

**FAYETTE COUNTY
BOARD OF EDUCATION**

Fayetteville, Georgia



Where Excellence and Creativity Merge

**ANNUAL COMPREHENSIVE FINANCIAL
REPORT**

Fiscal Year ended June 30, 2023

FAYETTE COUNTY BOARD OF EDUCATION
Fayetteville, Georgia

ANNUAL COMPREHENSIVE FINANCIAL REPORT

Fiscal Year ended June 30, 2023



Where Excellence and Creativity Merge

Prepared by
Tom Gray, Chief Financial Officer
and

Fayette County Board of Education Finance Department
205 LaFayette Avenue
Fayetteville, Georgia 30214

Fayette County Board of Education

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INTRODUCTORY SECTION



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Superintendent

Jonathan S. Patterson, Ph.D.

Board of Education:

Scott Hollowell, Chairman
Randy Hough, Vice-Chairman
Brian Anderson
Dr. Regina Daigre
Roy Rabold

February 14, 2024

To the Members of the Fayette County Board of Education and the Citizens of Fayette County, Georgia:

We are pleased to submit to you the Annual Comprehensive Financial Report (ACFR) of the Fayette County Board of Education (the School System) for the fiscal year ended June 30, 2023. The finance department staff prepared this report. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the School System’s administration.

We believe the data, as presented, is accurate in all material respects and is reported in a manner designed to fairly set forth the financial position and results of operations of the School System as measured by the financial activity of its various funds. All disclosures necessary to enable the reader to gain a reasonable understanding of the School System’s financial affairs have been included.

Mauldin & Jenkins, Certified Public Accountants, LLC, has issued an unmodified (“clean”) opinion on the Fayette County Board of Education’s financial statements for the year ended June 30, 2023. The independent auditor’s report is located at the front of the financial section of this report.

Management’s discussion and analysis (MD&A) immediately follows the independent auditor’s report and provides a narrative introduction, overview and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the School System

The School System was established under the laws of the State of Georgia in 1927 when the existing local schools were consolidated. The School System is an independent K-12 district and is not considered to be a component unit of any other government. It serves Fayette County with a population of approximately 122,030 and includes the communities of Brooks, Fayetteville, Peachtree City, Tyrone and Woolsey. The School System provides all basic services required by state law and policies of the State Board of Education. These services include regular and special education instructional programs at the elementary, middle and secondary levels and additional service in pre-kindergarten.

The Board of Education is made up of five members elected to serve four-year terms. Its primary functions are to develop and adopt policies by which the schools are administered, to continually evaluate the effectiveness of these policies and to make certain that they are being administered as the Board intended. The administration of the educational programs and school business is the responsibility of the superintendent of schools and his staff. The Board includes four members elected from geographical districts and one member-at-large. Members serve four-year terms on a staggered basis.

There were just over 19,900 students enrolled in the School System at the end of the 2022-2023 school year. Projected enrollment for the 2023-2024 school year remains at 19,900 students. The five-year average enrollment for the School system is 20,145 students. The School System has five high schools. The oldest high school facility was built in 1981 but was renovated and expanded in 2005. The School System fourteen (14) elementary schools. One of these facilities was built prior to 1970, nine were built between 1970 and 1999, and four were built after 2000. The School System has five middle schools. The oldest of the middle schools (two of them) were built in 1989. The newest facility is J.C. Booth Middle School which was relocated and opened for the school year 2022-2023. Renovations for school buildings are based on the Board approved Local Five-year Facilities Plan. This plan currently covers proposed renovations through fiscal year 2025. A schedule of building information is provided in the Statistical Section of the ACFR.

Local economy

The economy for Fayette County and Georgia has been relatively strong compared to the rest of the country. Strong revenues and state reserves have allowed the state to reduce tax rates and suspend fuel taxes for short periods of time to provide economic relief to taxpayers and consumers. Fayette County has seen increased activity and development in residential, business, industrial, arts and entertainment sectors of the economy. Economic activity has been relatively strong as indicated by consistent local sales tax collections. Over the last five years, the retail sales tax collections have increased from \$26.8 million to over \$36.5 million, indicating strong retail activity especially in the most recent year with a 7.65% one-year increase. Intangible tax collections have slowed down, indicating reduced activity in mortgage refinancing and in the real estate market.

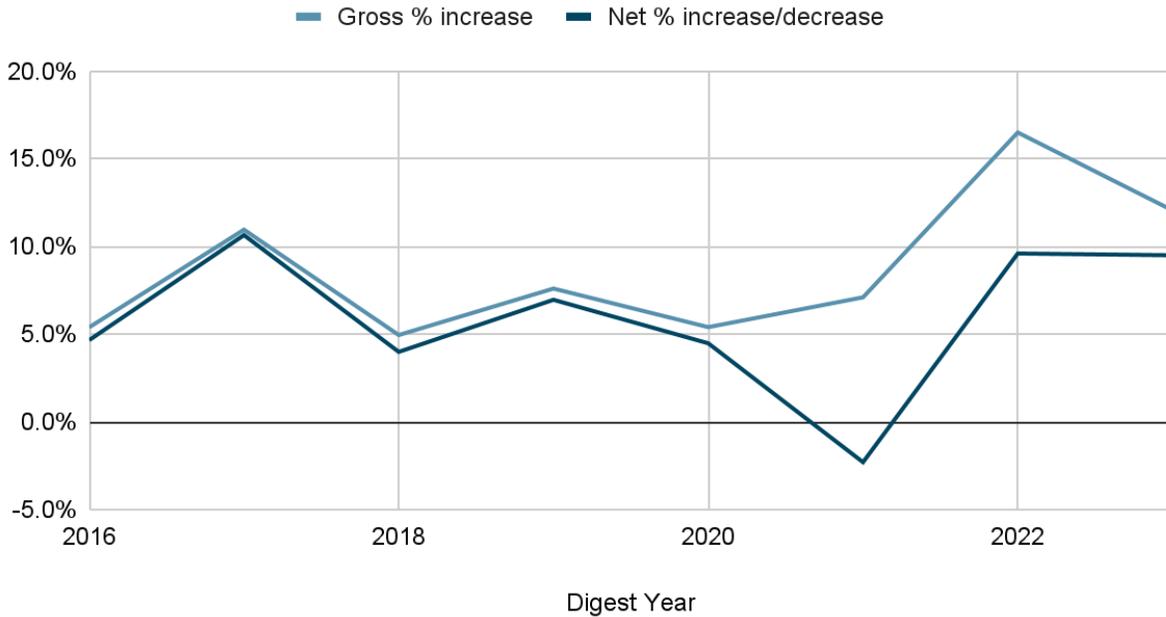
As with most of Georgia and the nation as a whole, the job market of Fayette County has experienced hiring shortfalls. According to the U.S. Bureau of Labor Statistics, Fayette County's unemployment rate (not seasonally adjusted) is 3.3% as of June 2023. This rate is below the national average rate (not seasonally adjusted) of 3.1% and equals the State of Georgia average rate (not seasonally adjusted) of 3.3%. The county's labor force has increased to 61,325 compared to 59,633 the prior year or 2.84%. Average weekly wages for Fayette County were \$1,247 compared to \$1,376 for the Atlanta metro area.

The changes in the real estate market have significantly affected the School System's local revenue. Like much of the state and nation, Fayette County experienced growth in the real property digest in the seven years from fiscal year 2002 to fiscal year 2009 of 61%, averaging 8.7% growth per year. From the peak in 2009 to the bottom of decline in 2012, property tax digest values fell more than 20% reducing the annual property tax levies by \$22.3 million from a high of \$100.4 million in 2009 to \$78.1 million in 2013. The property tax digest showed significant recovery in real property since 2014. The digest changes are shown in the graph on the next page.

Total exemptions as a percentage of the total digest has increased 35.7% from last year. This is due to state legislation that created an additional homestead exemption for residential real property limiting the increase in assessed value to the consumer price index (CPI) or 3%. The graph on the next page shows how the increased exemptions drastically changed the relationship between the gross digest and the net digest. This shift is expected to have an effect on tax revenues in future years. The tax levy for fiscal year 2023 was \$116.20 million. The School System reduced the millage rate from 19.334 mills in the previous year to 19.150 mills for fiscal year 2023.

Investment in the film production industry continues to be a driving force of growth for Fayette County. Trilith Studios continues to expand the major studio complex in the center of the county with state-of-the-art sound stages, administration offices and buildings for set and effects development and film equipment vendors. The studio complex has 24 sound stages, workshop and production facilities, backlot natural areas, a media hub and full post production support. Additional expansion of the studios is currently in process, as well as residential and commercial development adjacent to the studio complex, creating a town atmosphere for creativity.

Tax Digest Change



Through the state’s university system and technical college system, a film academy collaborative effort has started for the purpose of certifying work ready employees and connecting employees with opportunities on film and entertainment production projects. The county continues to feel the economic impact of this industry segment with the potential growth of support businesses and new residents moving into the county. There have been strong indications of a resurgence of residential construction in the county that has contributed to increases in the tax digest as discussed previously.

Another area of economic activity is the medical field. Piedmont-Fayette Hospital expanded its capacity and services with a major construction project. The facility has 282 beds and the hospital employs over 2,000 people, including 900 physicians. In addition to 24-hour emergency services, the hospital provides cancer care, heart care, orthopedic care, women’s care, surgical services, major medical, and is known for the use of robotic surgery facilities. In addition, over the last several years, related projects have been completed, including a medical office building (30,000 SF), an assisted living center located near the hospital and a two-story (60,000 SF) wellness center. Piedmont-Fayette Hospital is nationally recognized and is continually ranked in the top 50 hospitals in the country.

The county government and cities collaborated in planning for a special local option sales tax (SPLOST) referendum in early 2017. The projects include multiple transportation projects, public safety improvements, road improvements, cart path improvements, park/recreation improvements, debt retirement and storm-water infrastructure repair/replacement. The tax will be collected over 6 years and collections are expected to be over \$141 million which will be allocated to the cities and county based on an intergovernmental agreement. The county and cities passed a SPLOST referendum in 2023 to fund capital projects such as expansion of the Justice Center, transportation, parks and recreation improvements and storm water projects.

The city governments, county government, School System, Chamber of Commerce and community leaders participated in the Fayette Visioning Initiative over the last several years. The project focused on planning for the future in education, community, economy and place in Fayette County. In addition, the Chamber of Commerce led a rebranding initiative with county and city governments and community leaders. The campaign was designed to attract new residents and businesses with the focus on the county's history, livability, and creativity with the tagline "Create Your Story". This branding ties in well with the influx of film, television, and streaming production projects in Fayette. Money Magazine's (now Money.com) ranking of Peachtree City as #24 in their best places to live in 2021 demonstrates the livability of Fayette County.

Since K-12 education is the largest portion of the State of Georgia's (the State) budget, the state economy directly impacts the financial picture of all school systems in Georgia. The State has underfunded K-12 education since about 2003 compared to formula driven requirements in state law. Most of the funding reductions have occurred due to years of "austerity reductions" (also called "amended formula adjustments") or budget cuts imposed by the State. These are reductions to the amounts earned by school systems based on a funding formula written in state law that have been allocated to all systems across the state to help the State provide for a balanced budget. From fiscal year 2003 to fiscal year 2018, the Fayette County School System received approximately \$109 million less than it earned due to these cuts. This reduction is net of \$12.4 million in federal funds from the American Recovery and Reinvestment Act (ARRA) that flowed through the State of Georgia that was intended to offset the cuts. In addition, the funding formula has not been adjusted in recent years for inflation. As a result, the local taxpayer has had to shoulder the burden of state budget cuts and inflationary costs.

In 2016, the State lessened the annual impact of the austerity reduction which remained at the same level for 2017 and 2018. Most of this increased funding was targeted by the State to increase teacher pay, fund dual enrollment programs, maintain student school calendar days, and reduce furlough days for employees. In fiscal year 2019, the State fully funded the Quality Basic Education ("QBE") formula for education for the first time in 16 years. For fiscal year 2020, the State fully funded the education formula for local school districts. This increase from the State reflects the improved state of the economy in Georgia.

For fiscal year 2021, the State again utilized the austerity measures due to the initial loss of revenue in the second quarter of 2020. The School System saw a reduction in State funding of \$11.5 million. In mid-year, the State restored a portion of the austerity reduction and the net reduction was \$4.5 million for fiscal year 2021. In fiscal year 2022, the State continued with austerity measures at the \$4.5 million level for the School System. The reduction was eliminated at the mid-term budget adjustment to fully fund QBE earnings for 2022. In fiscal year 2023, the State's initial budget fully funded QBE earnings. The elimination of the funding cuts demonstrates the State of Georgia's current strong economy.

Long-term Financial Planning

Total fund balance of the general fund is approximately 10.0% of budgeted operating expenditures (fiscal year 2023 fund balance as a percentage of the 2024 budget) and represents approximately one month's expenditures. This amount is a little lower than the prior year amount of 11.5% (the limit set by state law is 15%). The fund balance decreased from \$27.87 million to \$26.73 million. Additional discussion of the fund balance can be found in the Management's Discussion and Analysis section of this report. Board and administration continue to set aside local funds for capital projects in the near future that could include classroom renovations and program improvements at specific locations as well as athletic facility improvements.

In November 2009, the citizens of Fayette County passed a 1% educational Special Purpose Local Option Sales Tax (SPLOST). This additional funding was used toward technology (including infrastructure improvements, hardware and software), security, textbooks, facilities improvements and debt service on existing general

obligation bonds. All projects funded from this SPLOST are complete. In November 2012, the citizens of Fayette County voted to extend the first SPLOST for an additional five years. The second SPLOST is being used for needs similar to the first SPLOST. The SPLOST is significant to the immediate future financial needs of the School System, as it will allow the System to make much needed purchases, such as textbooks and computers, while relieving the operating budget of those costly expenditures.

The School System renewed the SPLOST with a third referendum ballot in November 2017 to continue capital facility renovations and classroom technology initiatives. Collections started in April 2019 and continue to increase showing signs of a strong local economy. The total anticipated revenues are \$145 million. The administration felt that it was important to start some of the facility additions and renovations in the project list early and therefore issued \$25,000,000 in bonds to jump start the projects. These projects were completed during fiscal year 2020 and this approach has proved to be beneficial both in the timing of project completion and improving project cost.

The School System again renewed the SPLOST with a fourth referendum ballot in May 2022. Priorities and potential projects were solicited from the school, feeder pattern, and district levels. Those priorities include:

- facility additions renovations and improvements
- technology updates and upgrades
- textbook and digital resources
- safety and security equipment
- transportation equipment (buses)
- furniture and equipment

The School System is in the planning phase for the construction of auxiliary gyms and tennis courts at all five high schools as the first focus of the new SPLOST initiative. Additional projects in the planning process include major school renovations and technology upgrades for devices and networks. The anticipated revenues are \$210 million with collections starting January 2024.

Relevant Financial Policies

The Fayette County School System annually evaluates and sets its strategic directions in order to realize its mission of committing to excellence through effective instruction, high expectations and continued improvement. One of these strategies is to obtain the necessary funding to provide quality educational opportunities. This is accomplished, in part, by maximizing the use of financial resources by improving financial reporting and by enhancing internal control systems.

In developing and evaluating the School System's budget administration and accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: (1) the cost of control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. We believe the School System's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

As a recipient of federal and state financial assistance, the School System is also responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations

related to those programs. This internal control structure is subject to periodic evaluation for weaknesses by management and staff.

As part of the School System's annual single audit required to be performed in conformity with the requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine that the School System has complied with applicable laws and regulations.

The School System maintains budgetary controls to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board of Education. Activities of the General Fund, Debt Service Fund and special revenue funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the aggregate level by fund type. The School System also maintains an encumbrance accounting system as one technique of maintaining budgetary control. Budget balances are encumbered, or set aside, when purchase orders are issued. Encumbered amounts lapse at year end but may be re-appropriated as a part of the following year's budget.

Major Initiatives

The Fayette County School System adopted a process developed by the Georgia School Boards Association (GSBA) and the Georgia Leadership Institute for School Improvement (GLISI) to develop and maintain a strategic improvement plan for the School System. This comprehensive process engaged the community and all stakeholder groups to create universal ownership for district and school improvement. Plans were developed for the overall School System and each school, department and program.

Part of the strategic improvement process of the Fayette County School System is to revise and update the vision, mission and belief statements to reflect the changes in technology, society, the community and the world. The current mission is *to forge and equip a community of learners who confidently face challenges, embrace opportunities and positively impact our world*. The mission was developed with input from the community, teachers, students, administrators, business leaders, and Board members. The vision associated with the mission is *that our students will be capable of living and working effectively, responsibly and productively in a global environment*. In 2023, the School System began the process of reviewing and updating the mission and vision statements to stay current with the goals and values of the community and refocus on priorities.

The School System annually reviews and adjusts the elements of the strategic improvement plan to monitor progress and areas that continue to need improvement.

The strategic improvement plan includes objectives in four goal areas:

1. Student Engagement & Achievement
2. Stakeholder, Community & Family Engagement
3. Professional Growth & Human Resources
4. Organizational & Operational Effectiveness

Each of the goals for the School System includes performance objectives and the initiatives to complete each objective and goal. Schools and/or programs develop strategic plans based on these goals, objectives and initiatives. The schools report their results, opportunities and challenges to the Board on a yearly basis. These reports are also available on each school website.

The School System has several initiatives to reflect these objectives. For Student Engagement and Achievement, curriculum leaders and teachers are developing and implementing the Fayette Standard in all subjects. The Fayette Standard reflects the Georgia Department of Education standards and collaboration between the schools and the Fayette School System Office of Student Achievement. An example of this is tests that reflect not only the same curriculum assessment but also the same level of rigor at all schools. Success in these efforts is reflected through academic achievement data, school data profiles as well as the yearly Perception Survey administered to the Fayette School System’s community.

The Fayette County School System strives to maintain small class sizes relative to state maximums as well as other school systems. The smaller class size provides the opportunity for students to receive and for teachers to provide a high-quality educational experience. This is an important factor to improve student engagement and achievement in Fayette County. However, the recent local tax revenue changes mentioned above are making this more difficult to maintain.

The focus of the Digital Services Department, made up of Digital Learning and Technology Services, is to provide the highest levels of service and support to all schools and departments while providing a robust, secure, high-speed network for all users. The Connected Classroom initiative in Fayette County schools enables teachers and students to safely engage in innovative, rigorous teaching and learning environments. Providing access to professional learning, instructional best practices, devices, and resources, our students are empowered by their teachers to succeed in the classroom and beyond.

Stakeholder, community and family engagement saw the district continue improvement of internal and external communication. School improvement plans are posted on each schools’ website. District plans are on the district website. The School System actively engages our community through social media and our school websites as well as ongoing stakeholder forums such as school council meetings, PTO meetings, Chamber of Commerce meetings, monthly Superintendent teacher, parent and student advisory councils, community partnerships, and live stream board meetings. Use of social media provided the district with the platform to place important information through videos and announcements. Based on feedback from our community, the Fayette County School System is developing new websites for the county offices, programs and schools.

In support of the goals in the strategic plan, the administration has placed a focus on restoring student achievement to pre-pandemic levels. The curriculum staff is focusing on returning all students to in-person instruction and providing instructional support systems, especially in math. The School System has enhanced leadership development programs for aspiring principals, assistant principals and other leadership positions. A major focus in the budgeting process is how to attract and retain qualified staff.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Fayette County Board of Education for its annual comprehensive financial report for the fiscal year ended June 30, 2022. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. Governments’ financial reports must also show evidence for the spirit of transparency and full disclosure. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program’s requirements.

The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the Fayette County Board of Education for the year ended June 30, 2022. This was the eighth year that the School System received this prestigious award. This award certifies that the annual comprehensive financial report substantially conforms to the principles and standards of financial reporting as



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recommended and adopted by ASBO. The Certificate of Excellence in Financial Reporting also demonstrates the School System's commitment to transparent stewardship of public funds. The award is granted only after intensive reviews of financial reports by an expert panel of practicing school business officials.

ASBO's Certificate of Excellence in Financial Reporting is valid for one year only. We believe that our current annual comprehensive financial report also conforms to the principles and standards and we are submitting it to ASBO for review to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated service of the entire staff of the finance department. We wish to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit must also be given to the superintendent and the members of the Board of Education for their unfailing support in maintaining the highest standards of professionalism in the management of the School System's finances.

Respectfully submitted,



Tom Gray
Chief Financial Officer



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

The Certificate of Excellence in Financial Reporting
is presented to

Fayette County Board of Education

for its Annual Comprehensive Financial Report
for the Fiscal Year Ended June 30, 2022.

The district report meets the criteria established for
ASBO International's Certificate of Excellence in Financial Reporting.



A handwritten signature in black ink, reading 'John W. Hutchison'. The signature is written in a cursive style.

John W. Hutchison
President

A handwritten signature in black ink, reading 'Siobhán McMahon'. The signature is written in a cursive style.

