Revenues	
Local Sources	$308,970,083
State Funds	284,984,603
Federal Funds	217,661
Investment Earnings	2,967,607
Total Revenues	597,139,954
Expenditures	
Current:	
Instructional Services	395,034,393
Support Services:	
Pupil Services	26,831,506
Improvement of Instructional Services	23,570,187
Instructional Staff Training	823,888
Educational Media Services	6,213,059
General Administration	4,379,268
School Administration	35,164,383
Support Services – Business	4,254,775
Maintenance and Operation of Plant Services	49,894,990
Student Transportation Services	32,323,494
Support Services – Central	7,109,745
School Nutrition Program	208,408
Total Expenditures	585,808,096
Excess of Revenues Over Expenditures	11,331,858
Other Financing Sources (Uses)	
Proceeds from Sale of Capital Assets	162,342
Transfers to Other Funds	(8,505,731)
Total Other Financing Sources	(8,343,389)
Net Change in Fund Balance	2,988,469
Beginning Fund Balance	122,790,517
Ending Fund Balance	$125,778,986

Source: Cherokee County School System.

Capital Improvement Program

The School System plans capital improvements as future capital needs arise due to increased student population and facility repair and maintenance needs. Specific capital expenditure plans are formalized in conjunction with individual general obligation bond issues and anticipated annual receipts of capital outlay funds from the State of Georgia Department of Education. The School System regularly monitors anticipated capital outlay needs.

The School System expects the amounts and timing of significant additional capital expenditures to correlate with its future general obligation bond issues, future sales tax collections, and anticipated annual receipts of capital outlay funds from the State of Georgia Department of Education. See **"SCHOOL SYSTEM DEBT STRUCTURE - Proposed Debt"** herein.

Employee Benefits

Teachers' Retirement System of Georgia. Substantially all teachers and administrative and clerical personnel of the School System are covered by the Teachers' Retirement System of Georgia (the "**TRS**"), a cost-

sharing, multiple-employer retirement system administered by the State of Georgia for the benefit of education personnel. A Board of Trustees (whose members consist of two ex-officio State employees and the remainder appointed by the Governor, by the Trustees and by the Board of Regents) is responsible for administration of the TRS. All teachers in State of Georgia public school systems, the University System of Georgia (except those professors and administrators who elect to participate in an alternative, optional retirement plan) and certain other designated employees in educational-related work are required as a condition of employment to become members in the TRS. At June 30, 2024, the TRS had a total of 535,836 members (active and inactive), of whom 151,881 were currently receiving benefits. TRS issues a separate stand-alone financial audit report ("**TRS Audit**") that can be obtained at www.trsga.com/publications.

The TRS provides service retirement (pension), disability retirement and survivor's benefits to members. Normal retirement (pension) benefits are paid annually to members in an amount equal to 2% of the average of the member's salary for the two highest-paid consecutive years of service, multiplied by the number of years of creditable service (up to 40) for life. 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; or a reduced benefit after 25 years of creditable service. Ten years of service is required for disability and death benefits eligibility. Disability benefits are based on the employee's creditable service and compensation up to the time of disability. Death benefits equal the amount that would be payable to the employee's beneficiary had the employee retired on the date of death. Death benefits are based on the employee's creditable service and compensation up to the date of death.

The TRS is funded by member and employer contributions as adopted and amended by the Board of Trustees of the TRS. Member contributions for the fiscal year ended June 30, 2024, were 6.00% of annual salary. This rate will remain at 6.00% for the fiscal year ending June 30, 2025. The School System contributed 19.98% of annual salary for each member of the TRS employed by the School System for the fiscal year ended June 30, 2024, of which 19.94% of payroll was required from the School System and 0.04% of payroll was required from the State. This rate increased to 20.78% for the fiscal year ending June 30, 2025. The School System contributed $62,255,154 and the State contributed $122,069 to the TRS for the fiscal year ended June 30, 2024. Governmental Accounting Standards Board Statement 68 ("Statement 68") requires employers (such as the School System) to record a liability and expense on their full accrual basis financial statements in an amount equal to their proportionate share of the net pension liability and expense of any cost-sharing, multiple-employer retirement plans (such as the TRS), beginning for the fiscal year ended June 30, 2014. With respect to the fiscal year ended June 30, 2024, the School System's portion of the net pension liability of the TRS was $583,211,114 (measured as of June 30, 2023, and based on the School System's contributions during such fiscal year), equal to 1.98% of total TRS net pension liability, which was a decrease of 0.003% from its proportion measured as of June 30, 2022.