Siobhán McMahon, CAE
Chief Operations Officer/
Interim Executive Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Fayette County Board of Education
Georgia**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

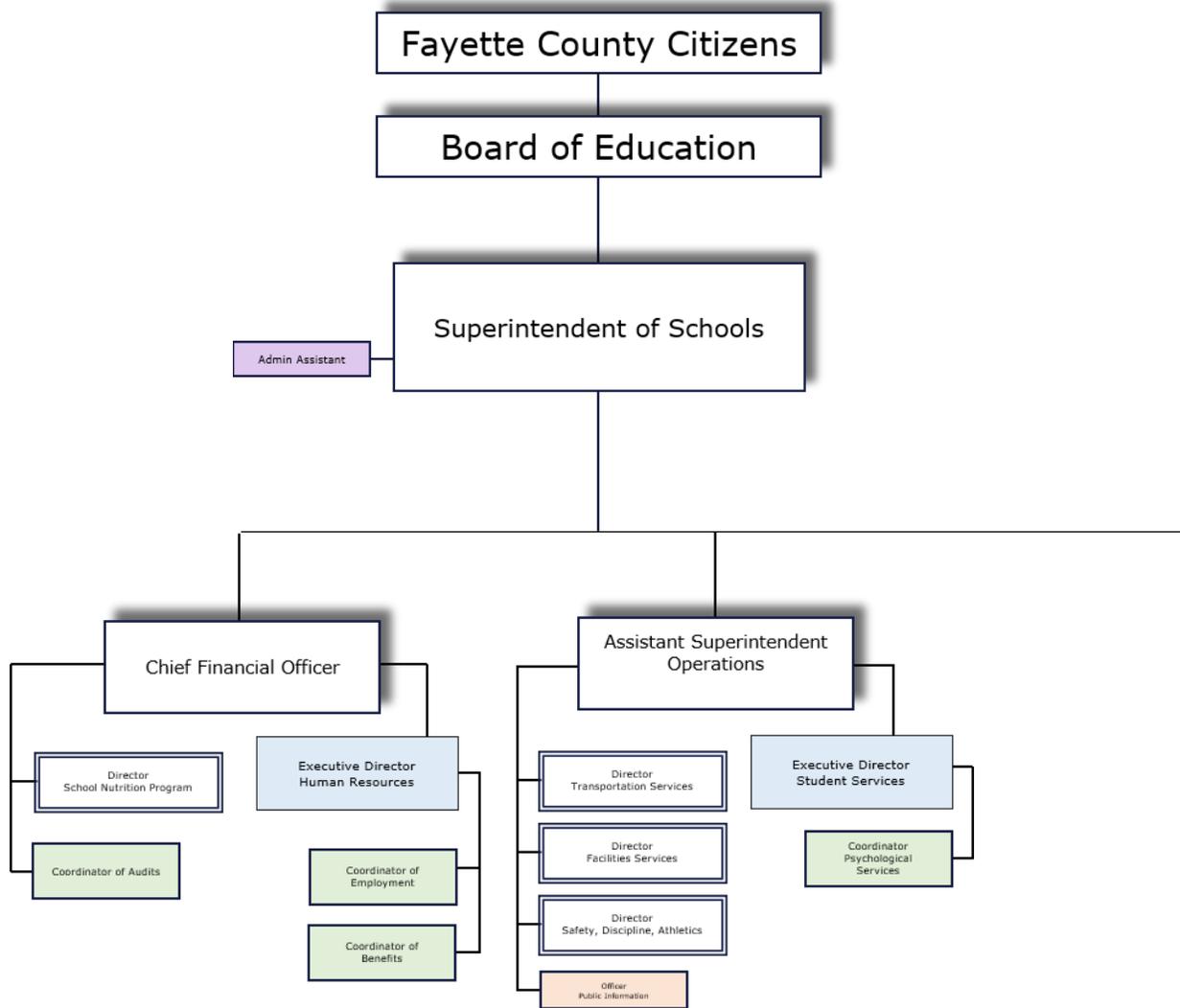
Christopher P. Morill

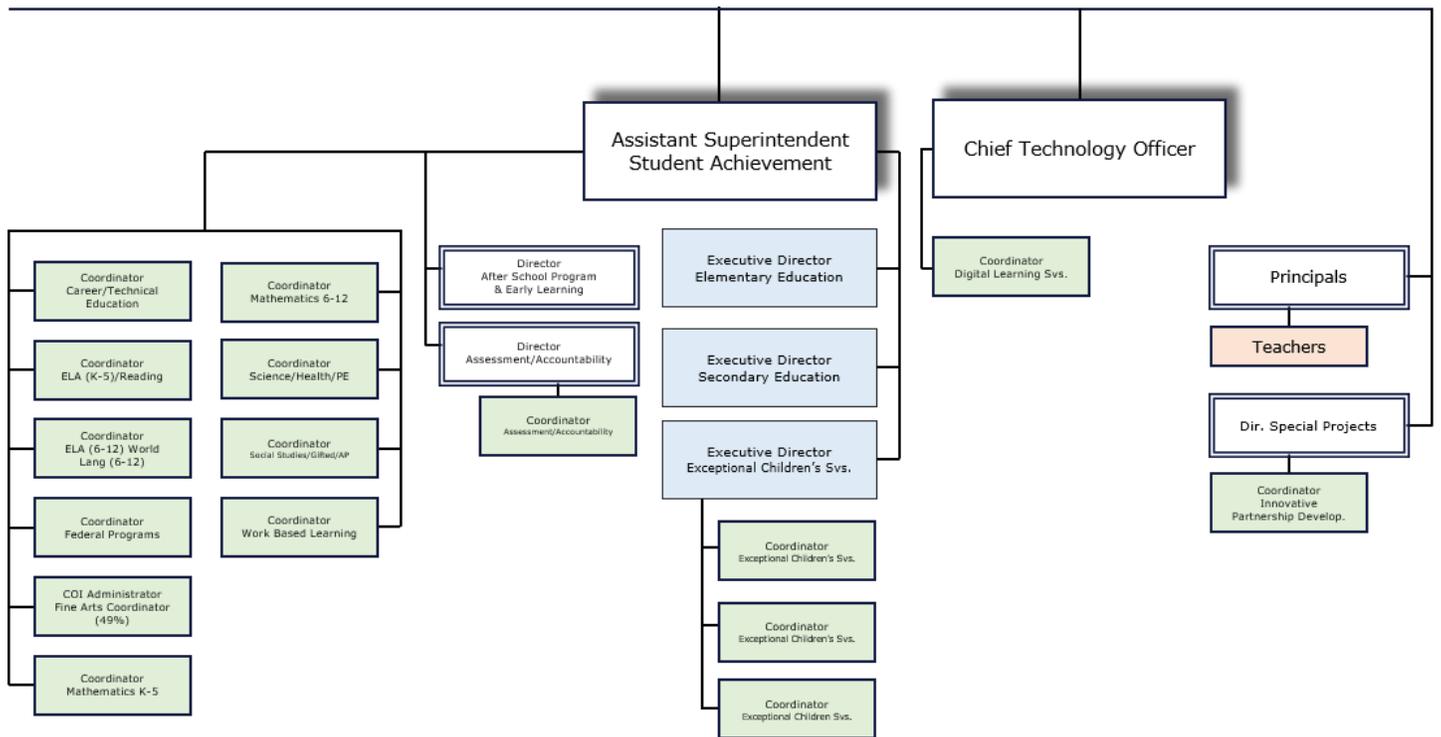
Executive Director/CEO

Fayette County Board of Education

ORGANIZATIONAL CHART

June 30, 2023





Fayette County Board of Education

LISTING OF PRINCIPAL OFFICIALS

June 30, 2023

BOARD MEMBERS

Mr. Roy Rabold, Chair, District 2

Mr. Scott Hollowell, Vice-Chair, District 3

Mr. Brian Anderson, At Large Member

Dr. Regina Daigre, District 4

Mr. Randy Hough, District 1

SUPERINTENDENT'S CABINET

Dr. Jonathan S. Patterson, Superintendent

Mr. Steve Cole Assistant Superintendent of Operations

Ms. Kim Herron, Assistant Superintendent of Student Achievement

Mr. Tom Gray, Chief Financial Officer

Mr. Jim Farmer, Chief Technology Officer

Ms. Rosie Gwin, Director of Exceptional Children's Services

Mr. Steve Greene, Director of Transportation

Ms. Erin Roberson, Director of Human Resources

Ms. Rae Presley-King, Director of Secondary Education

Ms. Heidi Pfannenstiel, Director of Elementary Education

Ms. Audrey Toney, Director of Student Services

Mr. Mike Satterfield, Director of Facility Services

Ms. Melinda Berry-Dreisbach, Public Information Specialist

Mr. Sam Sweat, Special Projects

FINANCIAL SECTION



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INDEPENDENT AUDITOR'S REPORT

**Superintendent and Members of the
Fayette County Board of Education
Fayetteville, Georgia**

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Emphasis of Matter

As described in Note I and Note S, the School System implemented Governmental Accounting Standards Board ("GASB") Statement No. 96, *Subscription-Based Information Technology Arrangements ("SBITAs")*, as of July 1, 2022. This standard significantly changed the accounting for the School System's SBITAs and the related disclosures. Our opinion is not modified with respect to this matter.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (on pages 23 through 39) and the schedules of proportionate share of the net pension liabilities, the schedule of pension contributions, the schedule of proportionate share of the net OPEB liability, and the schedule of OPEB contributions, (on pages 94 through 108) be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the GASB who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School System's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and schedules, and the Schedule of Expenditures by Object – Lottery Program are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedules of Expenditures of Special Purpose Local Option Sales Tax Proceeds are presented for purposes of additional analysis as required by the Official Code of Georgia Annotated ("O.C.G.A.") §48-8-121, are also not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund statements and schedules, the Schedule of Expenditures by Object – Lottery Program and the Schedules of Expenditures of Special Purpose Local Option Sales Tax Proceeds are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

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

Mauldin & Jenkins, LLC

Macon, Georgia
February 13, 2024

Fayette County Board of Education
Management's Discussion and Analysis

June 30, 2023

Our discussion and analysis of the Fayette County Board of Education's (the School System) financial performance provides an overview of the School System's financial activities for the fiscal year ended June 30, 2023. The intent of this discussion and analysis is to look at the School System's financial performance as a whole. Readers should also review the notes to the basic financial statements to enhance their understanding of the School System's financial performance.

Financial Highlights

- The assets and deferred outflows of resources of the School System exceeded its liabilities and deferred inflows of resources at the close of fiscal year 2023 by \$92,131,956.
- The School System's total net position increased by \$7,801,528.
- At the end of fiscal 2023, the School System's governmental funds reported combined ending fund balances of \$93,149,985, an increase of \$6,167,390 in comparison with the prior year fund balance. Of this total, \$39,731,502 is available for spending at the School System's discretion (assigned and unassigned fund balance).
- At the end of fiscal 2023, assigned and unassigned fund balance for the General Fund was \$26,463,341 or 10.41% of total General Fund expenditures.
- Total bonded debt for the School System decreased by \$12,905,000, resulting from scheduled debt service payments on bonds issued in 2013 and 2018.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the School System's basic financial statements. These basic financial statements consist of three sections: system-wide financial statements, fund financial statements, and notes to the financial statements. This report also contains other information supplementary to the basic financial statements.

System-wide Financial Statements

The system-wide financial statements are designed to provide readers with a broad overview of the Fayette County School System's finances in a manner similar to a private-sector business. They include the statement of net position and the statement of activities found on pages 42 and 43 of this report.

The statement of net position presents information on the School System's assets, deferred outflows of resources, deferred inflows of resources, and liabilities, with the residual balance being reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the School System is improving or deteriorating.

The statement of activities presents information showing how the School System's net position changed during the current fiscal year. All of the current year's revenues and expenses are accounted for in the statement of activities, regardless of when cash is received or paid. Therefore, some revenues and expenses are reported here that will only result in cash flows in future years, such as uncollected property taxes and earned but unused vacation leave. Additionally, this statement shows how much of the School System's activities are funded by program revenues (charges for services, state funding,

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grants and contributions) and how much of the School System's functions rely on general revenues (primarily taxes) for funding.

Fund Financial Statements

Traditional users of governmental financial statements will find the fund financial statements presentation more familiar. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Fayette County School System, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All funds of the School System can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds – Governmental funds are used to account for essentially the same functions reported as governmental activities in the system-wide financial statements. However, this set of financial statements focuses on events that produce near-term inflows and outflows of spendable resources as well as on the balances of spendable resources available at the end of the fiscal year.

Because the focus of governmental funds is narrower than that of the system-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the system-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Fayette County School System maintains twenty-four individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, the Local Capital Projects Fund and the Capital Projects SPLOST III Fund, each of which are considered to be a major fund. Data from the other twenty-one governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements on pages 112-123 of this report.

The Fayette County School System adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate its compliance with this budget. One should note that the budget is not prepared on the same basis as accounting principles generally accepted in the United States of America ("USGAAP"). A reconciliation of general fund revenues and expenditures on a USGAAP basis and on the budgetary basis is provided in Note B to the financial statements.

Proprietary funds – The financial statements of the School System include one internal service fund: the Workers' Compensation Fund. Internal service funds are a type of proprietary fund used to accumulate and allocate costs internally among various functions within the School System.

Basic proprietary fund financial statements can be found on pages 49-51 of this report.

Fiduciary funds – Fiduciary funds are used to account for resources held for the benefit of parties outside of the School System. Fiduciary funds are not reflected in the system-wide financial statements because the resources of those funds are not available to support the School System's own programs.

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The basic fiduciary fund financial statements can be found on pages 52-53 of this report.

Notes to the basic financial statements – The notes provide additional information that is essential to a full understanding of the data provided in the system-wide and fund financial statements. Notes to the financial statements can be found on pages 55-91 of this report.

Other information – In addition to the basic financial statements and the notes that accompany them, this report includes *required supplementary information* concerning the School System's proportionate share of the net pension liability for the Teachers Retirement System of Georgia and the Public Schools Employee Retirement System of Georgia and related contributions and its proportionate share of the net OPEB liability for the School OPEB Fund and related contributions. The combining fund statements referred to earlier, and schedules of the Special Purpose Local Option Sales Tax (SPLOST) and lottery program, are also included as supplementary information. This other information follows the notes to the financial statements.

System-wide Financial Analysis

As noted earlier, changes in net position over time can be a useful indicator of a School System's financial position. At the end of the fiscal year ending June 30, 2023, the School System's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$92,131,956.

The following summarizes the components to the School System's net position at June 30:

Fayette County School System's Net Position		
	2023	2022
Current assets	\$ 133,261,800	\$ 114,152,490
Capital assets	362,473,198	364,122,292
Total assets	495,734,998	478,274,782
Deferred outflows of resources	191,721,861	103,509,695
Current liabilities	36,331,882	24,310,989
Noncurrent liabilities	480,535,974	262,293,323
Total liabilities	516,867,856	286,604,312
Deferred inflow of resources	78,457,047	210,849,737
Net position		
Net investment in capital assets	326,122,208	319,413,274
Restricted	46,284,583	36,067,418
Unrestricted	(280,274,835)	(271,150,264)
Total net position	\$ 92,131,956	\$ 84,330,428

The School System's current assets increased approximately \$19.11 million over the prior year. There was a \$17.20 million increase in balances held in bank deposits and investments resulting primarily from timing of payments to vendors at year end. Amounts due from other governments increased by \$3.65 million. Other receivables decreased by \$3.33 related to the sale of land which closed at the end of prior year. All other components of current assets increased \$1.59 million.

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The School System's capital assets had a \$1.65 million net decrease. Depreciation and amortization of \$23.48 million reduced the net book value of capital assets. The School System expended \$24.31 million in capital outlay, primarily related to the educational Special Purpose Local Option Sales Tax (SPLOST) projects. All three SPLOST funds provide funding for textbooks and instructional materials, computers, technology upgrades, transportation, security, facility improvements, and general obligation debt reduction. Additionally, with the implementation of GASB Statement No. 96, the School System recorded \$0.37 million of right-to-use subscription-based assets as of July 1, 2022. The School System disposed of several assets that had a net book value at the time of disposal of \$2.85 million.

The School System's deferred outflows of resources increased \$88.21 million. Deferred outflows consist of three components: pensions, OPEB and loss on refunding of bonds. Actuarial assumptions are made in determining the total pension liability and total OPEB liability of each plan. As those assumptions change, changes in the liability calculation are recorded as either deferred outflows or deferred inflows of resources. The deferred outflows of resources related to pensions are created by changes in the School System's portion of the entire plan and differences between the School System's contributions and its proportionate share of contributions (\$1.00 million, a decrease of \$3.41 million over prior year balance), differences between expected and actual experience (\$14.04 million, a decrease of \$8.50 million over prior year balance), changes in actuarial assumptions (\$50.92 million, an increase of \$32.64 million over prior year balance) and differences between projected and actual earnings on pension plan investments (\$66.46 million, an increase of \$66.46 over prior year balance). Furthermore, the TRS pension liability was measured as of June 30, 2022, one year prior to the balance sheet date. As a result, the contributions that the School System made after that date are recorded on the statement of net position as deferred outflows of resources. The contributions made in 2023 were \$2.80 million higher than in 2022 due to higher salaries and a higher employer contribution rate. As a result, deferred outflows related to pensions increased \$89.99 million. The deferred outflows of resources related to OPEB are created from similar changes. The change in proportion and differences between the School System's contributions and proportionate share of contributions decreased \$1.03 million, actuarial assumptions changes decreased \$5.70 million, differences between projected and actual earnings on investments increased \$0.67 million, differences between expected and actual experience increased \$4.40 million and contributions to the plan subsequent to the measurement date increased \$0.33 million over the prior year. As a result of these changes, the deferred outflows of resources related to OPEB decreased \$1.33 million. The deferred loss on refunding of bonds that occurred in fiscal year 2014 decreased \$0.45 million as the loss is being amortized over the life of the refunding bonds.

Deferred outflows of resources related to pensions and OPEB are further discussed in Notes N and O beginning on page 78.

Current liabilities of the School System increased \$12.02 million over the prior year. Annual changes in accounts payable (increase of \$10.92 million) are affected by the timing of payments at or near year end. Retainage payable on construction projects decreased by \$0.99 million. This change is based on the timing of projects and the type of projects in progress at year end. Salaries and benefits payable increased by \$2.21 million, with the increase in salaries and health insurance cost.

Non-current liabilities (which include the current portion of those liabilities) had net increase of \$218.24 million. The net pension liability increased \$243.80 million while the net OPEB liability decreased \$12.56 million. These two liabilities represent benefits that employees have earned and that the School System has a present obligation to pay in the future. The net pension and OPEB liabilities are the amount of the total pension and OPEB liabilities (the promises of benefits for work already

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performed) in excess of the pension and OPEB plans' net positions. This liability is actuarially determined and is further explained in Note N and O beginning on page 78. Bonds payable decreased by a net \$13.48 million based on scheduled debt payments and amortization on bond issuance premium. Other long-term liabilities increased \$1.03 million.

The deferred inflows of resources decreased \$132.39 million. As previously noted, changes in actuarial assumptions affect the calculation of deferred outflows and deferred inflows of resources. The deferred inflows related to the TRS pension plan of \$8.00 million decreased by \$135.25 million over the prior year. This decrease was due to differences between projected and actual earnings on pension plan investments (a decrease of \$138.17 million), differences between expected and actual experience (an increase of \$1.76 million) and changes in proportion and differences between the School System's contributions and proportionate share of contributions (an increase of \$1.16 million over prior year). The deferred inflows related to OPEB of \$69.11 million increased by \$1.67 million over the prior year. The change was affected by changes in actuarial assumptions (\$22.32 million, an increase of \$12.29 million), differences between expected and actual experience (\$43.38 million, a decrease of \$12.75 million), changes in proportion and differences between the School System's contributions and proportionate share of contributions (an increase of \$2.33 million) and changes in projected and actual earnings (a \$0.19 million decrease). These deferred inflows of resources represent an acquisition of resources that applies to future periods and will be recognized as revenue in those future periods.

Deferred inflows of resources related to pensions and OPEB are further discussed in Notes N and O beginning on page 78.

The School System's net investment in capital assets (net of outstanding related debt used to acquire those capital assets and accumulated depreciation) equals 354% of total net position. The School System uses these capital assets to provide services to students, and consequently, these assets are not available for future spending. Although the School System's net investment in capital assets is reported net of related debt, it should be noted that the assets themselves cannot be used to liquidate these liabilities. The net investment in capital assets increased by \$6.71 million from the prior year due to an increase in capital assets, net of depreciation and disposal, of \$1.65 million, a reduction in bonds payable, net of amortization of discounts and premiums, of \$13.48 million, an increase in leases payable of \$0.16 million, increases in subscription-based information technology arrangement liabilities of \$0.23 million, increases in retainage and accounts payable on construction projects of \$4.29 million and amortization of the prior year's deferred loss on the refunding of general obligation bonds of \$0.45 million.

Total restricted net position increased \$10.22 million over the prior year. Net position is restricted when limitations are imposed on its use through constitutional provisions or enabling legislation, or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

Unrestricted net position indicates the amount of liquid assets the School System has to meet the existing obligations to its creditors. For the year ended June 30, 2023, the School System reported a deficiency in its unrestricted net position of \$280.27 million. This deficiency is attributable to recording pension and OPEB liabilities and the related deferred outflows and inflows of resources on the financial statements. If the adjustments related to pension and OPEB obligations had not been recorded, the School System's unrestricted net position would be \$54.78 million. The pension and OPEB obligations are expected to be funded over time through future employer contributions to the pension and OPEB plans. The School System's most immediate long-term obligations are for long-

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term debt which will be repaid based on future property taxes levied specifically for the repayment of bonded indebtedness.

	2023	2022
Fayette County School System's Changes in Net Position		
Revenues:		
Program revenues		
Charges for services	\$ 6,947,615	\$ 2,995,538
Operating grants and contributions	141,280,119	147,333,924
Capital grants and contributions	4,602,040	5,579,350
General revenues		
Property taxes	131,176,956	122,437,025
Sales taxes	36,525,394	33,928,561
Other taxes	3,619,790	5,003,435
Interest and investment earnings	3,096,500	194,053
Gain on sale of capital assets	-	2,418,217
Other	248,757	203,746
Total revenues	327,497,171	320,093,849
Expenses:		
Instruction	210,462,248	165,309,790
Pupil services	18,389,091	14,401,141
Improvement of instructional services	8,160,144	6,348,726
Instructional staff training	1,145,493	1,016,872
Educational media services	4,679,619	3,898,279
Federal grants administration	590,765	426,637
General administration	1,881,349	1,572,997
School administration	19,962,693	15,660,135
Business administration	1,701,195	1,439,035
Maintenance and operation of facilities	18,644,157	20,102,326
Student transportation services	11,333,970	10,789,820
Central support services	7,511,174	6,211,325
Other support services	94,298	272,083
Community services	2,740,446	2,367,891
Food services	10,701,511	9,758,165
Loss on sale of capital assets	536,010	-
Interest expense	1,161,480	1,621,025
Total expenses	319,695,643	261,196,247
Change in net position	7,801,528	58,897,602
Net position, beginning of the year	84,330,428	25,432,826
Net position, end of year	\$ 92,131,956	\$ 84,330,428

Total revenues of the School System increased approximately \$7.40 million, driven primarily by the following items:

- Charges for services increased \$3.95 million as the School Nutrition Program moved from receiving federal reimbursement of meals for all students back to the previous free/reduced/paid meal price model.
- Operating grants and contributions decreased by \$6.05 million. State funding increased by \$4.49 million, primarily related to state QBE funding as discussed in more detail as it relates to the General Fund below and to changes in the amount of state support provided for TRS

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and PSERS pension expenses. Federal funding decreased a combined \$11.50 million, as federal grants related to the COVID-19 pandemic (ESSER grants) are nearing their completion and the School Nutrition Program moved away from full federal funding for all students. Revenue from local sources increased \$0.96 million, as activity in principals' funds returned to pre-pandemic levels.

- Capital grants and contributions decreased \$0.98 million. The school system received federal reimbursement for the purchase of chromebooks through the Emergency Connectivity Fund Program related to COVID relief for \$3.26 million. State reimbursement of capital projects for fiscal year 2023 was \$4.98 lower than in prior year. The school system also received \$0.75 million in fiscal year 2023 from a local municipality to assist with the cost of construction of the roadway to the new middle school.
- Property taxes (including those on vehicles) increased \$8.74 million as a result of a 9.63% increase in the net digest and a total millage rate 0.4340 mills lower than in prior year.
- Sales tax revenue increased \$2.60 million as the economy continued to strengthen.
- Other taxes, which includes intangible and transfer taxes, decreased \$1.38 million as house sales slowed with the rising mortgage rates.
- In the prior year, the school system sold property for a gain of \$2.42 million. In the current year, property was sold for a loss.
- Interest rates on investments increased significantly over the prior year, providing a \$2.90 million increase in interest and investment earnings.

Total expenses increased by \$58.50 million over prior year. Most activity which results in annual fluctuations of expenditures at the fund level also affects the fluctuations of expenses at the system-wide level. Activity that affects the system-wide statement differently than the fund financial statements is detailed in the Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances with the System-wide Statement of Activities on page 47. Significant changes in expenses are as follows:

- Pension expense increased \$45.04 million over the prior year. Pension expense recognizes the changes in the net pension liability of the School System and the associated deferred outflows and inflows of resources. These amounts are actuarially determined each year and changes in assumptions and differences between expected and actual earnings on pension plan investments can have a significant impact on pension plan expense each year.
- OPEB expense decreased \$5.30 million over the prior year. Like pension expense, OPEB expense recognizes the changes in net OPEB liability of the School System and the associated deferred outflows and inflows of resources. These amounts are actuarially determined each year and changes in assumptions and differences between expected and actual earnings on OPEB plan investments can have a significant impact on OPEB plan expense each year.
- Total salaries increased by approximately \$9.7 million, or 5.9%. In the prior year, the School System paid a \$2,000 supplement to all employees based on Georgia House Bill (HB) 190 and

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a COVID vaccination incentive, totaling approximately \$6.96 million. These two events were not repeated in the current year and, if removed from the comparison, salaries increased \$16.66 million or 10.5% over prior year. The School System increased its salary scales for fiscal year 2023 by 7%, and made other salary adjustments to specific groups of employees. Employees also may have earned a step-increase based on service. Step increases are approximately 3%. Additionally, the School System averaged 53 more employees than the previous year.

- Health insurance cost, exclusive of OPEB, increased \$6.03 million resulting from a mid-year increase in the employer paid portion of premiums from \$945 per month per member to \$1,580 per month per member for certified staff.
- Depreciation/amortization of capital assets increased by \$1.25 million over prior year.

By function, variances in expenses were driven by the following items:

- Instruction costs had a net increase of \$45.15 million, or 27.3%. Instruction cost is primarily personnel driven, meaning most costs within this category are for salary and benefits of teachers and paraprofessionals. Instruction increased approximately \$5.76 million for salaries and \$35.97 million for benefits due primarily to changes in health insurance rates, and pension and OPEB costs. Operating costs (non-payroll) increased \$3.42 million.
- Pupil services increased \$3.99 million, or 27.7%. Salaries increased \$0.84 million while benefits increased \$3.21 million. The increase in benefits was driven by the increases in health insurance rates, and in pension and OPEB costs.
- School administration expenses increased by \$4.30 million, or 27.5%. Salaries increased \$0.80 million and benefits increased \$3.03 million. Again, the increase in benefits was due to the change in health insurance rates, and pension and OPEB costs. Operating costs increased \$0.47 million.
- Maintenance and operations expenses decreased by \$1.46 million, or 7.3%. As in other functions, salaries increased (\$0.31 million) and benefits increased (\$0.72 million) resulting from changes in pension and OPEB expenses. Operating expenses decreased \$2.49 million. Grounds maintenance decreased by \$1.55 million, as a large parking lot repair project throughout the district was performed in the prior year. Expendable equipment decreased \$0.69 million because classroom furniture for third, fourth and fifth grades was purchased in the prior year. Repair and maintenance cost decreased \$0.77 million and other capital improvements and repairs funded through capital project funds that were not capitalized decreased \$0.14 million. The cost of electricity and natural gas increased over prior year by \$0.45 million.

Financial Analysis of the School System's Funds

As noted earlier, the School System uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds – Governmental funds provide information on near-term inflows, outflows, and balances of spendable resources. This information is useful in assessing the School System's financing

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requirements. Unassigned fund balance is a useful measure of the School System’s net resources available for spending at the end of the fiscal year.

As of June 30, 2023, the School System’s governmental funds reported combined ending fund balances of \$93,149,985, an increase of \$6,167,390 in comparison with the previous year. Approximately 20.21% (\$19,474,132) of ending fund balance is made up of unassigned fund balance of the General Fund that is available for spending at the School System’s discretion. Fund balances of special revenue funds and capital project funds are classified as restricted, committed or assigned. These categories are defined based on the level of limitations imposed on their use. Note A13 on pages 61 and 62 provides a definition of the various categories of fund balance. Note J on pages 74 and 75 provides additional detail. Total fund balances for the governmental funds are as follows:

Fund Balances at June 30, 2023	
Nonspendable	\$ 520,722
Restricted	\$ 46,599,079
Committed	\$ 6,298,682
Assigned	\$ 20,520,037
Unassigned	\$ 19,211,465

The *General Fund* is the chief operating fund of the School System. Its fund balance decreased \$1.14 million over the prior year. Overall, revenues for the General Fund increased approximately \$12.38 million compared to the prior year. This was a result of an increase of \$3.60 million in state funds and an increase of \$8.78 million in local funds.

- All public school systems in Georgia receive state funding based on the Quality Basic Education Act (QBE) earnings formula. The formula is based on a system’s enrollment multiplied by dollar values for different cost categories. Many factors affect the total QBE earnings for a school system, including the student enrollment, the instructional program classification of those students, the experience level of teachers (training and experience or “T&E”) and the relative property wealth of the school system. Overall, earnings of direct instruction increased by \$0.43 million. This increase is related to having an FTE count of 115 FTEs more than in prior year. The School System earned \$0.14 million less in indirect costs. Other earnings categories, including media and staff development, increased \$0.11 million. The improving county tax digest has had a negative effect on the calculation for the System’s local 5 mill share portion of the formula. The increase in the tax base in fiscal year 2021 translated into an increase of local 5 mill share of \$0.67 million and a decrease in state funding by the same amount. In 2021, the state restored the QBE funding cut, known as the “amended formula adjustment”. This restoration gave back \$0.70 million that was recorded in the prior year. This “add back” of revenue was not duplicated in the current year. For fiscal year 2022, the School System also benefitted from the “hold harmless” calculation. This amount helps protect school systems when there is a decrease in the number of FTE students from year to year. The initial QBE funding amounts are based on the prior year counts and usually the budget is set based on this initial allotment. At mid-term, the State recalculates earnings based on updated student counts at the end of October. For the current year, the FTE count increased so there was no hold harmless revenue. This amount was \$0.19 million in the prior year. Categorical grants under QBE for transportation costs and nursing services decreased by \$0.19 million. In late fiscal year 2023, the state health insurance plan announced an increase in the employer premium for certified staff. As a result, the state provided a one-time

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adjustment to revenue of \$4.84 million to pay for the increased premiums on earned positions. In total, QBE earnings increased \$3.49 million over last year.

- Other state revenue related to grants and on-behalf payments increased by \$0.12 million.
- Property tax revenue increased \$8.21 million over prior year. The net digest (excluding motor vehicles) increased \$537.87 million, or 9.81%. The gross value had increased 16.72% but exceptions increased 35.66% as a result of the recently implemented floating homestead exemption for residential properties by the county. To partially offset this increase in net digest value, the Board decreased the maintenance and operations millage rate by 0.184 mills.
- Ad valorem for automobiles was flat, as the state continued to transition to a sales-tax based auto tag registration system and the value of motor vehicles on the tax digest decreased 8.82%. The title ad valorem tax increased \$0.60 million, demonstrating an increase in vehicle purchases during the year.
- Intangible taxes decreased \$1.39 million and transfer taxes increased by \$0.09 million.
- Earnings on investments increased \$1.11 million, as interest rates rose during the year.
- All other local revenue sources increased \$0.12 million.

Expenditures for the General Fund increased \$23.56 million, or 10.22%, from 2022. Fluctuations from prior year are generally caused by the same circumstances as fluctuations of expenses at the system-wide level with several exceptions. The primary exception is the effect of the pension plan and OPEB plan expense adjustments at the system-wide level as previously discussed. The only portion of pension and OPEB costs that are reflected in the General Fund are current year employer contributions. The current year contributions have been removed from the system-wide statement of activities because those costs were incurred after the measurement dates for the plans.

Salaries within the General Fund increased \$12.79 million, or 8.5%. The majority of the prior year retention bonuses paid in the prior year were paid through the General Fund (\$5.30 million). Additionally, in the prior year, \$3.27 million of salaries were reclassified to ESSER III funding. When removing the effects of these two items, salaries in the General Fund increase \$14.82 million, or 10.0% which mirrors the increase for salaries system-wide as discussed above. Benefits increased \$10.80 million. Expenditures for teachers' retirement (pension cost) increased \$3.35 million for an increase in the employer contribution rate from 19.81% to 19.98%. Health insurance increased \$6.60 million due to a significant increase in the employer portion of premiums for certified staff. Workers' compensation cost decreased \$0.26 million as fewer resources were set aside for future payment of claims. Overall, non-payroll related operating costs decreased by \$0.37 million. The areas that had the largest fluctuations were repair and maintenance (\$0.95 million reduction), grounds maintenance (\$0.47 million reduction), furniture purchases (\$0.69 million reduction), web-based subscriptions (\$0.46 million increase), supplies (\$0.31 million increase) and electricity and natural gas costs (\$0.45 million increase).

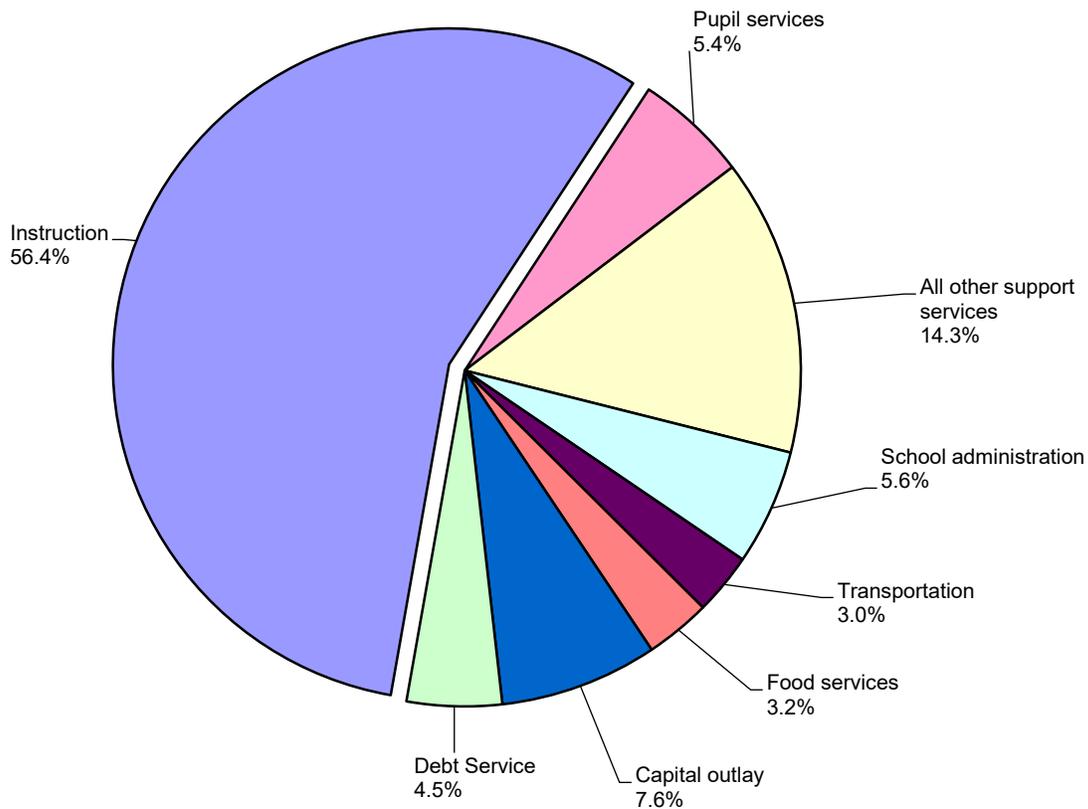
Transfers from the General Fund decreased \$7.90 million. Each year, transfers are made to special revenue funds to cover the difference between the cost of the program and the revenues received from state or federal funding. These transfers are regularly made for the Lottery fund (pre-kindergarten

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program) and Jr. ROTC fund. In 2022, an additional \$8.0 million was transferred to the Local Capital Projects Fund. In 2023, \$6.00 million was transferred back to the General Fund to fund an unexpected increase in the health insurance rate for certified staff.

2023 Total Expenditures - All Governmental Funds



The *Local Capital Projects Fund* is used to account for various projects funded with local resources. During the year, \$6.00 million was transferred out of this fund to the General Fund. Additionally, the proceeds from the sale of land were recorded in this fund.

The *Capital Projects SPLOST III Fund* is used to account for various projects funded through a one-cent local option sales tax for education as approved through voter referendum. During the year, sales tax collections for fiscal year 2023 was \$36.53 million. The SPLOST III fund also had \$0.58 million in state reimbursements related to the renovation of the old Booth Middle School location and \$3.26 million in federal reimbursements related to prior year expenditures for chromebooks. The School System also received a contribution of \$0.75 million from Peachtree City for the paving of Stagecoach Road related to the construction of the new middle school. Approximately \$30.30 was spent during the year from the SPLOST III Fund.

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Other governmental funds consist of non-major special revenue funds, two non-major capital projects funds and one non-major debt service fund. The aggregate fund balance of these funds decreased by approximately \$1.05 million compared to the prior year. Most of the decrease was in the capital projects funds, with the SPLOST II Fund using \$1.48 million of its fund balance as projects draw to a close. The non-major special revenue funds had an increase in fund balance of \$1.20 million, of which approximately half was attributable to Community Schools Fund. Debt service fund balance shrank \$0.51 million, as tax collections did not meet required debt service payments for the year.

Proprietary funds- The School System's proprietary fund provides the same type of information found in the system-wide financial statements, but in more detail. The proprietary fund consists of an internal service fund, the Workers' Compensation Fund. At June 30, 2023, the proprietary fund has a net position of approximately \$0.66 million.

General Fund Budgetary Highlights

The School System's original budget was set based on preliminary state QBE allotments communicated by the State in the spring of 2022. As in prior years, the State amended the QBE allotments during the year. Once the earnings sheets were finalized at the end of March 2023, actual QBE earnings were approximately \$5.58 million more than the initial budget. The net adjustments were primarily the result of the state adding funding for an increase in the employer paid premium for health insurance for certified staff, and midterm adjustments for FTE counts and local 5 mill calculations. The school board amended its budget for this change in funding.

The School System had a negative revenue budget variance of \$2.57 million. The net digest increased 9.63% and the Board set the millage rate at 0.184 mill lower than the previous year. Property tax collections were \$2.14 million under budget. Title ad valorem tax (TAVT) and automotive ad valorem tax, together, came in \$0.39 million over budget. Intangible taxes were under budget \$2.34 million while transfer taxes were over budget \$0.85 million. Interest earnings were \$1.18 million over budget as a result of improved interest rates on investments. Revenue from all other local revenue sources had a positive budget variance of \$0.30 million.

Budget variances in salaries and benefits have the most significant impact on the budgeted expenditures, as personnel costs make up 89.39% of the General Fund budget. Overall, personnel costs (salaries and benefits) were over budget by \$3.20 million. The overall variance for personnel was 1.41% of the personnel budget. The variance in salaries is a result of the anticipated salary lapse (gaps in expenditures due to vacancies) being much lower than anticipated. Most of the benefit variance relates to benefits (employer portion of FICA and TRS) which are based on a percentage of payroll.

Instruction makes up 67.72% of the General Fund budget (before budgeted transfers). This functional area was right on budget. Half of the functional areas had positive budget variances with the largest variance being in central support services at \$0.51 million. Half of this variance can be attributable to a budgeted expenditure for a software subscription which, while paid for in the current year, benefits future years and therefore was not recorded as an expenditure in the financial statements. The largest negative budget variance was in school administration at \$0.73 million. The variance is related to salaries and benefits as noted above.

Overall, expenditures were \$0.43 million less than budget. Therefore, the net budget variance in non-payroll costs is a favorable variance of \$3.63 million. Specific notable budget variances are as follows:

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- Purchased professional services, including legal fees, were \$1.02 million under budget.
- Communications and web-based subscriptions were \$0.48 million under budget.
- Grounds maintenance was \$0.46 million under budget.
- Supplies was \$0.71 million under budget.
- Purchase of fuel was \$0.63 million under budget.
- Expendable equipment was \$0.31 million over budget.
- Expenditures recorded in other support services are primarily related to salaries funded by a source other than the School System such as student groups, booster clubs and parent teacher organizations (PTOs). As such, the School System does not budget for these expenditures. Proceeds related to these costs are recorded in other local revenue and also are not budgeted.

The budget was amended at the end of the year to reflect transfers between functional areas that the administration felt would best serve operational adjustments needed to reach strategic goals and to adjust for the increase in premiums for the employer portion of health insurance for certified staff.

Capital Assets and Debt Administration

Capital assets – The School System's balance of capital assets as of June 30, 2023 totals \$362,473,198, net of accumulated depreciation and amortization. Capital assets include land, land improvements, buildings, autos and trucks, other equipment, right-to-use leased equipment, subscription-based information technology agreements and construction in progress. This balance reflects a net decrease in capital assets of \$1.65 million. The change in capital assets is affected by additions to capital assets, disposals of capital assets and depreciation/amortization expense.

Major capital asset related events during the year included the following:

- The School System purchased fourteen 72-passenger school buses.
- Voice-over-internet protocol telephony systems were added at 14 schools.
- Security system servers were upgraded.
- The School System replaced approximately \$3.81 million of student and staff chromebooks, laptops and desktop computers.
- A new middle school was opened to students for the 2022-2023 school year.
- Renovations to the old middle school were completed so that the space could be repurposed. This building was renamed the Center of Innovation.
- Renovations to the central office administrative complex were completed.

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- Kitchen equipment was replaced in schools throughout the district.
- Other projects still in progress at year end include renovations to an elementary school, an addition two elementary schools, auxiliary gyms at five high schools and renovations to an administrative building.