See the TRS Audit, and in particular footnote 1 and the required supplementary schedules of such TRS Audit, for more information on the TRS, the net pension liability of the TRS, and the actuarial method and assumptions used to calculate such net pension liability. Also, see footnote 12 to the audited financial statements attached as APPENDIX A for information on the School System's retirement plans.

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 System makes no contribution to this plan. The State, although not the employer of PSERS members, makes the employer contributions on behalf of PSERS members through annual appropriations.

At June 30, 2024, the School System did not have a PSERS liability for a proportionate share of the net pension liability as the State 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 System is $3,623,425 (measured as of June 30, 2023).

In August 2001, the School System began an employer-paid 403(b) annuity plan, administered by VALIC, for employees who are covered by PSERS. For each covered employee, the School System contributes an amount equal to $.50 for each $1.00 of the employee's regular earnings. Employees become fully vested in employer contributions after five years of service. The School System's contributions to the supplemental defined contribution plan for the fiscal year ended June 30, 2024, was $248,704.

Other Post-Employment Benefits. In addition to the pension benefits described above, the School System provides certain health care benefits for retired employees of the School System through contributions to the Georgia School Personnel Post-employment Health Benefit Fund ("**OPEB Plan**"), 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. The OPEB Plan provides post-employment health insurance benefits to eligible former employees and their qualified beneficiaries through the State Health Benefit Plan, which is administered by the State Department of Community Health (the "Department of Community Health"). At June 30, 2023 (the latest available information), the OPEB Plan had 271,033 total members, 92,515 of whom are retirees and their covered spouses.

The State provides a premium subsidy on health insurance costs to OPEB Plan members that ranges from 0% for members with fewer than 10 years of service to 75% for members with 30 or more years of service; provided however, the subsidy provided to members of the OPEB Plan cannot be greater than the subsidy percentage offered to active employees. Any subsidy policy adopted by the Department of Community Health can be changed at any time by resolution.

The Department of Community Health is responsible for setting the contribution requirements of plan members and participating employers and is permitted to amend the funding policies. Contribution requirements of plan members vary based on plan election, dependent coverage, Medicare eligibility and election. The combined active and retiree contribution rates established by the Department of Community Health for participating employers (including the School System) for the fiscal years ended June 30, 2022, 2023 and 2024 are as follows:

Employee Category and Time Period	Required Contribution
Certificated Employees (includes teachers and librarians)	
July 2021 – June 2022	$945/per member/per month
July 2022 – June 2023	$945/per member/per month
July 2023 – December 2023	$945/per member/per month
January 2024 – June 2024	$1,580/per member/per month
Non-Certificated Employees (all other personnel)	
July 2021 – June 2022	$945/per member/per month
July 2022 – June 2023	$945/per member/per month
July 2023 – December 2023	$945/per member/per month
January 2024 – June 2024	$1,195/per member/per month

Based on the above contribution rates, the School System's contributions to the OPEB Plan for the fiscal years ended 2024, 2023 and 2022 were approximately $9,620,263, $9,019,919 and $8,229,841 respectively. For fiscal year 2025, the employer contribution for certificated employees has increased to $1,760, and the employer contribution for non-certificated employees will rise to $1,580, effective January 1, 2025. The contribution rates are established to fund all benefits due under the OPEB Plan based on projected pay-as-you-go financing requirements. Contributions are not based on the actuarially calculated annual required contribution, which represents a level of funding that if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. Based on the actuarial valuation prepared for the OPEB Plan, the OPEB Plan, as of June 30, 2023 (the most recent information available), had total assets of $705 million and a net OPEB Liability of $10.9 billion, with a funded ratio of 6.44%, reflecting the fact that historically the OPEB Plan has been funded on a pay-as-you-go basis and has limited assets.

Effective July 1, 2017, the Board of Education implemented Governmental Accounting Standards Board Statement 75 ("Statement 75"), which requires the recording of a liability and expense on an employer's full accrual basis financial statements in an amount equal to its proportionate share of the net OPEB liability. At June 30, 2024, the Board of Education reported a liability of $256,991,697 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2023. The total OPEB liability used to calculate the net OPEB liability was based on an actuarial valuation as of June 30, 2022. An expected total OPEB liability as of June 30, 2023 was determined using standard roll-forward techniques. The Board of Education's proportion of the net OPEB liability was actuarially determined based on employer contributions to the School OPEB Fund during the fiscal

year ended June 30, 2023. At June 30, 2024, the Board of Education's proportion of net OPEB liability was 2.35%, which was an increase of 0.07% from its proportion measured as of June 30, 2022.