Additional information on the School System's capital assets can be found in Note H on page 70 of this report.

Long-term debt – As of June 30, 2023, the School System had total bonded debt of \$28,089,972 (before premiums) from the 2013 and 2018 bond issuance. The 2013 issuance is payable from an ad valorem tax on all taxable property within the School District, without limit as to rate or amount. The 2018 issuance is payable from the proceeds from the SPLOST III referendum.

The School System maintains an “AA-” rating from Standard & Poor's and an “Aa2” rating from Moody's Investor Services for general obligation debt, without credit enhancements as a result of the Georgia Intercept Program or bond insurance.

State statutes limit the amount of general obligation debt a governmental entity may issue to ten percent of its total assessed valuation. The current debt limitation for the School System is \$699,676,559 which is significantly in excess of the School System's outstanding general obligation debt.

Additional information on the School System's long-term debt can be found in Note I on pages 71 to 73 of this report.

Economic Factors and Next Year's Budgets and Rates

Overall, the U.S. economy grew at a modest pace in fiscal year 2023, but inflation was a major concern. The unemployment rate remained low, and the stock market experienced a significant decline. Georgia's economy outperformed the national average, with higher GDP growth and a lower unemployment rate. The State also had a budget surplus that has been used to temporarily suspend fuel taxes and provide income tax relief to Georgia citizens.

The effects of the pandemic outbreak of COVID-19 continued to be a factor for spending in fiscal year 2023. Learning loss associated with COVID -19 continued to be a focus for the district's decision making for staffing. Much of the expenditures to address learning loss were covered by federal grants, specifically ESSER funds, from 2020 to 2023. The majority of these ESSER funds have been spent, with remaining balances allocated to specific spending areas. Thus, the cost to remediate learning loss experienced by students will be paid from the general fund for several years as the process to return to pre-COVID levels for both county students and students throughout the country will take time. The district expects the remaining ESSER funds to be expended in fiscal year 2024.

In addition to adjustments in operating plans, the fiscal year 2024 budget process also had to consider how to fund revenue shortfalls while maintaining the current budget expenditure level. The State passed a budget that increased K-12 education funding by 5.7% as its economy recovered and the State built up a surplus in funds. This surplus increase allowed for continued elimination of the austerity reduction in QBE earnings to local School Systems that had totaled \$383 million in fiscal year 2022.

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During fiscal year 2023, the State amended the budget to reflect changes in the employer-paid portion of health insurance premiums. For the School System this increased state revenue by \$4.8 million in the revised budget. When comparing the fiscal year 2024 state revenue to the revised 2023 budget, the School System will see a \$5.2 million increase. The School System is seeing a \$9.5 million increase in QBE earnings based on FTE's that is offset by a decrease in revenue due to the local five mill share (LFMS). Since the School System's tax digest has been increasing dramatically in recent years the School System's state revenue will continue to be negatively affected by the LFMS factor in this calculation.

Most local revenues were anticipated to be relatively flat, with increases in some sources offset by decline in others. However, property ad valorem taxes were budgeted with a 6% increase at \$127 million. The 2023 digest reflected growth in new value of 2.8%. Reassessments increased by 9.8% reflecting a strong property tax base in the county. The overall gross digest increase was \$1.1 billion or 12.6%.

Property tax exemptions increased by \$526.3 million or 19.4%. The continued exemption increase was the result of local legislation approved in a voter referendum that capped the increase in homestead property values at the lower of 3% or the rate of inflation. The legislation called for the implementation of the new floating homestead exemption using fair market values from 2017 through 2019 to set a base homestead value. This value was adjusted for inflation through 2021. The base value is reset on each property when ownership or homestead status changes.

The new floating homestead exemption included over 20,000 properties with an average exemption of \$43,000. This exemption resulted in a \$840 average reduction in homestead property tax bills. The new exemptions equate to \$21.6 million in exempted property revenue for fiscal year 2024. The digest now reflects exempted values at more than 32.8% of the gross digest. The impact will be less significant in future years but will always be a major factor in local revenues each year.

Motor vehicle, title ad valorem tax (TAVT), intangible tax, real estate tax and earnings on investments were all budgeted for a combined increase of \$0.6 million. The anticipated increase in revenue is based on the continued strong economy in Fayette County.

Overall, local revenues account for 54.9% of budgeted revenues in the General Fund for fiscal year 2024.

The administration's main 2024 budget goals were to:

- improve literacy in reading and math,
- maintain educational programs and enhance areas focused on college and career readiness,
- provide a safe learning and work environment for all students and employees,
- retain current staff and recruit new employees, and
- maintain or reduce budgeted expenditures for the coming year.

The largest part of the School System's budget is personnel, accounting for approximately 90% of the General Fund budget. Despite the slow down in revenue sources, salary and cost of living increases were implemented due to employment market conditions and other factors resulting from the pandemic. For example, the School System experienced a high number of retirements at the end of school year 2022 due to the pandemic and an even higher number during the past school year. In

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addition, hiring employees for positions in instructional support, school nutrition, transportation, and after school programing has become more difficult as many competing industries raised starting pay and included hiring bonuses.

Step increases are awarded for all employees who had earned a step based on years of experience. Step increases will cost approximately \$2.4 million. Teachers and other certified staff are receiving a \$2,000 salary increase. Non-certified staff are receiving a 2% cost of living increase. The combined salary and COLA increases is \$5.8 million.

The School System added very few new positions for 2024. The School System added three new school resource officer positions (SRO's) to address safety and security concerns for elementary schools. The School System works with local law enforcement agencies to share the cost of SRO's. The additional SRO's will cost \$555,000 the first year for salary and equipment. Currently, there are SRO's at all high and middle schools and some elementary schools. This addition is being made to address locations that are not in close proximity to locations with SRO's and are in the unincorporated areas of the county. The plan is to continue to reassess the need at other schools in future budget years.

Other additions and changes include the addition of two behavior support teachers costing approximately \$200,000 and some minor staffing reorganization that will have no net additional cost. Due to changes in enrollment, the following teacher and staff allotments at the schools were adjusted as well:

- decrease in certified staff 2.65 FTE and other staff 2.0 FTE at the high schools,
- decrease in certified staff 3.29 FTE and increase in other staff 1 FTE at the middle schools,
- increase in certified staff 2.5 FTE's and other staff 10.0 FTE's at the elementary schools.

A major budgetary factor for all Georgia school districts is the increase in the employer portion of health insurance. Effective January 2023, the state increased the employer rate charged to School Systems and state agencies from \$945 per employee per month to \$1,580 per employee per month. This is a 67% increase implemented mid-year in fiscal year 2023. The increase will be phased in over three years for non-certified staff but took effect immediately for certified staff. This is an \$11 million increase for the Fayette County School System compared to prior years.

The School System continues to use ESSER funds for certain support positions that continue to address learning loss and mental health issues stemming from the pandemic. There are eight positions that include additional special education administration, psychologists, behavior support teachers, non-English speakers support, an additional math teacher and an additional science teacher. These positions total about \$1 million in cost and will need to be evaluated in future years.

During 2024, the School System will continue to utilize sales tax receipts from SPLOST proceeds to fund capital projects. Current projects include interactive classroom technology, computer replacements, technology upgrades, textbooks, and facility additions/renovations. The School System is utilizing additional funding sources for some projects in conjunction with SPLOST proceeds when funds are available.

The School System has started or planned several capital projects to expand and improve the facilities for student use. Two elementary schools will have classroom additions in areas where enrollment has increased and space has become an issue. Each high school will have auxiliary gyms built over the next

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three years to provide expanded athletic and classroom space. In addition, the high schools will also have tennis courts during the spring of 2024.

Georgia as a state, and Fayette as a county, continue to be doing better than most parts of the country. One indication of the strong local economy is the increase in sales tax collections by 8.4% over the prior year. A large part of the economic growth in Fayette County is associated with film and television production and the county's proximity to the Atlanta airport.

The county continues to attract business and industry with regional and national implications. One recent project is a 615-acre commercial development that includes a data center that will serve major corporations and industries. In addition, the Fayette County Development Authority worked with state and local officials to be selected as the location to relocate the U.S. Soccer Federation's national headquarters and to build the first ever national training facility. Projects like these give the county state, national and international exposure.

Requests for Information

This financial report is designed to provide a general overview of the School System's finances for all those with an interest in the School System's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Laura Brock, Coordinator of Audits and Financial Reporting, P.O. Box 879, Fayetteville, Georgia, 30214.



Where Excellence and Creativity Merge

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Basic Financial Statements

Fayette County Board of Education

STATEMENT OF NET POSITION

June 30, 2023

	<u>Governmental Activities</u>
ASSETS	
Cash	\$ 62,458,790
Investments	41,826,387
Due from other governments	21,442,784
Taxes receivable	5,876,120
Leases receivable	1,378,785
Due from others	17,568
Prepaid items	8,217
Inventory	253,149
Capital assets, not being depreciated/amortized:	
Land	13,012,666
Construction in progress	13,692,983
Right-to-use subscription assets-in-progress	259,356
Capital assets, net of accumulated depreciation/amortization:	
Buildings	304,579,177
Trucks and autos	6,903,234
Other equipment	23,332,918
Right-to-use leased equipment	453,861
Right-to-use subscription assets	239,003
Total assets	<u>495,734,998</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pensions	163,125,699
OPEB	27,584,738
Deferred loss on refunding	1,011,424
Total deferred outflows of resources	<u>191,721,861</u>
LIABILITIES	
Accounts payable	16,246,727
Accrued interest	373,628
Salaries and benefits payable	18,281,649
Retainage payable	1,214,283
Unearned revenue	215,595
Noncurrent liabilities:	
Due within one year	14,206,556
Due in more than one year	
Leases payable	262,552
Subscription liabilities	87,588
Accrued compensated absences	888,525
Claims payable	1,140,000
Bonds payable	15,306,352
Net pension liability	338,267,595
Net OPEB liability	110,376,806
Total liabilities	<u>516,867,856</u>
DEFERRED INFLOWS OF RESOURCES	
Lease revenue	1,339,040
Pensions	8,004,196
OPEB	69,113,811
Total deferred inflows of resources	<u>78,457,047</u>
NET POSITION	
Net investment in capital assets	326,122,208
Restricted for:	
Capital projects	39,920,746
Debt service	1,415,821
Grant purposes	4,948,016
Unrestricted	(280,274,835)
TOTAL NET POSITION	<u>\$ 92,131,956</u>

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

Fayette County Board of Education

BALANCE SHEET
GOVERNMENTAL FUNDS

June 30, 2023

	Major Governmental Funds				
		Local Capital	Capital Projects	Other	Total
	General	Projects Fund	SPLOST III Fund	Governmental Funds	Governmental Funds
ASSETS					
Cash	\$ 39,084,486	\$ 450,493	\$ 7,472,144	\$ 12,909,038	\$ 59,916,161
Investments	-	7,213,363	31,887,367	2,725,657	41,826,387
Due from other governments	16,473,590	-	3,255,525	1,713,669	21,442,784
Taxes receivable	2,362,616	-	3,433,559	79,945	5,876,120
Due from other funds	933,040	5,866,972	-	2,962	6,802,974
Leases receivable	-	-	-	1,378,785	1,378,785
Due from others	15,427	-	-	2,141	17,568
Prepaid items	267,573	-	-	-	267,573
Inventory	-	-	-	253,149	253,149
Total assets	\$ 59,136,732	\$ 13,530,828	\$ 46,048,595	\$ 19,065,346	\$ 137,781,501
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 8,796,817	\$ -	\$ 6,529,762	\$ 454,003	\$ 15,780,582
Salaries and benefits payable	16,844,675	-	-	1,436,974	18,281,649
Due to other funds	5,819,934	-	-	983,040	6,802,974
Retainage payable	-	-	1,214,283	-	1,214,283
Unearned revenue	-	-	-	215,595	215,595
Total liabilities	31,461,426	-	7,744,045	3,089,612	42,295,083
Deferred Inflows					
Lease revenue	-	-	-	1,339,040	1,339,040
Unavailable property tax revenue	944,392	-	-	53,001	997,393
Total deferred inflows	944,392	-	-	1,392,041	2,336,433
Fund Balances:					
Nonspendable	267,573	-	-	253,149	520,722
Restricted	-	-	38,304,550	8,294,529	46,599,079
Committed	-	-	-	6,298,682	6,298,682
Assigned	6,989,209	13,530,828	-	-	20,520,037
Unassigned	19,474,132	-	-	(262,667)	19,211,465
Total fund balances	26,730,914	13,530,828	38,304,550	14,583,693	93,149,985
Total liabilities, deferred inflows and fund balances	\$ 59,136,732	\$ 13,530,828	\$ 46,048,595	\$ 19,065,346	\$ 137,781,501

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

Fayette County Board of Education

**RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION**

June 30, 2023

Amounts reported for governmental activities in the statement of net position are different because:

Total fund balances - governmental funds	\$	93,149,985	
Prepayments prior to the commencement of subscription terms are reclassified and included in as capital assets.		(259,356)	
Capital assets used in governmental activities are not financial resources, and therefore are not reported as assets in governmental funds.			362,473,198
Property taxes receivable not collected within sixty days of year end are not available soon enough to pay for the current period's expenditures, and therefore are reported as unavailable property tax revenue in the funds.			997,393
Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings and contributions subsequent to the measurement date for the postretirement benefits (pensions and OPEB) are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position.			
Deferred outflows of pension related items		163,125,699	
Deferred outflows of OPEB related items		27,584,738	
Deferred inflows of pension related items		(8,004,196)	
Deferred inflows of OPEB related items		<u>(69,113,811)</u>	
			113,592,430
Governmental funds report the effect of premiums, discounts and refundings and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.			
Unamortized premium on issuance of bonds		(671,380)	
Deferred loss on refunding of bonds		<u>1,011,424</u>	
			340,044
Internal service funds are used to charge the costs of workers' compensation claims to the individual funds. The assets and liabilities of the internal service fund are included in the statement of net position.			661,484
Long-term liabilities are not due and payable in the current period, and therefore, are not reported in the funds.			
General obligation bonds payable		(28,089,972)	
Accrued interest on long term debt		(373,628)	
Leases payable		(466,596)	
Subscription liabilities		(226,050)	
Compensated absences payable		(1,022,575)	
Net pension liability		(338,267,595)	
Net OPEB liability		<u>(110,376,806)</u>	
			<u>(478,823,222)</u>
Net position of governmental activities	\$		<u>92,131,956</u>

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

Fayette County Board of Education

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

For the year ended June 30, 2023

	Major Governmental Funds				Total Governmental Funds
	General	Local Capital Projects Fund	Capital Projects SPLOST III Fund	Other Governmental Funds	
Revenues					
State funds	\$ 116,845,131	\$ -	582,758	\$ 1,851,716	\$ 119,279,605
Federal funds	-	-	3,255,525	16,027,156	19,282,681
Local and other funds	130,009,239	621,545	38,441,182	19,502,733	188,574,699
Total revenues	<u>246,854,370</u>	<u>621,545</u>	<u>42,279,465</u>	<u>37,381,605</u>	<u>327,136,985</u>
Expenditures					
Current					
Instruction	171,461,989	-	180,874	11,082,037	182,724,900
Support services					
Pupil services	14,855,648	-	-	2,726,143	17,581,791
Improvement of instructional services	6,491,563	-	-	1,193,154	7,684,717
Instructional staff training	615,242	-	-	513,556	1,128,798
Educational media services	3,986,737	-	-	292,763	4,279,500
Federal grants administration	326,051	-	-	255,068	581,119
General administration	1,666,701	-	-	270	1,666,971
School administration	16,871,365	-	-	1,193,545	18,064,910
Business administration	1,666,916	-	-	-	1,666,916
Maintenance and operation of facilities	18,767,815	-	-	292,763	19,060,578
Student transportation services	9,243,770	-	-	325,632	9,569,402
Central support services	7,009,819	-	-	-	7,009,819
Other support services	116,379	-	-	-	116,379
Community service	33,203	-	-	2,989,191	3,022,394
Food services	105,094	-	-	10,082,549	10,187,643
Capital outlay	443,682	174,150	22,489,258	1,485,094	24,592,184
Debt Service					
Principal retirement	433,397	-	6,695,000	6,210,000	13,338,397
Interest and fees	13,330	-	933,081	504,418	1,450,829
Total expenditures	<u>254,108,701</u>	<u>174,150</u>	<u>30,298,213</u>	<u>39,146,183</u>	<u>323,727,247</u>
Excess (deficiency) of revenues over (under) expenditures	(7,254,331)	447,395	11,981,252	(1,764,578)	3,409,738
Other financing sources (uses)					
Sale of general capital assets	381,500	1,932,470	-	-	2,313,970
Subscriptions	14,682	-	-	-	14,682
Leases (as lessee)	429,000	-	-	-	429,000
Transfers in	6,000,000	-	-	713,176	6,713,176
Transfers out	(713,176)	(6,000,000)	-	-	(6,713,176)
Total other financing sources (uses)	<u>6,112,006</u>	<u>(4,067,530)</u>	<u>-</u>	<u>713,176</u>	<u>2,757,652</u>
Net change in fund balances	(1,142,325)	(3,620,135)	11,981,252	(1,051,402)	6,167,390
Fund balances, beginning of year	<u>27,873,239</u>	<u>17,150,963</u>	<u>26,323,298</u>	<u>15,635,095</u>	<u>86,982,595</u>
Fund balances, end of year	<u>\$ 26,730,914</u>	<u>\$ 13,530,828</u>	<u>\$ 38,304,550</u>	<u>\$ 14,583,693</u>	<u>\$ 93,149,985</u>

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

Fayette County Board of Education

**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES WITH THE
SYSTEM-WIDE STATEMENT OF ACTIVITIES**

For the year ended June 30, 2023

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds		\$ 6,167,390
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation/amortization expense. This is the amount by which capital outlay (\$24,049,920) exceeds depreciation/amortization (\$23,482,073).		567,847
Governmental funds report proceeds from the sale of capital assets. In the statement of activities, proceeds are netted against the net depreciated value of those assets and a gain or loss is recorded.		(2,849,980)
Governmental funds report the amount of capital assets financed through leases and subscription agreements as other financing resources.		(443,682)
Issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, deferred losses on refundings, and similar items when debt is first issued, where these amounts are deferred and amortized in the statement of activities. The details of this difference are as follows:		
Repayment of bond principal	12,905,000	
Amortization on bond premiums	575,467	
Amortization on deferred loss on bond refunding	<u>(449,521)</u>	
		13,030,946
Because some property and sales taxes will not be collected for several months after the School System's fiscal year ends, they are not considered "available" revenues and are deferred in the governmental funds. Unavailable tax revenues decreased by this amount.		304,939
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.		
Accrued interest on long-term debt	163,403	
Leases	271,082	
Subscription liabilities	162,315	
Compensated absences	(99,078)	
Changes in pension liabilities and related deferred outflows and inflows of resources	(18,566,834)	
Changes in OPEB liabilities and related deferred outflows and inflows of resources	<u>9,571,537</u>	
		(8,497,575)
Internal service funds are used to charge the costs of workers' compensation claims to the individual funds. Net change in position of the internal service fund is reported in the governmental activities.		<u>(478,357)</u>
Change in net position of governmental activities		<u>\$ 7,801,528</u>

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

Fayette County Board of Education

**General Fund
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES
BUDGET AND ACTUAL - (NON-GAAP BASIS)**

For the year ended June 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual (Budget basis)</u>	<u>Variance</u>
Revenues				
State funds	\$ 110,464,573	\$ 115,864,646	\$ 115,822,252	\$ (42,394)
Local and other funds	<u>132,533,427</u>	<u>132,533,427</u>	<u>130,009,239</u>	<u>(2,524,188)</u>
Total revenues	<u>242,998,000</u>	<u>248,398,073</u>	<u>245,831,491</u>	<u>(2,566,582)</u>
Expenditures				
Current				
Instruction	161,753,120	171,790,160	171,746,726	43,434
Support services				
Pupil services	13,665,331	14,803,221	14,857,219	(53,998)
Improvement of instructional services	7,116,827	6,840,133	6,562,623	277,510
Instructional staff training	844,332	902,225	615,242	286,983
Educational media services	3,889,848	3,998,768	3,987,525	11,243
Federal grant administration	239,679	248,569	326,051	(77,482)
General administration	1,869,229	1,882,579	1,668,602	213,977
School administration	15,710,489	16,141,274	16,872,775	(731,501)
Business administration	1,507,484	1,507,484	1,663,604	(156,120)
Maintenance and operation of facilities	17,339,113	18,892,196	18,585,038	307,158
Student transportation services	9,035,663	9,040,108	9,121,033	(80,925)
Central support services	8,301,635	7,556,080	7,048,680	507,400
Other support services	-	-	114,425	(114,425)
Community service	-	35,000	35,305	(305)
Food services	<u>40,000</u>	<u>40,000</u>	<u>38,803</u>	<u>1,197</u>
Total expenditures	<u>241,312,750</u>	<u>253,677,797</u>	<u>253,243,651</u>	<u>434,146</u>
Excess (deficiency) of revenues over (under) expenditures	1,685,250	(5,279,724)	(7,412,160)	(2,132,436)
Other financing uses				
Sale of general capital assets	-	-	381,500	381,500
Transfers in	-	6,000,000	6,000,000	-
Transfers out	<u>(1,685,250)</u>	<u>(720,276)</u>	<u>(713,176)</u>	<u>7,100</u>
Total other financing uses	<u>(1,685,250)</u>	<u>5,279,724</u>	<u>5,668,324</u>	<u>388,600</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,743,836)</u>	<u>\$ (1,743,836)</u>

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

Fayette County Board of Education

STATEMENT OF NET POSITION
PROPRIETARY FUNDS

June 30, 2023

	Governmental Activities-- Internal Service Workers' Compensation Fund
ASSETS	
Current Assets:	
Cash	\$ 2,542,629
Total assets	<u>2,542,629</u>
LIABILITIES	
Current Liabilities:	
Accounts payable	466,145
Claims payable	<u>275,000</u>
Total current liabilities	<u>741,145</u>
Noncurrent Liabilities:	
Claims payable	<u>1,140,000</u>
Total noncurrent liabilities	<u>1,140,000</u>
Total liabilities	<u>1,881,145</u>
NET POSITION	
Unrestricted	<u>661,484</u>
Total net position	<u>\$ 661,484</u>

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

Fayette County Board of Education

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
PROPRIETARY FUNDS

For the year ended June 30, 2023

	<u>Governmental Activities-- Internal Service Workers' Compensation Fund</u>
Operating revenues	
Local and other funds	\$ 967,291
Total operating revenues	<u>967,291</u>
Operating expenses	
Administration	226,840
Claims	<u>1,218,811</u>
Total operating expenses	<u>1,445,651</u>
Operating loss	(478,360)
Nonoperating revenues	
Interest	<u>3</u>
Change in net position	(478,357)
Net position, beginning of year	<u>1,139,841</u>
Net position, end of year	<u><u>\$ 661,484</u></u>

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

Fayette County Board of Education

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS**

For the year ended June 30, 2023

	Governmental Activities-- Internal Service Workers' Compensation Fund
Cash flows from operating activities:	
Cash received from interfund services	\$ 967,291
Cash paid to suppliers	<u>(956,536)</u>
Net cash provided by operating activities	<u>10,755</u>
Cash flows from investing activities:	
Proceeds from sale of investments	307
Interest received	<u>3</u>
Net cash provided by investing activities	<u>310</u>
Net increase in cash	11,065
Cash at beginning of year	<u>2,531,564</u>
Cash at end of year	<u><u>\$ 2,542,629</u></u>
Reconciliation of operating loss to net cash provided by operating activities:	
Operating loss	\$ (478,360)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Change in assets and liabilities:	
Decrease in accounts receivable	22,970
Increase in accounts payable	<u>466,145</u>
Net cash provided by operating activities	<u><u>\$ 10,755</u></u>

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

Fayette County Board of Education
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
June 30, 2023

	David Phillips Memorial Private-Purpose Trust Fund
ASSETS	
Investments	\$ 4,183
Total assets	<u>4,183</u>
NET POSITION	
Restricted for scholarships	<u>\$ 4,183</u>

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

Fayette County Board of Education
STATEMENT OF CHANGES IN FIDUCIARY
NET POSITION
FIDUCIARY FUNDS
For the year ended June 30, 2023

	David Phillips Memorial Private-Purpose Trust Fund <hr style="width: 100%;"/>
ADDITIONS	
Interest	\$ 181
Total additions	<hr style="width: 100%;"/> 181
DEDUCTIONS	
Other support services	1,000
Total deletions	<hr style="width: 100%;"/> 1,000
Change in net position	(819)
NET POSITION, beginning of year	<hr style="width: 100%;"/> 5,002
NET POSITION, end of year	\$ <hr style="width: 100%;"/> <hr style="width: 100%;"/> 4,183

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



Where Excellence and Creativity Merge

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Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2023

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Fayette County Board of Education (the “School System”) have been prepared in conformity with accounting principles generally accepted in the United States of America (“USGAAP”) as applicable to government units. The more significant of the School System’s accounting policies are summarized below.

1. Description of System-wide Financial Statements

The system-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the School System. All fiduciary activities are reported only in the fund financial statements. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support.

2. Reporting Entity

The School System was established under the laws of the State of Georgia and operates under the guidance of a five-member school board (the “Board”) elected by the voters of Fayette County and a superintendent appointed by the Board. The School System is organized as a separate legal entity and has the power to levy taxes, issue bonds with voter approval, and conduct all other business pursuant to the operation of the School System. Its budget is not subject to approval by any other entity. Accordingly, the School System is a primary government and consists of all the organizations that compose its legal entity. There are no component units included in the School System’s reporting entity as defined by Governmental Accounting Standards Board (“GASB”) Statement No. 14 as amended by GASB Statement No. 39 and GASB Statement No. 61.

3. Basis of Presentation – System-wide Financial Statements

While separate system-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the system-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the system-wide financial statements, but interfund services provided and used are not eliminated in the process of consolidation.

4. Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the School System’s funds, including its fiduciary funds. Separate statements for each fund category – governmental, proprietary, and fiduciary – are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds. Major individual governmental are reported as separate columns in the fund financial statements.

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2023

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

4. **Basis of Presentation – Fund Financial Statements - continued**

The School System reports the following major governmental funds:

The *General Fund* is the School System’s primary operating fund. It accounts for all financial resources of the School System, except those required to be accounted for in another fund.

The *Capital Projects – SPLOST III Fund* is used to account for various projects funded by an educational special purpose local option sales tax and approved by voter referendum in 2017.

The *Local Capital Project Fund* is used to account for various projects funded through local sources.

The School System does not report any enterprise funds.

Additionally, the School System reports the following fund types:

The *debt service fund* is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. The primary revenue source is local property taxes levied specifically for debt service.

The *special revenue funds* account for revenue sources that are restricted or committed to expenditure for specific programs, primarily federal and state grant funded programs. These grants are awarded to the School System for the purpose of accomplishing specific educational tasks as defined in the grant agreements. These funds also contain several locally funded programs whose expenditures are limited to specific purposes. School Activity Funds are also reported as special revenue funds. The School Activity Funds are used to account for funds collected primarily through the fund raising efforts of the individual school. Each school’s principal is responsible, under the authority of the School System, for collecting, controlling, disbursing and accounting for his or her school’s funds. All resources of the fund, including any earnings on invested resources, may be used to support the schools’ activities.

The *capital project funds* are used to account for resources provided for the acquisition, construction or renovation of major capital facilities.

The *internal service fund* accounts for the self-insurance of workers’ compensation of the School System’s employees.

The *fiduciary fund* is a classification of funds used to account for assets held on behalf of various funds, governments or individuals. The fiduciary fund includes the following fund type:

The *private-purpose trust fund* accounts for resources devoted to the presentation of a scholarship awarded to a student each year. The corpus of this trust fund is to be invested and remain intact, with the investment earnings to be used to provide the scholarships.

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2023

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

4. Basis of Presentation – Fund Financial Statements - continued

During the course of operations, the School System has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the system-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated.

Further, certain activity occurs during the year involving transfers of resources between funds. In the fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in the fund financial statements, certain eliminations are made in the preparation of the system-wide financial statements. Transfers between the funds included in the governmental activities are eliminated.

5. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The system-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the School System considers tax revenues to be available if they are collected within sixty days of the end of the current fiscal period. Additionally, the School System considers grant revenues to be available if all requirements imposed by the provider have been met, regardless of timing of the collection. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales taxes, grant revenue, state QBE (“Quality Basic Education”) revenue and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met.

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2023

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

5. Measurement Focus and Basis of Accounting - continued

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

The proprietary and private-purpose trust funds are reported using the economic resources measurement focus and the accrual basis of accounting.

6. Cash and Cash Equivalents

The School System’s cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. Official Code of Georgia Annotated (“O.C.G.A.”) 45-8-14 authorizes the School System to deposit its funds in one or more solvent banks or insured federal savings and loan associations.

7. Investments

Investments made in nonparticipating interest-earning contracts (such as certificates of deposit) and repurchase agreements are reported at cost. Participating interest-bearing contract and money market investments with a maturity at purchase of one year or less are reported at amortized cost. Both participating interest-earning contracts and money market investments with a maturity at purchase greater than one year are reported at fair value.

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2023

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

8. Inventories and Prepaid Items

Inventories consist of consumable supplies and food used in the preparation of meals reported using the first-in, first-out method (FIFO). Inventories of donated food commodities are reported at their federally assigned values. Inventories of purchased food and consumable supplies are valued at cost. The cost of such inventories is recorded as expenditures/expenses when consumed rather than when purchased. Donated food commodities are recorded as revenue when received.

Certain payments made to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

9. Capital Assets

Capital assets, which include property and equipment, are reported in the system-wide financial statements. Capital assets are defined by the School System as assets with an initial, individual cost of more than \$5,000 and an estimated useful life of three years or more. Additionally, the School System capitalizes certain bulk purchases of items, like computers, with an individual cost of less than \$5,000 and an estimated useful life of three years or more, which are deemed significant by management. Assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Land and construction in progress are not depreciated. Other property and equipment of the School System is depreciated using the straight line method over the following estimated useful lives:

Buildings and improvements	20 to 50 years
Computers	3 to 5 years
Machinery and equipment	5 to 20 years
Kitchen equipment	15 to 20 years
Vehicles	10 years

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2023

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

10. Intangible Right-To-Use Assets

Leases, as a lessee, are included as intangible right-to-use assets and lease obligations on the Statement of Net Position. Subscription-based information technology arrangements (SBITAs) result in an intangible right-to-use subscription asset and a subscription liability on the Statement of Net Position.

An intangible right-to-use asset represents the School System’s right to use an underlying asset for the lease or subscription term. Lease and subscription obligations represent the School System’s liability to make lease and subscription payments arising from the lease or subscription agreement. Intangible right-to-use assets, and lease obligations and subscription liabilities are recognized based on the present value of lease or subscription payments over the agreement term, where the initial term exceeds twelve months. Residual value guarantees and the value of an option to extend or terminate a lease or subscription are reflected to the extent it is reasonably certain to be paid or exercised. Variable payments based on future performance or usage are not included in the measurement of the lease or subscription liability. Intangible right-to-use assets are amortized using a straight-line basis over the shorter of the lease or subscription term or useful life of the underlying asset. Prepayments made before the commencement of the lease or subscription are reported as intangible right-to-use assets-in-progress. The School System capitalizes intangible right-to-use lease assets with a present value of \$5,000 or greater and intangible right-to-use subscription assets with a present value of \$10,000 or greater.

Rental income arising from leases as a lessor is included as a receivable and deferred inflow of resources at the commencement of the lease and revenue is recognized on a straight-line basis over the term of the lease.

11. Compensated Absences

It is the School System’s policy to permit employees to accumulate earned but unused vacation benefits. All vacation is accrued when incurred in the system-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Sick and personal leave does not vest with the employee and unused accumulated sick and personal leave is forfeited upon retirement or termination of employment. Therefore, no liability is recorded for non-vesting accumulating rights to receive sick pay benefits.

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2023

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

12. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for *deferred outflows of resources*. This separate financial statement element represents a consumption of resources that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to the items related to changes in net pension liability and net OPEB liability as discussed below, the School System has a deferred loss on refunding which results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of net position and governmental funds balance sheet will sometimes report a separate section for *deferred inflows of resources*. This separate financial statement element represents an acquisition of resources that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. In addition to the items related to changes in net pension liability and net OPEB liability as discussed below, the School System has two items that qualifies for reporting in this category. Accordingly, lease revenue and unavailable property tax revenue are reported only in the governmental funds balance sheet. Lease revenue will be recognized on a straight-line basis over the lease term. Unavailable property tax revenue will be recognized as an inflow of resources in the period in which the amount becomes available.

The School System also has deferred outflows and inflows related to the recording of changes in its net pension liability and net OPEB liability. Certain changes in the net pension liability and net OPEB liability are recognized as expense over time instead of all being recognized in the year of occurrence. Experience gains or losses result from periodic studies by the plans' actuary which adjust the net pension liability and net OPEB liability for actual experience for certain trend information that was previously assumed, for example the assumed dates of retirement of plan members. These experience gains or losses are recorded as deferred outflows of resources or deferred inflows of resources and are amortized into expense over the expected remaining life of plan members. Changes in actuarial assumptions which adjust the net pension liability and net OPEB liability are also recorded as deferred outflows of resources or deferred inflows of resources and are amortized into expense over the expected remaining life of the plan members. The difference between projected investment return on investments and actual return on those investments is also deferred and amortized against expense over a five-year period. Additionally, any contributions made by the School System to the pension and OPEB plan before year end but subsequent to the measurement date of the School System's net pension liability and net OPEB liability are reported as deferred outflows of resources.

13. Fund Balance Policy and Flow Assumptions

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring use of resources for specific purposes. The School System itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2023

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

13. Fund Balance Policy and Flow Assumptions - continued

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the School System’s highest level of decision-making authority. The School Board is the highest level of decision-making authority for the School System that can, by a majority vote after a recommendation brought to it by the Superintendent or a member of the Board prior to year end, commit fund balance. Once approved, the limitation imposed by the vote remains in place until a similar action is taken to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the School System for specific purposes but do not meet the criteria to be classified as committed. By policy, the Board has authorized the Superintendent to assign fund balance, with Board consent. The Board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year’s appropriated budget.

Other categories of fund balance are:

Nonspendable: Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted: Fund balances are reported as restricted when there are limitations imposed on their use whether through constitutional provisions or enabling legislation, or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Unassigned: Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the criterion to be classified as nonspendable, restricted, committed or assigned. The General Fund is the only fund that reports a positive unassigned fund balance. In governmental funds other than the General Fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

Sometimes the School System will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the School System’s policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2023

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

14. Net Position Flow Assumptions

Sometimes the School System will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the system-wide and proprietary fund financial statements, a flow assumption must be made about the order in which resources are to be applied.

Based on the School System’s policy on fund balance flows where restricted fund balance is depleted before using unrestricted fund balance, restricted – net position is to be depleted before unrestricted – net position is applied.

15. Program Revenues

Amounts reported as *program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

16. Pensions

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

17. Postemployment Benefits Other Than Pensions (OPEB)

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

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2023

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

18. Proprietary Funds Operating and Nonoperating Revenues and Expenses

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the School System's internal service fund are charges to customers for services. Operating expenses for the internal service fund include the cost of services and administrative expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

NOTE B – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Fayette County Board of Education adopts annual budgets for its General Fund, Debt Service Fund and special revenue funds. Appropriations not spent or encumbered lapse at year end. Any outstanding encumbrances must be re-appropriated in the budget of the following year. The budget process begins when the School System's administration prepares a tentative budget for the Board's approval. After approval of this tentative budget by the Board, such budget is advertised at least once in a newspaper of general circulation in the locality. At the next regular meeting of the Board after advertisement, the Board receives comments on the tentative budget, makes revisions as necessary and adopts a final budget. This final budget is then submitted to the Georgia Department of Education, in accordance with provisions of the Quality Basic Education Act.

The level of legal budgetary control (the level at which expenditures may not exceed appropriations) is at the aggregate level by fund type. Management may make transfers of appropriations within a specific fund and between funds within the same fund type.

The Statement of Revenues and Expenditures - Budget and Actual presents actual and budget data for the General Fund. To facilitate comparison with the budget, adjustments have been made to actual revenues and expenditures to reflect actual amounts on the budget basis.

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2023

NOTE B – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY - continued

The primary differences between the budget basis and accounting principles generally accepted in the United States of America (“USGAAP”) are:

- (a) State revenue relating to Quality Basic Education expenditures is recorded when received (budget) rather than when susceptible to accrual (USGAAP).
- (b) Payments made by the State of Georgia for School System employee benefits are recognized as revenues and expenditures under USGAAP and are not recognized on the budget basis.
- (c) Leases (as lessee) are recorded as capital outlay expenditures and as other financing sources under USGAAP and are not recorded under the budgetary basis.

Adjustments necessary to convert the General Fund’s net change in fund balance from the USGAAP basis to the budget basis are shown below:

USGAAP Basis Net Change in Fund Balances	\$ (1,142,325)
Adjustments for:	
State QBE revenue	(601,511)
State paid employee benefit revenue	(421,368)
State paid employee benefit expenditures	421,368
Capital outlay expenditures for leases	429,000
Other financing sources -leases	(429,000)
Budget Basis Net Change in Fund Balances	\$ (1,743,836)

NOTE C – DEPOSITS AND INVESTMENTS

Credit Risk. O.C.G.A. 36-83-4 authorizes the School System to invest its funds. In selecting among options for investment or among institutional bids for deposits, the highest rate of return shall be the objective, given equivalent conditions of safety and liquidity. The School System may invest its funds in obligations of the State of Georgia or other states, obligations issued by the United States government, obligations fully insured or guaranteed by the United States government or a United States government agency, obligations of any corporation of the United States government, prime banker’s acceptances, the Georgia Fund 1 administered and regulated by the Georgia Office of the State Treasurer, repurchase agreements, and obligations of political subdivisions of the State of Georgia. The School System does not have a policy for credit risk beyond the types of investments authorized by Georgia state law.

At June 30, 2023, the School System had the following investments:

Investment Type	Maturities	Rating	Fair Value
Georgia Fund 1	28-day weighted average	AAAf	\$ 25,354,220
U.S. Treasuries	Less than one year	AA+	16,476,350
			\$ 41,830,570

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2023

NOTE C – DEPOSITS AND INVESTMENTS – continued

Georgia Fund 1, created by O.C.G.A. 36-83-8, is a stable net asset value investment pool which follows Standard and Poor’s criteria for AAAf rated money market funds. The pool is not registered with the Securities Exchange Commission as an investment company. The Office of the State Treasurer is the regulatory oversight agency for Georgia Fund 1. The pool’s primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal (\$1.00 per share value). Net asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participant’s shares sold and redeemed based on \$1.00 per share. The pool also adjusts the value of its investments to fair value as of year end and the School System’s investment in Georgia Fund 1 is reported at fair value. The pool does not issue any legally binding guarantees to support the value of the shares. Participation in the pool is voluntary and deposits consist of funds from local governments; operating and trust funds of Georgia’s state agencies; colleges and universities; and current operating funds of the State of Georgia’s general fund. Investments in Georgia Fund 1 are directed toward short-term instruments such as U.S. Treasury obligations, securities issued or guaranteed as to principal and interest by the U.S. government or any of its agencies or instrumentalities, banker’s acceptances and repurchase agreements. The remaining investments are reported at fair value.

Fair Value Measurements. The School System categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are significant other observable inputs, and Level 3 inputs are significant observable inputs. The School System has the following recurring fair value measurements as of June 30, 2023:

Investment	Level 1	Fair Value
U.S. Treasuries	\$ 16,476,350	\$ 16,476,350
Investments not subject to fair value hierarchy:		
Georgia Fund 1		25,354,220
Total investments		\$ <u>41,830,570</u>

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

Interest rate risk. In selecting among options for investment or among institutional bids for deposits, the highest rate of return shall be the objective, given equivalent conditions of safety and liquidity. However, the School System does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2023

NOTE C – DEPOSITS AND INVESTMENTS – continued

Custodial Credit Risk. Custodial credit risk is the risk that, in the event of failure of a depository financial institution or of counterparties to investment transactions, the School System will not be able to recover deposits, investments or collateral securities that are in the possession of an outside party. The School System follows Georgia state law which requires deposits and investments (other than federal and state government instruments) to be collateralized by depository insurance or by obligations of the U.S government or bonds of public authorities, counties or municipalities held by the School System’s agent in the School System’s name. As of June 30, 2023, the School System was not exposed to custodial credit risk for investments. The School System does not have a policy for custodial credit risk beyond the requirements of Georgia state law.

NOTE D – DUE FROM OTHER GOVERNMENTS

Due from other governments consists of grant reimbursements due primarily from the Georgia Department of Education.

NOTE E – TAXES RECEIVABLE

Property taxes were levied on September 15, 2022, based on property values assessed as of January 1, 2022, and were considered past due if not paid on or before November 15, 2022, at which time the applicable property is subject to lien, and penalties and interest may be assessed. State law limits the School System’s tax levy for operations to 20 mills (one mill equals \$1 per thousand dollars of assessed value). Taxes levied in calendar year 2022 were levied at 19.150 mills for operations and 0.850 mills for school bonds.

Tax revenues, at the fund reporting level, amounted to \$128,393,334 for maintenance and operations and \$6,098,471 for school bonds.

A one percent Special Purpose Local Option Sales Tax (SPLOST) is to be used for capital outlay for educational purposes and for debt service. The State of Georgia collects the tax on behalf of the School System. Collection of the tax authorized under the 2012 referendum (SPLOST II) terminated on March 31, 2019. Collection of the tax authorized under the 2017 referendum (SPLOST III) began upon termination of SPLOST II and will terminate once a total of \$145,000,000 has been collected or after twenty calendar quarters, whichever occurs first. Collection of the tax authorized under the 2022 referendum (SPLOST IV) will begin upon termination of SPLOST III and will terminate once a total of \$210,000,000 has been collected or after twenty calendar quarters, whichever occurs first.

SPLOST tax revenues, at the fund reporting level, amounted to \$36,525,394 for the year ended June 30, 2023.