Beginning with the fiscal year ended June 30, 2016, the Department of Community Health no longer issues a separate stand-alone financial report, which previously included the State Health Benefit Plan (including the OPEB Plan). Beginning with the fiscal year ended June 30, 2016, information concerning the OPEB Plan is contained in the State of Georgia Comprehensive Annual Financial Report (the "State Audit"), a copy of which can be obtained from the Georgia Department of Audits and Accounts. See the State Audit for the fiscal year ended June 30, 2023 (the latest audit publicly available), and in particular footnote 16 of such State Audit, for more information on the OPEB Plan, the net OPEB liability of the OPEB Plan, and the actuarial method and assumptions used to calculate such net OPEB liability. Also see footnotes 11 and 12 to the audited financial statements of the School System attached as APPENDIX A for information on the School System's retirement and OPEB plans.

Additional Information. Matters related to Employee Benefits are discussed in significant detail in the School System's audited financial statements attached hereto as APPENDIX A, including required contribution rates, contributions as a percentage of covered-employee payroll, benefits, and actuarial methods used to calculate retirement commitments. See Notes 11 (Other Post-Employment Benefits (OPEB)) and 12 (Retirement Plans) in the Notes to the Basic Financial Statements and the Schedule of Proportionate Share of the Net Pension Liability for TRS and ERS and the Schedule of Contributions for TRS and ERS included in the Required Supplementary Information to the audited financial statements.

Insurance

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

The School System carries liability insurance 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. The School System also carries property and casualty damage insurance on buildings and other physical assets.

Present insurance coverage is summarized below:

Type	Amount in Force
Property (Total Insured Value)	$1,337,443,864
Crime/Employee Dishonesty	100,000

	Limits of Liability	
Type	Each Occurrence	Aggregate
General and Professional Liability	$1,000,000	$2,000,000
Automobile Liability	1,000,000	None
School Leaders Liability	2,000,000	2,000,000
Excess Workers Compensation	Statutory	Statutory
Employers Liability	1,000,000	1,000,000
Law Enforcement Liability	1,000,000	1,000,000

The School System is partially self-insured for losses related to workers' compensation claims and self-insured for losses related to unemployment compensation claims and dental claims. Reference is made to Note 8 of the School System's financial statements included as Appendix A for a discussion of the School System's risk

management program. The School System requires payment and performance surety bonds and builders' risk insurance of all contractors and subcontractors involved in construction related to the School System's facilities.

Surety Bond. The School System has purchased a surety bond to provide additional insurance coverage as follows:

Position Covered	Amount
Superintendent	$100,000
Chief Financial Officer	$100,000
School Principals Bond[(1)]	10,000[(1)]

(1) Per school principal.

THE COUNTY

Introduction

The County is a political subdivision created and existing under the laws of the State of Georgia and was created by an Act of the General Assembly of the State of Georgia on December 26, 1831. The County is located in the northwestern portion of the State of Georgia approximately 35 miles north of the City of Atlanta. The County is bordered on the south by Fulton County and Cobb County, on the east by Forsyth County, on the north by Pickens County, and on the west by Bartow County. The incorporated municipalities located either entirely or partially within Cherokee County are (i) Canton, the county seat, with a population of 34,587, (ii) Ball Ground, with a population of 2,665, (iii) Holly Springs, with a population of 17,693, (iv) Mountain Park, with a population of 823, (v) Nelson, with a population of 1,015, (vi) Waleska, with a population of 767, and (vii) Woodstock, with a population of 38,473. Cherokee County presently has a land area of approximately 434 square miles.

The County is governed by, and generally acts through, a five-member Board of Commissioners. One of the members is the chairperson and is elected at large. The other four members are elected by designated districts and serve staggered four-year terms.

Demographic Information

Population. Set forth below is the population of the County for the census years 1990 through 2020 and an estimate for the year 2023 (the most recent information available).

Year	Population
1990	90,204
2000	141,903
2010	214,346
2020	266,620
2023	286,602

Source: United States Census Bureau, 1990, 2000, 2010 and 2020 U.S. Census, and U.S. Census Bureau Quick Facts for 2023.