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2023

NOTE E – TAXES RECEIVABLE - continued

At June 30, 2023, taxes receivable, at the fund reporting level, consisted of the following:

- \$997,393 (net of \$513,809 in allowances for doubtful accounts) in delinquent property taxes receivable was recognized as receivable and as deferred inflows,
- \$1,207,289 of property tax was recognized as receivable and as revenue because it was considered susceptible for accrual based on collections within 60 days of year end,
- \$3,433,559 of SPLOST receipts recognized as receivables and as revenue because it was considered susceptible for accrual based on the underlying date of the transactions and collections by the School System within the period of availability,
- \$237,879 of intangible recording and real estate transfer taxes,

Approximately \$514,000 of the delinquent property taxes receivable is not expected to be collected within the next year.

NOTE F – LEASES RECEIVABLE

The School System has entered into several agreements with third parties for the lease of an unoccupied school buildings. These leases agreements range from four to six-year terms. The School System recognized \$347,423 in lease revenue and \$51,749 in interest revenue during the current fiscal year related to these leases. As of June 30, 2023, the School System's receivable for lease payments was \$1,378,785. Also, the School System has a deferred inflow of resources associated with this lease that will be recognized as revenue over the lease term. As of June 30, 2023, the balance of the deferred inflow of resources was \$1,339,040.

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2023

NOTE G – INTERFUND RECEIVABLES AND PAYABLES

At June 30, 2023, interfund receivables and payables consisted of the following:

<u>PAYABLE FUNDS</u>	RECEIVABLE FUNDS			
	General Fund	Local Capital Projects Fund	Nonmajor Fund School Nutrition Service	Total
General Fund	\$ -	\$ 5,816,972	\$ 2,962	\$ 5,819,934
Nonmajor Funds:				
Title I	148,893	-	-	148,893
IDEA	465,907	-	-	465,907
Title II	77,698	-	-	77,698
Title III	6,265	-	-	6,265
Title IV	10,002	-	-	10,002
ESSER I and II	88,947	-	-	88,947
ESSER III	77,727	-	-	77,727
SPLOST II	11,756	-	-	11,756
SPLOST IV	45,845	50,000	-	95,845
	\$ 933,040	\$ 5,866,972	\$ 2,962	\$ 6,802,974

In most instances, interfund balances result when there is a time lag between receiving certain grant revenues and meeting temporary cash flow requirements and payments are processed from a pooled cash account. Additionally, at times there is a lag between transfers between bank accounts for the repayment of expenditures paid from the pooled cash account on behalf of another fund which does not maintain money within the pooled cash account. The interfund balance between the General Fund and the SPLOST III Fund is the result of reimbursements due to the General Fund for SPLOST III eligible expenditures. Additionally, the interfund balance between Local Capital Projects Fund and the SPLOST IV Fund is the result of utilizing available cash in the Local Capital Projects Fund for projects to be funded with future SPLOST IV receipts.

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2023

NOTE H – CAPITAL ASSETS

The following is a summary of capital asset activity for the fiscal year ending June 30, 2023:

	Beginning Balance	Increases	Decreases	Reclassification	Ending Balance
Capital assets, not being depreciated/amortized					
Land	\$ 15,616,618	\$ -	\$ (2,603,952)	\$ -	\$ 13,012,666
Construction in progress	58,389,166	16,104,184	(199,635)	(60,600,732)	13,692,983
Right-to-use subscription assets-in-progress	-	259,356	-	-	259,356
Total capital assets, not being depreciated	<u>74,005,784</u>	<u>16,363,540</u>	<u>(2,803,587)</u>	<u>(60,600,732)</u>	<u>26,965,005</u>
Capital asset, being depreciated/amortized					
Buildings and improvements	451,025,120	17,550	-	60,600,732	511,643,402
Autos and trucks	25,903,950	1,642,257	(2,879,811)	-	24,666,396
Other equipment	82,984,242	5,842,247	(3,042,516)	-	85,783,973
Right-to-use lease equipment	868,435	429,000	(319,980)	-	977,455
Right-to-use subscription assets	519,171	14,682	-	-	533,853
Total capital assets, being depreciated/amortized	<u>561,300,918</u>	<u>7,945,736</u>	<u>(6,242,307)</u>	<u>60,600,732</u>	<u>623,605,079</u>
Less accumulated depreciation for:					
Buildings and improvements	(194,214,986)	(12,849,239)	-	-	(207,064,225)
Autos and trucks	(18,770,712)	(1,825,868)	2,833,418	-	(17,763,162)
Other equipment	(57,098,318)	(8,395,253)	3,042,516	-	(62,451,055)
Less accumulated amortization for:					
Right-to-use lease equipment	(581,223)	(262,351)	319,980	-	(523,594)
Right-to-use subscription assets	(145,488)	(149,362)	-	-	(294,850)
Total accumulated depreciation/amortization	<u>(270,810,727)</u>	<u>(23,482,073)</u>	<u>6,195,914</u>	<u>-</u>	<u>(288,096,886)</u>
Total capital assets being depreciated/amortized, net	<u>290,490,191</u>	<u>(15,536,337)</u>	<u>(46,393)</u>	<u>60,600,732</u>	<u>335,508,193</u>
Governmental activities capital assets, net	<u>\$ 364,495,975</u>	<u>\$ 827,203</u>	<u>\$ (2,849,980)</u>	<u>\$ -</u>	<u>\$ 362,473,198</u>

Depreciation/amortization expense was charged to various functions for governmental activities as follows:

Instruction	\$ 18,662,073
Support services	
Pupil services	5,182
Improvement of instructional services	115,322
Educational media services	251,403
General administration	125,541
School administration	1,138,809
Business administration	16,078
Maintenance and operations of facilities	149,717
Student transportation services	2,104,371
Central support services	258,020
Other support services	55,410
Community service	10,407
Food services	589,740
Total depreciation/amortization	<u>\$ 23,482,073</u>

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2023

NOTE I – LONG-TERM DEBT

Changes in Long-Term Liabilities

The changes in long-term debt during the year were as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Direct placement bonds	\$ 19,894,972	\$ -	\$ (6,210,000)	\$ 13,684,972	\$ 6,430,000
General obligation bonds	21,100,000	-	(6,695,000)	14,405,000	7,025,000
Plus premium on issuance of bonds	1,246,847	-	(575,467)	671,380	-
Total bonds payable	<u>42,241,819</u>	<u>-</u>	<u>(13,480,467)</u>	<u>28,761,352</u>	<u>13,455,000</u>
Leases payable	308,678	429,000	(271,082)	466,596	204,044
Subscription liabilities	373,683	14,682	(162,315)	226,050	138,462
Claims payable	1,415,000	1,218,811	(1,218,811)	1,415,000	275,000
Accrued compensated absences payable	923,497	1,275,811	(1,176,733)	1,022,575	134,050
Net pension liability	94,463,933	286,545,814	(42,742,152)	338,267,595	-
Net OPEB liability	<u>122,940,396</u>	<u>18,026,735</u>	<u>(30,590,325)</u>	<u>110,376,806</u>	<u>-</u>
	<u>\$ 262,667,006</u>	<u>\$ 307,510,853</u>	<u>\$ (89,641,885)</u>	<u>\$ 480,535,974</u>	<u>\$ 14,206,556</u>

Leases, subscription liabilities, claims payable, compensated absences payable, net pension liability and net OPEB liability are generally liquidated by the General Fund.

General Obligation Bonds

In September 2013, the School System issued \$53,240,000 in Series 2013 General Obligation Bonds to advance refund a portion of its outstanding Series 2005 General Obligation Bonds and a portion of its outstanding Series 2007 General Obligation Bonds. These bonds were directly placed with a financial institution. The net proceeds of \$52,901,111 (after payment of underwriting fees, insurance and other issuance costs) were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for future debt service payments beginning in 2017 on the Series 2005 Bonds and future debt service payments beginning in 2018 through a portion of 2026 on the Series 2007 Bonds. As a result, these portions of the Series 2005 and Series 2007 Bonds are considered defeased and the liability for these bonds has been removed from the statement of net position.

Additionally, the School System sold an unoccupied elementary school facility for \$5,170,000 in fiscal year 2014. The proceeds of the sale were placed in escrow to defease the principal and interest payments of the Series 2007 Bonds due in 2026 and 2027 remaining after the transaction to advance refund the debt with the issuance of the Series 2013 Bonds. These bonds are considered to be defeased and the liability for these bonds has been removed from the statement of net position.

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2023

NOTE I – LONG-TERM DEBT – continued
General Obligation Bonds - continued

All of the Series 2007 and Series 2005 bonds which were defeased related to these transactions were called and paid in a prior year.

In June 2018, the School System issued \$25,000,000 of Series 2018 General Obligation Bonds for the purpose of advance funding construction projects related to the 2017 SPLOST referendum. Principal and interest of the bonds are payable from the receipts of the 2017 SPLOST.

General obligation bonds consist of the following as of June 30, 2023:

Series	Coupon Rate	Maturities	Balance
2013	2.53%	2014 to 2026	\$ 13,684,972
2018	5.25%	2021 to 2025	\$ 14,405,000

Annual debt service requirements to maturity for direct placement general obligation bonds are as follows:

	Principal	Interest	Total
2024	\$ 6,430,000	\$ 346,230	\$ 6,776,230
2025	6,655,000	183,551	6,838,551
2026	599,972	15,179	615,151
Total	\$ 13,684,972	\$ 544,960	\$ 14,229,932

Annual debt service requirements to maturity for other general obligation bonds are as follows:

	Principal	Interest	Total
2024	\$ 7,025,000	\$ 571,856	\$ 7,596,856
2025	7,380,000	193,725	7,573,725
Total	\$ 14,405,000	\$ 765,581	\$ 15,170,581

Legal Debt Margin

The School System is subject to a debt limit that is 10% of the net assessed taxable property value. At June 30, 2023, that amount is \$699,676,559. As of June 30, 2023, the total outstanding debt applicable to the limit is \$28,761,352, which is 4.1% of the total debt limit.

Leases

The School System has entered into lease agreements under a master lease agreement as lessee for the right to use certain copier equipment. Lease agreements have three to five year terms. These agreements qualify as leases for accounting purposes, and therefore, have been recorded at the present value of the future minimum lease payments as of the date of inception.

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2023

NOTE I – LONG-TERM DEBT – continued

Leases Payable – continued

The future principal and interest lease payments as of June 20, 2023 are as follows:

	Principal	Interest	Total
2024	\$ 204,044	\$ 11,234	\$ 215,278
2025	153,718	5,870	159,588
2026	96,102	1,834	97,936
2027	12,103	144	12,247
2028	629	6	635
Total	\$ 466,596	\$ 19,088	\$ 485,684

Subscriptions Liability

The School System has entered into certain subscription-based contracts to use vendor-provided information technology under the provision of various contracts that convey control of the right-to-use another entity’s asset for a period of time in an exchange or exchange-like transaction. These contracts are classified as subscription liabilities for accounting purposes. The subscription asset is amortized on a straight-line basis over the shorter of the useful life of the asset or the subscription-based information technology arrangement term.

There were no variable payments based on performance, nor termination penalties expensed for the fiscal year ended June 30, 2023.

The future principal and interest payments as of June 20, 2023 are as follows:

	Principal	Interest	Total
2024	\$ 138,462	\$ 4,853	\$ 143,315
2025	87,588	1,913	89,501
Total	\$ 226,050	\$ 6,766	\$ 232,816

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2023

NOTE J - FUND BALANCES

Nonspendable – The following fund balance are nonspendable because they are allocated to:

General Fund:	
Prepaid items	\$ 267,573
Nonmajor Special Revenue Funds:	
School Nutrition Service Fund inventory	<u>253,149</u>
Total Nonspendable Fund Balance	<u>\$ 520,722</u>

Restricted – The following balances are restricted for:

Capital Projects-SPLOST III Fund: used to account for sales tax proceeds collected under the 2017 SPLOST referendum and the cost of capital projects financed with those SPLOST proceeds	\$ 38,304,550
Nonmajor Capital Projects-SPLOST II Fund: used to account for sales tax proceeds collected under the 2012 SPLOST referendum and the cost of capital projects financed with those SPLOST proceeds	1,616,196
Nonmajor Debt Service Fund: used to account for tax proceeds and debt service payments on general obligation debt	1,730,317
Nonmajor Special Revenue Funds:	
School Nutrition Services Fund – used to account for activity of the school lunch program	4,924,169
Friends Mentoring Program Fund– used to account for proceeds of grant from Department of Human Resources	19,317
Other Grants Fund– used to account for various grant awards	<u>4,530</u>
Total Restricted Fund Balance	<u>\$ 46,599,079</u>

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2023

NOTE J - FUND BALANCES – continued

Committed - The following fund balances are committed to:

Nonmajor Special Revenue Funds:	
Community Education Fund – used to account for the activities of community school programs	\$ 1,661,693
After School Program Fund – used to account for the activities of after school programs	298,160
Donations Fund – used to account for resources provided by donations	232,138
Auditorium Rentals Fund – used to account for resources generated by auditorium facility rentals	234,448
Principals’ Fund – used to account for resources generated by schools for various school activities and needs	<u>3,872,243</u>
Total Committed Fund Balance	<u>\$ 6,298,682</u>

Assigned – The following fund balances are assigned to:

General Fund – to account for a portion of the year end fund balance which is appropriated in the subsequent year’s budget	\$ 6,989,209
Regular Capital Project Fund – to account for amounts intended to be spent on capital outlay	<u>13,530,828</u>
Total Assigned Fund Balance	<u>\$ 20,520,037</u>

NOTE K – INTERFUND TRANSFERS

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

	TRANSFERS OUT		
	Major Funds		Total
	General Fund	Local Capital Projects	
<u>TRANSFERS IN</u>			
General Fund	\$ -	\$ 6,000,000	\$ 6,000,000
Nonmajor Funds:			
Special Revenue Funds:			
JR ROTC	289,313	-	289,313
Lottery	423,863	-	423,863
	<u>\$ 713,176</u>	<u>\$ 6,000,000</u>	<u>\$ 6,713,176</u>

The General Fund provides funding for various programs accounted for in other funds but which are not completely funded by state, federal or local grants or other proceeds.

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2023

NOTE L – RISK MANAGEMENT

The School System is exposed to various risks of loss for claims associated with torts; theft of, damage to and destruction of assets; errors and omissions; job related injuries to employees; natural disasters and unemployment compensation.

Risk Pool

The School System has elected to be a member of the Georgia School Boards Association- Risk Management Fund (GSBA-RMF), an interlocal risk management agency created under Georgia law. Coverage for losses arising from certain liability and property risks to the School System is provided through a group self-insurance plan. For accounting purposes, this plan is considered to be a risk transfer pool. Under this plan, the School System is responsible for the first \$10,000 of each property loss, the first \$2,500 of each auto physical damage loss and each auto liability claim and the first \$10,000 of each school leader's liability claim. The plan assumes certain risks of the School System in excess of the stated retentions up to certain customary coverage limits. The School System is required to make a financial contribution to the plan each year in an amount that is determined on the basis of actuarial projections of losses. There has been no significant reduction in insurance coverage from the coverage maintained in the prior year. Additionally, there were no settlements in excess of the insurance coverage in any of the past three years.

Management of GSBA-RMF has informed the School System it had no outstanding liabilities within the loss retentions stated in the preceding paragraph. Management of GSBA-RMF has also informed the School System that there is a possibility of additional contribution liability in the event that the plan is terminated or the School System elects to withdraw prematurely. No amount has been recorded in financial statements due to the belief that plan termination is unlikely and withdrawal by the School System is not contemplated.

Workers' Compensation Claims

On October 1, 2017, the School System became a member in the Georgia School Boards Association Workers' Compensation Fund (GSBA-WCF), a public entity risk pool organized on July 1, 1992, to develop, implement and administer a program of workers' compensation self-insurance for its member organization. As a member, the School System will pay an annual premium to the GSBA-WCF for its workers' compensation insurance coverage. Additional insurance coverage is provided through an agreement by GSBA-WCF with Safety National Casualty Corporation to provide coverage for potential losses sustained by the GSBA-WCF in excess of \$400,000 per occurrence, up to the statutory limit. The School System remains self-insured on all workers' compensation claims incurred prior to October 1, 2017.

The School System accounts for workers' compensation claims in an internal service fund. Workers' compensation claims expenditures and liabilities are reported when it is probable that a loss has occurred, and the amount of that loss can be reasonably estimated. The School System, in consultation with its claims administrator, has accrued a liability for claims that have been incurred but not reported.

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2023

NOTE L – RISK MANAGEMENT – continued

Workers' Compensation Claims- continued

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

<u>Year Ended June 30,</u>	<u>Beginning of Year Liability</u>	<u>Current Year Claims Accrual</u>	<u>Claims Paid</u>	<u>End of Year Liability</u>
2023	\$ 1,415,000	\$ 1,218,811	\$ 1,218,811	\$ 1,415,000
2022	\$ 1,415,000	\$ 1,116,474	\$ 1,116,474	\$ 1,415,000

Unemployment Claims

The School System is self-insured for unemployment compensation claims. These claims are accounted for in the School System's General Fund. Unemployment compensation expenditures and liabilities are reported when it is probable that a loss has occurred, and the amount of that loss can be reasonably estimated. Changes in the unemployment compensation liability during the last two fiscal years were as follows:

<u>Year Ended June 30,</u>	<u>Beginning of Year Liability</u>	<u>Current Year Unemployment Accrual</u>	<u>Unemployment Paid</u>	<u>End of Year Liability</u>
2023	\$ 194,646	\$ 48,426	\$ 243,072	\$ -
2022	\$ 194,646	\$ 15,278	\$ 15,278	\$ 194,646

NOTE M – ON-BEHALF PAYMENTS FOR FRINGE BENEFITS

The School System has recognized revenue and expenditures in the General Fund for retirement contributions paid on the School System's behalf as follows:

Georgia Department of Education	
Paid to Teachers' Retirement System (TRS)	\$ 64,820
Office of Treasury and Fiscal Services	
Paid to the Public School Employees' Retirement System (PSERS)	356,548
	<u>\$ 421,368</u>

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2023

NOTE N – RETIREMENT PLANS

The School System participates in various retirement plans administered by the State of Georgia. There are two major retirement systems in which the School System participates. These systems issue separate publicly available financial reports that include the applicable financial statements and required supplementary information. The reports may be obtained from the respective administrative offices.

Teachers Retirement System (TRS)

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

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

Contributions. Per Title 47 of O.C.G.A., contribution requirements of active employees and participating employers, as actuarially determined, are established and may be amended by the TRS Board. Pursuant to O.C.G.A. 47-3-63, the employer contributions for certain full-time public school support personnel are funded on behalf of the employer by the State of Georgia. Contributions are expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Employees were required to contribute 6% of their annual pay during fiscal year 2023.

The School System’s contractually required contribution rate for the year ended June 30, 2023 was 19.98% of annual School System payroll (excluding payroll attributable to those personnel funded on behalf of the School System by the State). School System contributions to TRS (excluding contributions funded by the State on behalf of the School System) was \$30,708,092 for the year ended June 30, 2023.

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2023

NOTE N – RETIREMENT PLANS – continued

Public School Employees' Retirement System (PSERS)

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

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

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

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

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

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2023

NOTE N – RETIREMENT PLANS – continued

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

At June 30, 2023, the School System reported a liability for its proportionate share of the net pension liability for Teachers Retirement System (TRS) that reflected a reduction for support attributable to those personnel funded on behalf of the School System by the State of Georgia. The amount recognized by the School System as its proportionate share of the net pension liability, the related State of Georgia funding, and the total portion of the net pension liability that was associated with the School System were as follows:

School System’s proportionate share of the net pension liability	\$ 338,267,595
State of Georgia’s proportionate share of the net pension liability associated with the System	\$ <u>768,935</u>
Total	\$ <u><u>339,036,530</u></u>

The TRS net pension liability was measured as of June 30, 2022. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of June 30, 2021. An expected total pension liability as of June 30, 2022 was determined using standard roll-forward techniques. The School System’s proportion of the net pension liability was based on contributions to TRS during the fiscal year ended June 30, 2022.

At June 30, 2022, the School System’s TRS proportion is 1.041723%, which was a decrease of 0.026350% from its proportion measured as of June 30, 2021.

At June 30, 2023, the School System did not have a PSERS liability for a proportionate share of the net pension liability because of a special funding situation with the State of Georgia which is responsible for the net pension liability of the Plan. The amount of the State’s proportionate share of the net pension liability associated with the School System is \$2,543,162.

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

For the year ended June 30, 2023, the School System recognized pension expense of \$49,274,926 for the changes in the TRS net pension liability and the associated deferred outflows and inflows of resources. Additionally, the School System recognized pension expense(revenue) of (\$162,483) for TRS and of \$639,095 for PSERS for support provided by the State of Georgia for certain support personnel.

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2023

NOTE N – RETIREMENT PLANS – continued

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

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

	Deferred Outflows of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ 14,041,572	\$ 1,760,762
Changes in assumptions	50,920,066	-
Net difference between projected and actual earnings on pension plan investments	66,459,959	-
Changes in proportion and differences between School System contributions and proportionate share of contributions	996,010	6,243,434
School System contributions subsequent to the measurement date	<u>30,708,092</u>	<u>-</u>
Total	<u>\$ 163,125,699</u>	<u>\$ 8,004,196</u>

School System contributions subsequent to the measurement date of \$30,708,092 for TRS are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended <u>June 30</u>	<u>TRS</u>
2024	\$ 32,213,849
2025	25,872,837
2026	18,541,164
2027	47,785,561

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2023

NOTE N – RETIREMENT PLANS – continued

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

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

Teachers Retirement System:

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

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

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

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

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2023

NOTE N – RETIREMENT PLANS – continued

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

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

*Rates shown are net of inflation.