[Remainder of Page Intentionally Left Blank]

Population By Age. The estimated median age of the County for the calendar year 2023 (the most recent information available) was 40.2 years. The following table presents the estimated population by age for the County for the calendar year 2023 (the most recent information available).

Under 20 Years	20 to 44 Years	45 to 64 Years	65 Years and Over
24.9%	31.9%	26.7	16.5

Source: United States Census Bureau, 2023 American Community Survey 1-Year Estimates.

Population by Race. The following table presents estimated percent of population by race for the County for 2023 (the most recent information available).

White[1]	Black or African American[1]	American Indian & Alaska Native[1]	Asian[1]	Native Hawaiian and Other Pacific Islander[1]	Other[2]	Two or More Races	Hispanic or Latino[3]
75.4%	5.3%	1.7%	2.5%	0.0%	4.2%	10.9%	12.5%

(1) Includes persons reporting only one race and therefore does not account for 100% of the population.
(2) Includes persons of any race
(3) The United States Census Bureau adheres to the U.S. Office of Management and Budget's (OMB) definition of ethnicity. OMB considers race and Hispanic origin to be two separate and distinct concepts. Under OMB's reporting system, Hispanics and Latinos may be of any race and are therefore accounted for in the previous headings.

Source: United States Census Bureau, 2023 American Community Survey 1-Year Estimates.

Level of Education. The following table presents the estimated level of education of the population 25 years and over for the County for the calendar year 2023 (the most recent information available).

Less than 9th grade	2.4%
9th to 12 grade, no diploma	4.4
High school graduate (including equivalency)	21.7
Some college, no degree	21.6
Associate degree	8.6
Bachelor's degree	28.4
Graduate or Professional degree	12.9
	100.0%
Percent high school graduate or higher	93.2
Percent bachelor's degree or higher	41.3

Source: United States Census Bureau, 2023 American Community Survey 1-Year Estimates.

Commuting Characteristics. The following table presents the estimated percentages of the County's population employed at jobs located within the County and those employed at jobs located outside of the County for calendar year 2023 (the most recent information available).

Residents of the County Employed	149,420
Inside the County	50.5%
Outside the County	48.8

Source: United States Census Bureau, 2023 American Community Survey 1-Year Estimates.

Economic Information

The following information is provided to give prospective investors an overview of the general economic condition in the County. These statistics have not been adjusted to reflect economic trends and are not to be relied upon as a representation or guarantee of the School System.

Per Capita Income. Set forth below is per capita income data for the County, the State and the United States for the calendar years 2019 through 2023 (the most recent information available) (not adjusted for inflation).

Year	County	State	United States
2019	$53,570	$55,566	$55,566
2020	56,600	59,123	59,123
2021	62,910	64,460	64,460
2022	67,315	66,244	66,244
2023	71,255	69,810	69,810

Source: United States Department of Commerce, Bureau of Economic Analysis.

Mean and Median Income. The following table reflects the median and mean household incomes for the County, the State and the United States for calendar year 2023 (the most recent information available).

	County	State	United States
Median Household Income	$103,691	$ 74,632	$ 77,719
Mean Household Income	125,308	103,146	109,160

Source: United States Census Bureau, 2023 American Community Survey 1-Year Estimates.

Household Income Distribution. The following table reflects the estimated income distribution of all households in the County for the calendar year 2023 (the most recent information available).

Income	Percent of Population
Less than $10,000	2.9%
$10,000 to $14,999	1.3
$15,000 to $24,999	4.3
$25,000 to $34,999	4.6
$35,000 to $49,999	6.3
$50,000 to $74,999	13.6
$75,000 to $99,999	13.2
$100,000 to $149,999	25.6
$150,000 to $199,999	13.3
$200,000 or more	15.0
	100.0%

Source: United States Census Bureau, 2023 American Community Survey 1-Year Estimates.

[Remainder of Page Intentionally Left Blank]

Poverty Levels. The following table reflects an estimate of the percentage of all people in the County and the State with incomes lower than the poverty level for calendar year 2023 (the most recent information available).

County	State	United States
6.4%	13.6%	12.5%

Source: United States Census Bureau, 2023 American Community Survey 1-Year Estimates.

Median Home Values. The following table reflects the median home value of owner occupied housing for the County, the State and the United States for calendar years 2019 through 2023 (the most recent information available).

Year	County	State	United States
2019	$253,500	$176,000	$217,500
2020	271,300	190,200	229,800
2021	292,300	206,700	244,900
2022	358,400	245,900	281,900
2023	389,800	272,900	303,400

Source: United States Census Bureau, 2019-2023 American Community Survey 5-Year Estimates.

Building Permits Summary. The following table reflects the number and aggregate dollar value of building permits issued in the unincorporated County for 2020-2024 (the most recent information available). The dollar value of each permit is based on an estimate of the value of the new construction submitted by the permit applicant. No independent investigation has been made of, and no representation can be made as to, the accuracy of the estimates provided by permit applicants.

Summary of Building Permits

			Residential			
	Commercial/Industrial/Other[1]		Single Family		Multi-Family[2]	
Year	Permits	Value	Permits	Value	Permits	Value
2020	316	$89,136,227	$1,127	$322,398,746	7	$34,930,258
2021	539	9,637,367	958	305,631,279	225	48,330,160
2022	633	9,933,848	1,035	355,078,533	389	83,977,962
2023	517	56,034,596	866	459,487,974	292	$84,318,535
2024	450	42,633,253	858	431,400,468	197	51,109,118

Source: Cherokee County Building and Inspection Department. Includes only unincorporated areas of Cherokee County.

[1] Amounts shown for 2021 through 2023 include residential apartment developments.

[2] Amounts shown for 2021 through 2023 represent attached townhomes only.

[Remainder of Page Intentionally Left Blank]

Banking Deposits. Set forth below are the number of banking institutions and the total amount of banking deposits (in thousands of dollars) on deposit in the County as of June 30 for the years 2020 through 2024.

Year	Number of Banking Institutions	Deposits ($000)
2020	15	$4,040,000
2021	15	4,875,000
2022	15	5,217,000
2023	15	5,074,000
2024	15	5,212,000

Source: Federal Deposit Insurance Corporation, Summary of Deposits.

Labor Statistics. Set forth below are labor statistics for the County, the State and the United States for the past five calendar years and for the month of December 2024.

	2019	2020	2021	2022	2023	2024[1]
County Labor Force	137,751	135,154	139,044	142,420	144,992	145,801
County Unemployment Rate	2.9%	4.8%	2.6%	2.4%	2.6%	2.7%
State Unemployment Rate	3.6	6.5	3.9	3.1	3.2	3.4
United States Unemployment Rate	3.7	8.1	5.3	3.6	3.6	3.8

(1) Preliminary, as of December 2024. Other unemployment rates in the table reflect annual averages.
Source: Georgia Department of Labor.

Largest Employers. Set forth below are the 10 largest private employers located in the County as of January 2025. The type of business and the approximate number of employees are shown in the table. There can be no assurance that any employer listed below will continue to operate or will continue employment at the level stated. No independent investigation has been made of, and no representation can be made as to, the stability or financial condition of the companies listed below

Employer[1]	Industry[2]	Number of Employees
Northside Hospital-Cherokee	Health Care	4,000
Pilgrim's Pride Corporation	Poultry Processing	765
Universal Alloy Corporation	Aluminum Extrusion	600
Wellstar Health System	Healthcare	600
Inalfa Roof Systems	Automobile Sunroof Systems	475
Chart	Steel Cylinders	370
CAIRE Inc.	Respiratory Medical Devices	310
Ubique Group	Office Furniture	301
Piolax	Automobile Parts	275
Meyn America, LLC	Poultry Equipment	245

(1) Represents employment covered by unemployment insurance excluding all government agencies except correctional institutions, state and local hospitals and state colleges and universities.
(2) Does not include retailers as the Cherokee County Office of Economic Development does not track employment numbers for retail operations. In 2023 two retailers accounted for 1,650 and 1,200 employees respectively.
Source: Cherokee County Office of Economic Development.

The County employs approximately 1,950 full-time people and the School District employs approximately 5,541 full-time people.

Industry Mix. The following table shows the industry mix for the County for the second quarter 2024 (the most current information available). The table is intended to provide information regarding the types of industries employing residents of the 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.