Public School Employees' Retirement System:

Inflation	2.50%
Salary increase	N/A
Investment rate of return	7.00%, net of pension plan investment expense, including inflation
Postretirement benefit increases	1.5% semi-annually

Mortality rates are as follows:

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

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

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

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

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

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2023

NOTE N – RETIREMENT PLANS – continued

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

The target asset allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset class	Target allocation	Long-term expected real rate of return*
Fixed income	30.00 %	0.20 %
Domestic large equities	46.30	9.40
Domestic small equities	1.20	13.40
International developed market equities	12.30	9.40
International emerging market equities	5.20	10.40
Alternative	5.00	10.50
Total	100.00 %	

*Rates shown are net of inflation.

Discount rate. The discount rates used to measure the total TRS and PSERS pension liabilities were 6.90% and 7.00%, respectively. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer and State of Georgia contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the TRS and PSERS pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expect rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the School System’s proportionate share of the TRS net pension liability to changes in the discount rate. The following represents the School Systems proportionate share of the net pension liability calculated using the discount rate of 6.90%, as well as what the School System’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point higher (7.90%) and 1-percentage-point lower (5.90%) than the current rate:

	1% Decrease (5.90%)	Current Discount rate (6.90%)	1% Increase (7.90%)
System’s proportionate share of the net pension liability	\$510,333,774	\$338,267,595	\$197,752,798

Pension plan fiduciary net position. Detailed information about the pension plan’s fiduciary net position is available in the separately issued TRS and PSERS financial reports which are publicly available at www.trsga.com/publications and www.ers.ga.gov/financials.

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2023

NOTE N – RETIREMENT PLANS – continued

Fayette County School System Supplemental Retirement Plan

Plan Description. The Fayette County School System Supplemental Retirement Plan (the “Plan”) is a single employer defined contribution plan established and administered by the Fayette County Board of Education for those employees covered by PSERS who did not elect coverage under Social Security in 2002. The Plan provides retirement benefits to plan participants and beneficiaries. Plan provisions and contribution requirements are established and may be amended by the Board. At June 30, 2023, there were 592 plan participants.

Contributions. Under the Plan, the School System contributes 7.5% of each participant’s base compensation. Participants may not make contributions to the Plan. For the fiscal year ending June 30, 2023, the School System’s contribution to the Plan was approximately \$65,500.

NOTE O – POSTEMPLOYMENT BENEFITS (OPEB)

School OPEB Fund

Plan Description. The School System participates in the State of Georgia School Employees Postemployment Benefit Fund (the School OPEB Fund) which is an other post-employment benefit (OPEB) plan administered by the State of Georgia Department of Community Health (DCH). Certified teachers and non-certified public school employees of the School System as defined in O.C.G.A. 20-2-875 are provided OPEB through the School OPEB Fund – a cost-sharing multiple-employer defined benefit postemployment healthcare plan, reported as an employee trust fund of the State of Georgia and administered by a Board of Community Health (DCH Board). Title 20 of the O.C.G.A assigns the authority to establish and amend the benefit terms of the group health plan to the DCH Board.

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

Contributions. As established by the Board, the School OPEB Fund is substantially funded on a pay-as-you-go basis; that is, annual cost of providing benefits will be financed in the same year as claims occur. Contributions to the School OPEB fund from the School System were \$4,358,748 for the year ended June 30, 2023. Active employees are not required to contribute to the School OPEB Fund.

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2023

NOTE O – POSTEMPLOYMENT BENEFITS (OPEB) –continued

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

At June 30, 2023, the School System reported a liability of \$110,376,806 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2022. The total OPEB liability used to calculate the net OPEB liability was based on an actuarial valuation as of June 30, 2021. An expected total OPEB liability as of June 30, 2022 was determined using standard roll-forward techniques. The School System’s proportion of the net OPEB liability was actuarially determined based on employer contributions during the fiscal year ended June 30, 2022. At June 30, 2022, the School System’s proportion was 1.114559%, which was a decrease of 0.020538% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the School System recognized OPEB expense (income) of \$(5,212,789). At June 30, 2023, the School System reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflow of Resources
	<u> </u>	<u> </u>
Difference between expected and actual experience	\$ 4,405,756	\$ 43,381,427
Changes in assumptions	16,810,613	22,323,862
Net difference between projected and actual earnings on OPEB plan investments	673,267	-
Changes in proportion and differences between School System contributions and proportionate share of contributions	1,336,354	3,408,522
School System contributions subsequent to the measurement date	<u>4,358,748</u>	<u>-</u>
Total	<u>\$ 27,584,738</u>	<u>\$ 69,113,811</u>

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2023

NOTE O – POSTEMPLOYMENT BENEFITS (OPEB) –continued

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

School System contributions subsequent to the measurement date of June 30, 2022 for \$4,358,748 are reported as deferred outflows of resources and will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30	OPEB
2024	\$ (12,400,488)
2025	(10,131,318)
2026	(8,035,032)
2027	(9,714,675)
2028	(5,017,289)
2029	(589,019)

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

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

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

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2023

NOTE O – POSTEMPLOYMENT BENEFITS (OPEB) –continued

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

- For TRS members: Post-retirement mortality rates for service retirements and beneficiaries were based on the Pub-2010 Teachers Headcount Weighted Below Median Healthy Retiree mortality table (ages set forward one year and adjusted 106%) with the MP-2019 Projection scale applied generationally. Post-retirement mortality rates for disability retirements were based on the Pub-2010 Teachers Mortality Table for Disabled Retirees (ages set forward one year and adjusted 106%) with the MP-2019 Projection scale applied generationally. The rates of improvement were reduced by 20% for all years prior to the ultimate rate. The Pub-2010 Teachers Headcount Weighted Below Median Employee mortality table with ages set forward one year and adjusted 106% was used for death prior to retirement. Future improvement in mortality rates was assumed using the MP-2019 projection scale generationally. These rates of improvement were reduced by 20% for all years prior to the ultimate rate.
- For PSERS members: Pre-retirement mortality rates were based on the Pub-2010 General Employee Mortality Table, with no adjustment, with the MP-2019 Projection scale applied generationally. Post-retirement mortality rates for service retirements were based on the Pub-2010 General Healthy Annuitant Mortality Table (ages set forward one year and adjusted 101% for males and 103% for females) with the MP-2019 Projection scale applied generationally. Post-retirement mortality rates for disability retirements were based on the Pub-2010 General Disabled Mortality Table (ages set back three years for males and adjusted 103% for males and 106% for females) with the MP-2019 Projection scale applied generationally. Post-retirement mortality rates for beneficiaries were based on the Pub-2010 General Contingent Survivor Mortality Table (ages set forward two years and adjusted 104% for males and 99% for females) with the MP-2019 Projection scale applied generationally.

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

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

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

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2023

NOTE O – POSTEMPLOYMENT BENEFITS (OPEB) –continued

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

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

Asset class	Target allocation	Long-term expected real rate of return *
Fixed Income	30.00 %	0.14 %
Equities	70.00	9.20 %
	100.00 %	

*net of inflation

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

Sensitivity of the School System’s proportionate share of the net OPEB liability to changes in the discount rate. The following represents the School Systems proportionate share of the net OPEB liability calculated using the discount rate of 3.57%, as well as what the School System’s proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.57%) and 1-percentage-point higher (4.57%) than the current rate:

	1% Decrease (2.57%)	Current Discount rate (3.57%)	1% Increase (4.57%)
System’s proportionate share of the net OPEB liability	\$124,849,420	\$110,376,806	\$98,110,629

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2023

NOTE O – POSTEMPLOYMENT BENEFITS (OPEB) –continued

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

Sensitivity of the School System’s proportionate share of the net OPEB liability to changes in the healthcare trend rates. The following represents the collective net OPEB liability of the participating employers, as well as what the collective net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower and 1-percentage-point higher than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Current Healthcare Cost Trend Rate</u>	<u>1% Increase</u>
System’s proportionate share of the net OPEB liability	\$95,102,813	\$110,376,806	\$129,148,479

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

NOTE P – NON-MONETARY TRANSACTIONS

The School System received from the United States Department of Agriculture through the Georgia Department of Education approximately \$698,000 in donated food commodities for its lunchroom programs. The federally assigned value of these commodities is reflected as revenues when received and as expenditures when used.

NOTE Q – TAX ABATEMENTS

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

For the fiscal year ended June 30, 2023, Fayette County abated property taxes due to the School System that were levied on September 15, 2022 and due on November 15, 2022 totaling approximately \$874,000. Included in that amount abated, the following are individual tax abatement agreements that each exceeded 10 percent of the total amount abated:

- A 46 percent property tax abatement to a film studio. The abatement amounted to approximately \$646,000.
- An 80 percent property tax abatement to a transportation logistics company. The abatement amounted to approximately \$100,000.

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2023

NOTE R – COMMITMENTS AND CONTINGENCIES

Contracts

The School System has entered into various construction and renovation contracts that are in progress at year end. At year end, approximately \$4,798,000 remains to be paid on these contracts.

Grant Programs

The School System participates in numerous state and federal grant programs which are governed by various rules and regulations of the grantor agencies. Amounts received or receivable related to these grants are subject to the audit and review by grantor agencies. This could result in request for reimbursement to the grantor agency for any costs which are disallowed under the terms of the grant. The School System has recorded all such known contingent liabilities related to grant programs in the financial statements. The School System believes that any additional such disallowances, if any, will be immaterial to its overall financial position.

Litigation

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

NOTE S – NEW ACCOUNTING PRONOUNCEMENTS

In fiscal year 2023, the School System adopted Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements*. This statement defines subscription-based information technology arrangements and provides uniform guidance for accounting and financial reporting for transactions that meet that definition. Under this statement, a government is required to recognize a subscription liability and an intangible right-to-use asset for contracts that meet the definition of a subscription-based information technology arrangement. As of July 1, 2022, the School System recorded subscription liability and intangible right-to-use subscription-based information technology assets of \$373,683 at the system-wide level, which represented the present value of the agreements in existence at that date. There is no effect on the beginning net position or beginning fund balances of the School System related to the adoption of this pronouncement. These changes are in accordance with generally accepted accounting principles.



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Required Supplementary Information

Fayette County Board of Education

**Required Supplementary Information
Schedule of Proportionate Share of the Net Pension Liability
Teachers Retirement System of Georgia
For the Year Ended June 30**

	2023	2022	2021
System's proportion of the net pension liability	1.041723%	1.068073%	1.066850%
System's proportionate share of the net pension liability	\$ 338,267,595	\$ 94,463,933	\$ 258,432,827
State of Georgia's proportionate share of the net pension liability associated with the School System	768,935	215,006	602,207
Total	\$ 339,036,530	\$ 94,678,939	\$ 259,035,034
School System's covered payroll	\$ 140,868,046	\$ 138,994,243	\$ 137,604,773
School System's proportionate share of the net pension liability as a percentage of its covered payroll	240.13%	67.96%	187.81%
Plan fiduciary net position as a percentage of the total pension liability	72.85%	92.03%	77.01%

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

<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
1.058641%	1.130805%	1.044771%	1.030252%	1.009596%	1.014565%
\$ 227,636,441	\$ 209,901,630	\$ 194,173,908	\$ 212,552,475	\$ 153,700,966	\$ 128,176,906
<u>537,138</u>	<u>588,420</u>	<u>1,777,871</u>	<u>3,443,539</u>	<u>2,502,827</u>	<u>1,956,073</u>
<u>\$ 228,173,579</u>	<u>\$ 210,490,050</u>	<u>\$ 195,951,779</u>	<u>\$ 215,996,014</u>	<u>\$ 156,203,793</u>	<u>\$ 130,132,979</u>
\$ 129,194,469	\$ 134,656,496	\$ 120,017,546	\$ 112,998,480	\$ 106,562,244	\$ 106,658,720
176.20%	155.88%	161.79%	188.10%	144.24%	120.17%
78.56%	80.27%	79.33%	76.06%	81.44%	84.03%

Fayette County Board of Education
Required Supplementary Information
Schedule of Contributions
Teachers Retirement System of Georgia
For the Year Ended June 30

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Contractually required contribution	\$ 30,708,092	\$ 27,905,960	\$ 26,492,303
Contributions in relation to the contractually required contribution	\$ 30,708,092	\$ 27,905,960	\$ 26,492,303
Contribution deficiency (excess)	\$ -	\$ -	\$ -
School System's covered payroll	\$ 153,694,153	\$ 140,868,046	\$ 138,994,243
Contributions as a percentage of covered payroll	19.98%	19.81%	19.06%

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

<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 29,089,649	\$ 27,001,643	\$ 22,635,757	\$ 17,126,504	\$ 16,124,883	\$ 14,012,935
\$ 29,089,649	\$ 27,001,643	\$ 22,635,757	\$ 17,126,504	\$ 16,124,883	\$ 14,012,935
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 137,604,773	\$ 129,194,469	\$ 134,656,496	\$ 120,017,546	\$ 112,998,480	\$ 106,562,244
21.14%	20.90%	16.81%	14.27%	14.27%	13.15%



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Fayette County Board of Education

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
TEACHERS RETIREMENT SYSTEM OF GEORGIA

For the Year Ended June 30, 2023

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

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

On May 15, 2019, the TRS Board adopted recommended changes from the smoothed valuation interest rate methodology that has been in effect since June 20, 2009, to a constant interest rate method. In conjunction with the methodology, the long-term assumed rate of return in assets (discount rate) has been changed from 7.50% to 7.25%, and the assumed annual rate of inflation has been reduced from 2.75% to 2.50%.

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

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

Fayette County Board of Education

Required Supplementary Information
 Schedule of Proportionate Share of the Net Pension Liability
 Public School Employees Retirement System of Georgia
 For the Year Ended June 30

	<u>2023</u>	<u>2022</u>	<u>2021</u>
System's proportion of the net pension liability	0.00%	0.00%	0.00%
System's proportionate share of the net pension liability	\$ -	\$ -	\$ -
State of Georgia's proportionate share of the net pension liability associated with the School System	<u>2,543,162</u>	<u>269,874</u>	<u>1,955,989</u>
Total	<u>\$ 2,543,162</u>	<u>\$ 269,874</u>	<u>\$ 1,955,989</u>
School System's covered payroll	\$ 7,794,404	\$ 6,481,961	\$ 6,782,761
School System's proportionate share of the net pension liability as a percentage of its covered payroll	N/A	N/A	N/A
Plan fiduciary net position as a percentage of the total pension liability	81.21%	98.00%	84.45%

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

<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<u>1,813,358</u>	<u>1,776,803</u>	<u>1,666,389</u>	<u>2,151,946</u>	<u>1,414,807</u>	<u>1,282,001</u>
<u>\$ 1,813,358</u>	<u>\$ 1,776,803</u>	<u>\$ 1,666,389</u>	<u>\$ 2,151,946</u>	<u>\$ 1,414,807</u>	<u>\$ 1,282,001</u>
\$ 6,602,026	\$ 6,674,225	\$ 6,495,827	\$ 6,227,365	\$ 6,096,868	\$ 5,984,514
N/A	N/A	N/A	N/A	N/A	N/A
85.02%	85.26%	85.69%	81.00%	87.00%	88.29%



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Fayette County Board of Education

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION PUBLIC SCHOOL EMPLOYEES RETIREMENT SYSTEM OF GEORGIA For the Year Ended June 30, 2023

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

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

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

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

Fayette County Board of Education

Required Supplementary Information
 Schedule of Proportionate Share of the Net OPEB Liability
 School OPEB Fund
 For the Year Ended June 30

	<u>2023</u>	<u>2022</u>
System's proportion of the net OPEB liability	1.114559%	1.135097%
System's proportionate share of the net OPEB liability	\$ 110,376,806	\$ 122,940,396
School System's covered-employee payroll *	\$ 122,682,121	\$ 116,431,343
School System's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll	90%	106%
Plan fiduciary net position as a percentage of the total OPEB liability	6.17%	6.14%

* the payroll of employees that are provided OPEB through the OPEB plan

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

<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
1.143253%	1.143736%	1.128899%	1.124738%
\$ 167,917,241	\$ 140,360,946	\$ 143,479,598	\$ 158,025,236
\$ 114,006,320	\$ 105,311,108	\$ 101,246,120	\$ 96,065,102
147%	133%	142%	164%
3.99%	4.63%	2.93%	1.61%

Fayette County Board of Education

Required Supplementary Information
 Schedule of Contributions
 School OPEB Fund
 For the Year Ended June 30

	2023	2022
Contractually required contribution	\$ 4,358,748	\$ 4,029,967
Contributions in relation to the contractually required contribution	\$ 4,358,748	\$ 4,029,967
Contribution deficiency (excess)	\$ -	\$ -
School System's covered-employee payroll *	\$ 129,025,203	\$ 122,682,121
Contributions as a percentage of covered-employee payroll	3.38%	3.28%

* the payroll of employees that are provided OPEB through the OPEB plan

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

<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
\$ 4,222,369	\$ 3,866,215	\$ 6,159,808	\$ 5,850,975	\$ 5,864,472
\$ 4,222,369	\$ 3,866,215	\$ 6,159,808	\$ 5,850,975	\$ 5,864,472
\$ -	\$ -	\$ -	\$ -	\$ -
\$ 116,431,343	\$ 114,006,320	\$ 105,311,108	\$ 101,246,120	\$ 96,065,102
3.63%	3.39%	5.85%	5.78%	6.10%

Fayette County Board of Education

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
SCHOOL OPEB FUND**

For the Year Ended June 30, 2023

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

Changes of assumptions.

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

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

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

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

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

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

The discount rate was updated from 3.07% as of June 30, 2016 to 3.58% as of June 30, 2017, to 3.87% as of June 30, 2018, back to 3.58% as of June 30, 2019, and to 2.22% as of June 20, 2020.

Combining Statements and Schedules

Fayette County Board of Education
NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for funds received from other governmental agencies and users that are legally restricted to be expended for specified purposes. These funds also account for receipt and expenditures of resources transferred from the General Fund when these funds are inadequate to finance the specified activities. The following funds are included in the Special Revenue Funds category:

School Nutrition Service Fund is used to account for the school breakfast and lunch programs which are funded primarily by the Federal government.

Title I Fund was established to account for federal grant funds flowing through the State of Georgia Department of Education to the School System for the purpose of providing remedial education in the areas of reading and math and of providing a special education program for children who are physically handicapped.

Individuals With Disabilities Education Act (IDEA) Fund was established to account for federal grant funds flowing through the State of Georgia Department of Education to the School System, for the purpose of providing special education programs for children in pre-kindergarten through the twelfth grade.

Vocational Grants Fund was established to account for federal grant funds flowing through the Georgia Department of Education for providing a vocational curriculum program for students.

Supporting Effective Instruction (Title II) Fund was established to account for federal grant funds flowing through the State of Georgia Department of Education to the School System, for the purpose of training teachers in the math, science, foreign language and computer science programs.

Title III Fund was established to account for federal funds flowing through the State of Georgia Department of Education for the purpose of providing programs for training teachers in new teaching methods of ESOL and providing learning materials for students.

Title IV Fund was established to account for federal funds flowing through the State of Georgia Department of Education for the purpose of providing programs to improve students' academic achievement by increasing capacity to provide all students with access to a well-rounded education, improve school conditions for student learning and improve the use of technology in order to improve the academic achievement and digital literacy of all students.

ESSER I, II Fund was established to account for federal funds flowing through the State of Georgia Department of Education for the purpose of providing emergency relief funding as a result of the COVID-19 pandemic under the CARES Act and CRRSA Act.

ESSER III Fund was established to account for federal funds flowing through the State of Georgia Department of Education for the purpose of providing emergency relief funding as a result of the COVID-19 pandemic under the ARP Act.

Jr. ROTC Fund was established to account for federal funds from the Department of Defense for the purpose of training students in military protocol and serving as an incentive for students to further seek a career in the United States Air Force.

Lottery Fund was established to account for state lottery funds.

Friends Mentoring Program Fund was established to account for funds flowing through the Department of Human Resources to the School System for the purpose of providing services to at risk youths to prevent juvenile delinquency and substance abuse.

Fayette County Board of Education

NON-MAJOR GOVERNMENTAL FUNDS - CONTINUED

SPECIAL REVENUE FUNDS - continued

Other Grants Fund was established to account for various grant awards not reported in other special revenue funds. at various Fayette County Schools.

Community Education Fund was established to account for local fees paid by students for the Community School classes.

After School Program Fund was established to account for local fees paid for the after school program in place at various Fayette County Schools.

Donation Funds was established to account for donations by various businesses and individuals for various specified purposes.

Auditorium Rentals Fund was established to account for the proceeds and costs of renting auditorium facilities to various outside groups.

Principals' Fund was established for funds raised at each school for local school programs.