INDUSTRY	Average Number of Establishments	Average Monthly Employment	Average Weekly Wages
Goods-Producing	**1,294**	**13,016**	**$1,368**
Agriculture, Forestry, Fishing & Hunting	34	134	1,293
Mining	6	56	1,475
Construction	988	6,570	1,487
Manufacturing	266	6,256	1,243
Service-Providing	**5,998**	**51,448**	**906**
Utilities	9	84	1,743
Wholesale Trade	399	2,125	1,698
Retail Trade	726	12,117	707
Transportation and Warehousing	157	1,021	1,325
Information	185	670	2,017
Finance and Insurance	421	1,849	1,453
Real Estate and Rental and Leasing	377	876	1,089
Professional Scientific & Technical Svc	1,148	3,732	1,360
Management of Companies and Enterprises	28	56	1,358
Admin., Support, Waste Mgmt, Remediation	551	3,974	1,013
Education Services	112	1,048	633
Health Care and Social Assistance	724	9,511	1,136
Arts, Entertainment, and Recreation	134	1,864	492
Accommodation and Food Services	500	10,050	445
Other Services (except Public Admin.)	527	2,471	785
Unclassified - industry not assigned	**609**	**311**	**1,205**
Total - Private Sector	**7,901**	**64,775**	**1,000**
Total – Government	**93**	**9,946**	**1,080**
Federal Government	12	391	1,373
State Government	26	392	939
Local Government	55	9,163	1,073
ALL INDUSTRIES	**7,994**	**74,720**	**1,011**

*Denotes confidential data relating to individual employers and cannot be released. These data use the North American Industrial Classification System (NAICS) categories. Average weekly wage is derived by dividing gross payroll dollars paid to all employees, both hourly and salaried, by the average number of employees who had earnings; average earnings are then divided by the number of weeks in a reporting period to obtain weekly figures. Figures in other columns may not sum accurately due to rounding. All data represent the Second Quarter 2024.
Source: Georgia Department of Labor. These data represent jobs that are covered by unemployment insurance laws.

County Services

County Services. The County provides a full range of services, including, public safety (sheriff's office, fire protection, and emergency/ambulance services), code enforcement, judicial/court services, planning and zoning, business licenses and building permits, road maintenance, parks and recreation, senior services, animal shelter services and bus transportation.

Healthcare. The County offers residents a full spectrum of healthcare options, including a new $286 million hospital, an $83 million state-of-the-art health park, and a range of family and urgent care clinics. Northside Hospital Cherokee is a 332-bed full-service community hospital with 1,400 physicians and more than 3,8oo employees serving residents of the County.

Higher Education. In addition to the post-secondary education options in Metro-Atlanta, there are several post-secondary educational options located in the County, including Reinhardt University, located in Waleska, a

campus of Chattahoochee Technical College, located in Canton, as well as dual enrollment programs offered by the School System**.**

Transportation. Located just north of Metro-Atlanta between Cartersville and Alpharetta, the County is easily accessible from I-575, I-75 and Hwy 40. Hartsfield-Jackson International Airport is located less than an hour from the County and is one of the world's busiest airports. Additionally, Cherokee County Regional Airport is located off of I-575 between Canton and Ball Ground and offers a newly expanded 5,000-foot runway, hangers, and comprehensive services for general aviation needs. Patriot Rail operates a shortline railroad that runs north to south through the heart of the County.

Parks and Recreation. Cherokee Recreation & Parks operates 22 parks and 5 indoor facilities throughout the County that encompass more than 2,444 acres and include 40 baseball/softball diamonds, 27 athletic fields, 22 tennis courts, 17 playgrounds and more than 43 miles of trails. This includes the Cherokee County Aquatic Center, The WREC (South Annex), the Union Hill Community Center, the Hickory Flat Gym and L.B. "Buzz" Ahrens, Jr. Recreation Center. County parks also include several unique amenities such as a disc golf course, dog park, in-line hockey rink, pickleball courts, a splash pad, indoor rock wall and skate park.

LEGAL MATTERS

Pending Litigation

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

There is no litigation now pending or, to the knowledge of the School System, threatened against the School System (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) 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 System, nor the title of the present members or other officials of the Board of Education to their respective offices, is being contested or questioned.

Tax Exemption

Generally. Legal matters incident to the authorization, validity and issuance of the Bonds are subject to the unqualified approving opinion of Murray Barnes Finister LLP, Bond Counsel. The opinion of Bond Counsel is attached to this Official Statement as Appendix B. Copies of such opinion will be available at the time of the initial delivery of the Bonds.

Federal Taxes. In the opinion of Murray Barnes Finister LLP, Bond Counsel, under existing statutes, rulings and court decisions, and assuming compliance by the School System with certain tax covenants, interest on the Bonds is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on corporations. Except as provided below with respect to original issue premium, no opinion will be expressed with respect to any other federal tax consequences of the receipt or accrual of interest on, or the ownership of, the Bonds.

Ownership of the Bonds may result in other collateral federal income tax consequences to certain taxpayers, including, without limitation, banks, thrift institutions and other financial institutions, foreign corporations which conduct a trade or business in the United States, property and casualty insurance corporations,

S corporations, individual recipients of social security or railroad retirement benefits and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry the Bonds. Purchasers of the Bonds should consult their tax advisors as to the applicability of any such collateral consequences.

In concluding that the interest on the Bonds is excludable from gross income for federal income tax purposes, Bond Counsel will (a) rely as to certain factual matters upon certificates and certified proceedings of public officials, including officials of the School System, and representations of the School System (including representations as to the use and investment of the proceeds of the Bonds and the facilities financed thereby), without undertaking to verify the same by independent investigation and (b) assume continued compliance by the School System with its covenants relating to the use of the proceeds of the Bonds and compliance with the requirements contained in the Internal Revenue Code of 1986, as amended (the "Code"), including, but not limited to, the arbitrage requirements contained in Section 148 of the Code. The inaccuracy of any such representations or noncompliance with such covenants may cause interest on the related to the Bonds to become includable in gross income for federal income tax purposes retroactive to the date of issuance of such Bonds.

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 purchaser's yield to maturity. As premium is amortized, the purchaser's basis in such Bond is reduced by a corresponding amount, resulting in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes upon a sale or disposition of such Bond prior to its maturity. Even though the purchaser's basis is reduced, no federal income tax deduction is allowed.

The foregoing is a general discussion of certain federal income tax consequences of original issue premium and does not purport to deal with all tax questions that may be relevant to particular investors or circumstances. 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.

State of Georgia Taxes. In the opinion of Bond Counsel, under existing law, interest on the Bonds is exempt from present state income taxation within the State of Georgia. Interest on the Bonds may or may not be subject to state or local income taxation in jurisdictions other than the State of Georgia. Each purchaser of the Bonds should consult his or her own tax advisor regarding the tax-exempt status of interest on the Bonds in a particular state or local jurisdiction other than the State of Georgia.

Changes in Tax Law. Current and future legislative proposals or changes in regulations, if enacted, could (a) cause interest on the Bonds to be subject, directly or indirectly, to federal income taxation, (b) cause interest on the Bonds to be subject, directly or indirectly, to State income taxation or (c) 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. Purchasers of the Bonds should consult their tax advisors regarding any pending, proposed or anticipated legislation or regulatory initiatives. The opinions expressed by Bond Counsel are based upon 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 or future legislation.

Validation Proceedings

The Bonds were validated by judgment of the Superior Court of Cherokee County, Georgia on December 20, 2021. Under Georgia law, the judgment of validation is final and conclusive with respect to the validity of the Bonds.

Closing Certificates

The School System will deliver to the purchasers of the Bonds 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 System, 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.

BONDHOLDERS' RISKS

General

Each prospective investor is encouraged to read this Official Statement in its entirety and to give particular attention to the factors described below, which, among other factors discussed herein, could affect the payment of debt service on the Bonds and could affect the market price of the Bonds to an extent that cannot be determined at this time. *The following does not purport to be an exhaustive listing of risks and other considerations that may be relevant to investing in the Bonds. In addition, the order in which the following information is presented is not intended to reflect the relative importance of such risks.*

Cybersecurity

Cybersecurity is a significant concern for governmental entities, including the School System. The School System relies on computer systems and technologies to conduct many of its operations, including its internal and external communications, interactive educational programs for students, customer facing interactions, dissemination of information, online services, life safety services, accounting, and other administrative functions. Despite security measures, policies, and training, the School System, like other public and private entities, is vulnerable to cyberattacks by third parties. The School System mitigates this risk by implementing National Institute of Standards and Technology (NIST) cyber security best-practices, such as multi-factor authentication for all employees, redundant backup systems with independent electrical and internet connectivity, catastrophic failure plans, annual independent assessments of systems, and regular threat assessments by third-party entities.

The School System maintains cybersecurity protocols and annual mandatory training for all employees. The School System's information technology department provides additional periodic training (approximately monthly) for employees. Employees in more sensitive areas, such as finance, also attend seminars put on by third party vendors in order to remain current on issues related to cyber threats and bolstering School System protections. The School System also carries cybersecurity insurance with a private insurance carrier. The School System's current cybersecurity coverage expires on June 30, 2025.

Despite the implementation of network security measures by the School System, its information technology systems may be vulnerable to breaches, hacker and ransomware attacks, computer viruses, physical or electronic break-ins and other similar events or issues. State and local governments have recently been subject to such attacks.

The foregoing events or issues could lead to the inadvertent disclosure of confidential information, ransomware attacks holding critical information and operations hostage or could have an adverse effect on the School System's ability to provide services and collect revenues. Any breach or cyberattack that compromises data could result in negative press. Despite efforts of the School System, no assurances can be given that the School System's measures will prevent cybersecurity attacks, and no assurances can be given that any cybersecurity attacks, if successful, will not have a material adverse effect on the operations or financial condition of the School System.

Secondary Market

There is no guarantee that a secondary market for the Bonds will be maintained. Thus, owners of Bonds should be prepared to hold their Bonds to maturity.

No Trustee

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

MISCELLANEOUS

Ratings

The Bonds have been assigned ratings of "**Aa1**" by Moody's Investors Service ("Moody's") and **AA+** by Standard & Poor's Global Ratings ("S&P") based on the understanding that the School System will participate in the State Aid Intercept program. The School System has also received underlying stand-alone ratings of "**Aa1**" by Moody's and **AA** by S&P.

The ratings reflect only the view of the rating agency, and an explanation of the significance of such rating may be obtained from the rating agency furnishing such rating, at the following addresses: Moody's Investors Service, Inc., 7 World Trade Center, 250 Greenwich Street, New York, New York 10007 and Standard & Poor's Ratings Services, 55 Water Street, New York, New York 10041. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies, and assumptions of its own. There is no assurance that such rating, including the School System's underlying stand-alone rating, will remain unchanged for any given period of time or that they will not be revised downward or withdrawn entirely by the rating agency furnishing the same, if, in its judgment, circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the liquidity and market price of the Bonds.

Sale at Competitive Bidding

The Bonds were sold pursuant to a competitive sale on February 13, 2025 in accordance with the School System's Notices of Sale dated February 6, 2025. The interest rates shown on the inside cover page of this Official Statement are the interest rates on the Bonds resulting from the award of the Bonds by means of a competitive bidding process. The prices shown on the inside cover page of this Official Statement were furnished by Jefferies LLC, the successful bidder for the Series 2025A Bonds and by Wells Fargo Bank, National Association, the successful bidder for the Series 2025B Bonds. The Series 2025A Bonds were purchased at a purchase price of $108,627,957.70 (par, plus original issue premium of $8,665,999.00 and less an underwriting discount of $38,041.30). The Series 2025B Bonds were purchased at a purchase price of $84,829,553.94 (par, plus original issue premium of $5,252,423.00 and less an underwriting discount of $32,869.06). All other information concerning the nature and terms of any re-offering should be obtained from the successful bidder for the Series 2025A Bonds and Series 2025B Bonds respectively.

Financial Advisor

The School System has employed Davenport & Company LLC, Atlanta, Georgia, as its financial advisor in connection with the issuance of the Bonds and the execution. Davenport & Company LLC, Atlanta, Georgia, is an independent financial advisor and is not engaged in the business of underwriting, trading or distributing municipal or public securities. Davenport & Company LLC has not conducted a detailed investigation of the affairs of the School System to determine the completeness or accuracy of this Official Statement. Because of its limited participation, Davenport & Company LLC has not independently verified any of the data contained in this Official Statement and has no responsibility for the accuracy or completeness thereof.

Independent Auditors

The general purpose financial statements of the School System as of June 30, 2024 and for the year then ended, attached hereto as part of APPENDIX A, have been audited by Williamson & Co., CPA's, Cartersville, Georgia (the "Auditor"), to the extent and for the period indicated in its report thereon, which appears in APPENDIX A in reliance upon the authority of such firm as independent auditors. The consent of the Auditor for the inclusion of such report has not been requested. The Auditor 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 Auditor also has not performed any procedures relating to this Official Statement.

Additional Information

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

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

[Remainder of Page Intentionally Left Blank]

CERTIFICATION

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

CHEROKEE COUNTY SCHOOL SYSTEM

By: /s/ Janet S. Read Welch
Chairperson, Cherokee County Board of Education

APPENDIX A

FINANCIAL STATEMENTS OF THE SCHOOL SYSTEM
FOR FISCAL YEAR ENDED JUNE 30, 2024

APPENDIX B

FORM OF OPINION OF BOND COUNSEL

APPENDIX C

FORM OF CONTINUING DISCLOSURE CERTIFICATE