CAPITAL PROJECTS FUNDS

The Capital Projects Funds are used to account for resources provided for the acquisition or construction of major capital assets. Capital projects may be financed by the sale of bonds, state or federal grants, special tax levies or transfers of resources from other funds. The following capital projects funds are non-major capital projects funds:

SPLOST II Fund is used to account for various projects funded by an educational special purpose local option sales tax approved by voter referendum in 2012.

SPLOST IV Fund is used to account for various projects funded by an educational special purpose local option sales tax approved by voter referendum in 2022.

DEBT SERVICE FUND

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs. The primary revenue source is local property taxes levied specifically for the purpose of debt service.

Fayette County Board of Education

**COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS**

June 30, 2023

	Special Revenue Funds	Capital Project Funds	Debt Service Fund	Total Non-Major Funds
ASSETS				
Cash	\$ 12,146,240	\$ 257,034	\$ 505,764	\$ 12,909,038
Investments	23,165	1,504,883	1,197,609	2,725,657
Due from other governments	1,713,669	-	-	1,713,669
Taxes receivable	-	-	79,945	79,945
Due from other funds	2,962	-	-	2,962
Leases receivable	1,378,785	-	-	1,378,785
Due from others	2,141	-	-	2,141
Inventory	253,149	-	-	253,149
Total assets	\$ 15,520,111	\$ 1,761,917	\$ 1,783,318	\$ 19,065,346
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 153,216	\$ 300,787	\$ -	\$ 454,003
Salaries payable	1,436,974	-	-	1,436,974
Due to other funds	875,439	107,601	-	983,040
Unearned revenue	215,595	-	-	215,595
Total liabilities	2,681,224	408,388	-	3,089,612
Deferred Inflows				
Lease revenue	1,339,040	-	-	1,339,040
Unavailable property tax revenue	-	-	53,001	53,001
Total deferred inflows	1,339,040	-	53,001	1,392,041
Fund balances				
Nonspendable	253,149	-	-	253,149
Restricted	4,948,016	1,616,196	1,730,317	8,294,529
Committed	6,298,682	-	-	6,298,682
Unassigned	-	(262,667)	-	(262,667)
Total fund balances	11,499,847	1,353,529	1,730,317	14,583,693
Total liabilities, deferred inflows and fund balances	\$ 15,520,111	\$ 1,761,917	\$ 1,783,318	\$ 19,065,346

Fayette County Board of Education

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS

For the year ended June 30, 2023

	Special Revenue Funds	Capital Project Funds	Debt Service Fund	Total Non-Major Funds
Revenues				
State funds	\$ 1,851,716	\$ -	\$ -	\$ 1,851,716
Federal funds	16,027,156	-	-	16,027,156
Local and other funds	13,201,168	99,132	6,202,433	19,502,733
Total revenues	<u>31,080,040</u>	<u>99,132</u>	<u>6,202,433</u>	<u>37,381,605</u>
Expenditures				
Current				
Instruction	10,729,576	352,461	-	11,082,037
Support services				
Pupil services	2,726,143	-	-	2,726,143
Improvement of instructional services	1,193,154	-	-	1,193,154
Instructional staff training	513,556	-	-	513,556
Educational media services	292,763	-	-	292,763
Federal grants administration	255,068	-	-	255,068
General administration	270	-	-	270
School administration	1,193,545	-	-	1,193,545
Maintenance and operation of facilities	292,763	-	-	292,763
Student transportation services	325,632	-	-	325,632
Community service	2,989,191	-	-	2,989,191
Food services	10,082,549	-	-	10,082,549
Capital outlay		1,485,094	-	1,485,094
Debt service				
Principal retirement	-	-	6,210,000	6,210,000
Interest and fees	-	-	504,418	504,418
Total expenditures	<u>30,594,210</u>	<u>1,837,555</u>	<u>6,714,418</u>	<u>39,146,183</u>
Excess (deficiency) of revenues over (under) expenditures	485,830	(1,738,423)	(511,985)	(1,764,578)
Other financing sources				
Transfers in	<u>713,176</u>	-	-	<u>713,176</u>
Total other financing sources	<u>713,176</u>	-	-	<u>713,176</u>
Net change in fund balances	1,199,006	(1,738,423)	(511,985)	(1,051,402)
Fund balances, beginning of year	<u>10,300,841</u>	<u>3,091,952</u>	<u>2,242,302</u>	<u>15,635,095</u>
Fund balances, end of year	<u>\$ 11,499,847</u>	<u>\$ 1,353,529</u>	<u>\$ 1,730,317</u>	<u>\$ 14,583,693</u>

Fayette County Board of Education

COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
Special Revenue Funds

June 30, 2023

	School Nutrition Service	Title I	IDEA	Vocational Grants
ASSETS				
Cash	\$ 5,447,314	\$ -	\$ -	\$ -
Investments	-	-	-	-
Due from other governments	-	251,063	755,606	-
Due from other funds	2,962	-	-	-
Leases receivable	-	-	-	-
Due from others	-	-	-	-
Inventory	253,149	-	-	-
Total assets	<u>\$ 5,703,425</u>	<u>\$ 251,063</u>	<u>\$ 755,606</u>	<u>\$ -</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
Liabilities				
Accounts payable	\$ -	\$ 22,400	\$ 1,311	\$ -
Salaries payable	310,512	79,770	288,388	-
Due to other funds	-	148,893	465,907	-
Unearned revenue	215,595	-	-	-
Total liabilities	<u>526,107</u>	<u>251,063</u>	<u>755,606</u>	<u>-</u>
Deferred Inflows				
Lease revenue	-	-	-	-
Total deferred inflows	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances				
Nonspendable	253,149	-	-	-
Restricted	4,924,169	-	-	-
Committed	-	-	-	-
Total fund balances	<u>5,177,318</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 5,703,425</u>	<u>\$ 251,063</u>	<u>\$ 755,606</u>	<u>\$ -</u>

Title II	Title III	Title IV	ESSER I and II	ESSER III	JR ROTC
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 49,238
-	-	-	-	-	-
111,573	13,729	10,002	165,095	400,311	6,290
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>111,573</u>	<u>13,729</u>	<u>10,002</u>	<u>165,095</u>	<u>400,311</u>	<u>55,528</u>
\$ 1,808	\$ -	\$ -	\$ -	\$ 18,115	\$ 12,521
32,067	7,464	-	76,148	304,469	43,007
77,698	6,265	10,002	88,947	77,727	-
-	-	-	-	-	-
<u>111,573</u>	<u>13,729</u>	<u>10,002</u>	<u>165,095</u>	<u>400,311</u>	<u>55,528</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>111,573</u>	<u>13,729</u>	<u>10,002</u>	<u>165,095</u>	<u>400,311</u>	<u>55,528</u>

continued

Fayette County Board of Education

COMBINING BALANCE SHEET - CONTINUED
NON-MAJOR GOVERNMENTAL FUNDS
Special Revenue Funds

June 30, 2023

	Lottery	Friends Mentoring Program	Other Grants	Community Education
ASSETS				
Cash	\$ 166,866	\$ 19,317	\$ 4,530	\$ 1,760,403
Investments	-	-	-	-
Due from other governments	-	-	-	-
Due from other funds	-	-	-	-
Leases receivable	-	-	-	1,378,785
Due from others	-	-	-	-
Inventory	-	-	-	-
Total assets	<u>\$ 166,866</u>	<u>\$ 19,317</u>	<u>\$ 4,530</u>	<u>\$ 3,139,188</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
Liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ 95,979
Salaries payable	166,866	-	-	42,476
Due to other funds	-	-	-	-
Unearned revenue	-	-	-	-
Total liabilities	<u>166,866</u>	<u>-</u>	<u>-</u>	<u>138,455</u>
Deferred Inflows				
Lease revenue	-	-	-	1,339,040
Total deferred inflows	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,339,040</u>
Fund balances				
Nonspendable	-	-	-	-
Restricted	-	19,317	4,530	-
Committed	-	-	-	1,661,693
Total fund balances	<u>-</u>	<u>19,317</u>	<u>4,530</u>	<u>1,661,693</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 166,866</u>	<u>\$ 19,317</u>	<u>\$ 4,530</u>	<u>\$ 3,139,188</u>

After School Program	Donation Funds	Auditorium Rentals	Principals' Fund	Total
\$ 380,310	\$ 210,055	\$ 235,964	\$ 3,872,243	\$ 12,146,240
-	23,165	-	-	23,165
-	-	-	-	1,713,669
-	-	-	-	2,962
-	-	-	-	1,378,785
2,141	-	-	-	2,141
-	-	-	-	253,149
<u>\$ 382,451</u>	<u>\$ 233,220</u>	<u>\$ 235,964</u>	<u>\$ 3,872,243</u>	<u>\$ 15,520,111</u>
\$ -	\$ 1,082	\$ -	\$ -	\$ 153,216
84,291	-	1,516	-	1,436,974
-	-	-	-	875,439
-	-	-	-	215,595
<u>84,291</u>	<u>1,082</u>	<u>1,516</u>	<u>-</u>	<u>2,681,224</u>
-	-	-	-	1,339,040
-	-	-	-	1,339,040
-	-	-	-	253,149
-	-	-	-	4,948,016
298,160	232,138	234,448	3,872,243	6,298,682
<u>298,160</u>	<u>232,138</u>	<u>234,448</u>	<u>3,872,243</u>	<u>11,499,847</u>
<u>\$ 382,451</u>	<u>\$ 233,220</u>	<u>\$ 235,964</u>	<u>\$ 3,872,243</u>	<u>\$ 15,520,111</u>

Fayette County Board of Education

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

For the year ended June 30, 2023

	School Nutrition Service	Title I	IDEA	Vocational Grants
Revenues				
State funds	\$ 248,594	\$ -	\$ -	\$ -
Federal funds	5,652,619	1,631,063	4,857,823	142,604
Local and other funds	4,120,646	-	-	-
Total revenues	<u>10,021,859</u>	<u>1,631,063</u>	<u>4,857,823</u>	<u>142,604</u>
Expenditures				
Current				
Instruction	-	1,128,682	2,633,394	141,304
Support services				
Pupil services	-	359,383	1,980,871	-
Improvement of instructional services	-	-	41,218	1,300
Instructional staff training	-	5,100	61,422	-
Educational media services	-	-	-	-
Federal grants administration	-	131,271	123,797	-
General administration	-	-	270	-
School administration	-	-	-	-
Maintenance and operation of facilities	-	-	-	-
Student transportation services	-	6,627	16,851	-
Community service	-	-	-	-
Food services	9,931,557	-	-	-
Total expenditures	<u>9,931,557</u>	<u>1,631,063</u>	<u>4,857,823</u>	<u>142,604</u>
Excess (deficiency) of revenues over (under) expenditures	90,302	-	-	-
Other financing sources				
Transfers in	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balances	90,302	-	-	-
Fund balances, beginning of year	<u>5,087,016</u>	-	-	-
Fund balances, end of year	<u>\$ 5,177,318</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Title II	Title III	Title IV	ESSER I and II	ESSER III	JR ROTC
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
436,573	108,529	110,702	1,392,352	1,457,533	167,358
-	-	-	-	-	-
<u>436,573</u>	<u>108,529</u>	<u>110,702</u>	<u>1,392,352</u>	<u>1,457,533</u>	<u>167,358</u>
-	42,326	55,067	303,793	945,710	456,671
-	51,732	43,035	-	290,518	-
-	1,445	12,600	967,904	163,627	-
436,573	7,645	-	-	836	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	22,495	-
-	-	-	-	-	-
-	5,381	-	-	4,010	-
-	-	-	-	-	-
-	-	-	120,655	30,337	-
<u>436,573</u>	<u>108,529</u>	<u>110,702</u>	<u>1,392,352</u>	<u>1,457,533</u>	<u>456,671</u>
-	-	-	-	-	(289,313)
-	-	-	-	-	289,313
-	-	-	-	-	<u>289,313</u>
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

continued

Fayette County Board of Education

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS - CONTINUED

Special Revenue Funds
For the year ended June 30, 2023

	Lottery	Friends Mentoring Program	Other Grants	Community Education
Revenues				
State funds	\$ 1,603,122	\$ -	\$ -	\$ -
Federal funds	70,000	-	-	-
Local and other funds	-	-	85	973,875
Total revenues	<u>1,673,122</u>	<u>-</u>	<u>85</u>	<u>973,875</u>
Expenditures				
Current				
Instruction	2,095,005	-	-	-
Support services				
Pupil services	-	-	-	-
Improvement of instructional services	-	-	-	-
Instructional staff training	1,980	-	-	-
Educational media services	-	-	-	-
Federal grants administration	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Maintenance and operation of facilities	-	-	-	-
Student transportation services	-	-	-	-
Community service	-	256	99	350,031
Food services	-	-	-	-
Total expenditures	<u>2,096,985</u>	<u>256</u>	<u>99</u>	<u>350,031</u>
Excess (deficiency) of revenues over (under) expenditures	(423,863)	(256)	(14)	623,844
Other financing sources				
Transfers in	423,863	-	-	-
Total other financing sources	<u>423,863</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	(256)	(14)	623,844
Fund balances, beginning of year	<u>-</u>	<u>19,573</u>	<u>4,544</u>	<u>1,037,849</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ 19,317</u>	<u>\$ 4,530</u>	<u>\$ 1,661,693</u>

After School Program	Donation Funds	Auditorium Rentals	Principals' Fund	Total
\$ -	\$ -	\$ -	\$ -	\$ 1,851,716
-	-	-	-	16,027,156
<u>1,615,959</u>	<u>144,396</u>	<u>201,766</u>	<u>6,144,441</u>	<u>13,201,168</u>
<u>1,615,959</u>	<u>144,396</u>	<u>201,766</u>	<u>6,144,441</u>	<u>31,080,040</u>
-	-	-	2,927,624	10,729,576
-	604	-	-	2,726,143
-	5,060	-	-	1,193,154
-	-	-	-	513,556
-	-	-	292,763	292,763
-	-	-	-	255,068
-	-	-	-	270
-	-	-	1,171,050	1,193,545
-	-	-	292,763	292,763
-	-	-	292,763	325,632
1,642,600	40,168	77,750	878,287	2,989,191
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,082,549</u>
<u>1,642,600</u>	<u>45,832</u>	<u>77,750</u>	<u>5,855,250</u>	<u>30,594,210</u>
(26,641)	98,564	124,016	289,191	485,830
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>713,176</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>713,176</u>
(26,641)	98,564	124,016	289,191	1,199,006
<u>324,801</u>	<u>133,574</u>	<u>110,432</u>	<u>3,583,052</u>	<u>10,300,841</u>
<u>\$ 298,160</u>	<u>\$ 232,138</u>	<u>\$ 234,448</u>	<u>\$ 3,872,243</u>	<u>\$ 11,499,847</u>

Fayette County Board of Education

COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
Capital Project Funds

June 30, 2023

	<u>SPLOST II</u>	<u>SPLOST IV</u>	<u>Total</u>
ASSETS			
Cash	\$ 207,034	\$ 50,000	\$ 257,034
Investments	<u>1,504,883</u>	<u>-</u>	<u>1,504,883</u>
Total assets	<u>\$ 1,711,917</u>	<u>\$ 50,000</u>	<u>\$ 1,761,917</u>
 FUND BALANCES			
Liabilities			
Accounts payable	\$ 83,965	\$ 216,822	\$ 300,787
Due to other funds	<u>11,756</u>	<u>95,845</u>	<u>107,601</u>
Total liabilities	<u>95,721</u>	<u>312,667</u>	<u>408,388</u>
 Fund balances			
Restricted	1,616,196	-	1,616,196
Unassigned	<u>-</u>	<u>(262,667)</u>	<u>(262,667)</u>
Total fund balances	<u>1,616,196</u>	<u>(262,667)</u>	<u>1,353,529</u>
Total fund balances	<u>\$ 1,711,917</u>	<u>\$ 50,000</u>	<u>\$ 1,761,917</u>

Fayette County Board of Education

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 NON-MAJOR GOVERNMENTAL FUNDS
 Capital Project Funds

For the year ended June 30, 2023

	<u>SPLOST II</u>	<u>SPLOST IV</u>	<u>Total</u>
Revenues			
Local and other funds	\$ 99,132	\$ -	\$ 99,132
Total revenues	<u>99,132</u>	<u>-</u>	<u>99,132</u>
Expenditures			
Current			
Instruction	352,461	-	352,461
Capital outlay	<u>1,222,427</u>	<u>262,667</u>	<u>1,485,094</u>
Total expenditures	<u>1,574,888</u>	<u>262,667</u>	<u>1,837,555</u>
Net change in fund balances	(1,475,756)	(262,667)	(1,738,423)
Fund balances, beginning of year	<u>3,091,952</u>	<u>-</u>	<u>3,091,952</u>
Fund balances, end of year	<u>\$ 1,616,196</u>	<u>\$ (262,667)</u>	<u>\$ 1,353,529</u>

Fayette County Board of Education

**School Nutrition Service
Special Revenue Fund
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL**

For the year ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance
Revenues				
State funds	\$ 215,000	\$ 215,000	\$ 248,594	\$ 33,594
Federal funds	3,430,000	3,430,000	5,652,619	2,222,619
Local and other funds	3,974,000	3,974,000	4,120,646	146,646
Total revenues	7,619,000	7,619,000	10,021,859	2,402,859
Expenditures				
Current				
Food services	8,708,720	8,708,720	9,931,557	(1,222,837)
Total expenditures	8,708,720	8,708,720	9,931,557	(1,222,837)
Net change in fund balances	\$ (1,089,720)	\$ (1,089,720)	\$ 90,302	\$ 1,180,022

Fayette County Board of Education

**Title I
Special Revenue Fund
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL**

For the year ended June 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues				
Federal funds	\$ 1,520,683	\$ 1,854,158	\$ 1,631,063	\$ (223,095)
Total revenues	<u>1,520,683</u>	<u>1,854,158</u>	<u>1,631,063</u>	<u>(223,095)</u>
Expenditures				
Current				
Instruction	938,983	1,215,336	1,128,682	86,654
Support services				
Pupil services	399,767	380,717	359,383	21,334
Improvement of instructional services	1,250	-	-	-
Instructional staff training	17,895	104,171	5,100	99,071
Federal grant administration	158,018	143,901	131,271	12,630
Student transportation services	4,770	10,033	6,627	3,406
Total expenditures	<u>1,520,683</u>	<u>1,854,158</u>	<u>1,631,063</u>	<u>223,095</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Fayette County Board of Education

**IDEA
Special Revenue Fund
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL**

For the year ended June 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues				
Federal funds	\$ 6,217,843	\$ 6,091,327	\$ 4,857,823	\$ (1,233,504)
Total revenues	<u>6,217,843</u>	<u>6,091,327</u>	<u>4,857,823</u>	<u>(1,233,504)</u>
Expenditures				
Current				
Instruction	3,418,723	3,605,645	2,633,394	972,251
Support services				
Pupil services	2,368,820	2,217,261	1,980,871	236,390
Improvement of instructional services	42,000	41,703	41,218	485
Instructional staff training	228,000	69,500	61,422	8,078
Federal grant administration	138,500	130,418	123,797	6,621
General administration	800	800	270	530
Student transportation services	21,000	26,000	16,851	9,149
Total expenditures	<u>6,217,843</u>	<u>6,091,327</u>	<u>4,857,823</u>	<u>1,233,504</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Fayette County Board of Education

**Vocational Grants
Special Revenue Fund
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL**

For the year ended June 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues				
Federal funds	\$ 141,203	\$ 142,604	\$ 142,604	\$ -
Total revenues	<u>141,203</u>	<u>142,604</u>	<u>142,604</u>	<u>-</u>
Expenditures				
Current				
Instruction	141,203	141,304	141,304	-
Support services				
Improvement of instructional services	<u>-</u>	<u>1,300</u>	<u>1,300</u>	<u>-</u>
Total expenditures	<u>141,203</u>	<u>142,604</u>	<u>142,604</u>	<u>-</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Fayette County Board of Education

Title II
 Special Revenue Fund
**SCHEDULE OF REVENUES AND EXPENDITURES -
 BUDGET AND ACTUAL**

For the year ended June 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues				
Federal funds	\$ 386,117	\$ 468,384	\$ 436,573	\$ (31,811)
Total revenues	<u>386,117</u>	<u>468,384</u>	<u>436,573</u>	<u>(31,811)</u>
Expenditures				
Current				
Support services				
Instructional staff training	386,117	468,384	436,573	31,811
Total expenditures	<u>386,117</u>	<u>468,384</u>	<u>436,573</u>	<u>31,811</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Fayette County Board of Education

**Title III
Special Revenue Fund
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL**

For the year ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance
Revenues				
Federal funds	\$ 110,567	\$ 120,500	\$ 108,529	\$ (11,971)
Total revenues	110,567	120,500	108,529	(11,971)
Expenditures				
Current				
Instruction	35,126	48,001	42,326	5,675
Support services				
Pupil services	50,790	51,723	51,732	(9)
Improvement of instructional services	-	1,939	1,445	494
Instructional staff training	20,268	10,900	7,645	3,255
Federal grant administration	200	-	-	-
Student transportation services	4,183	7,937	5,381	2,556
Total expenditures	110,567	120,500	108,529	11,971
Net change in fund balances	\$ -	\$ -	\$ -	\$ -

Fayette County Board of Education

**Title IV
Special Revenue Fund
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL**

For the year ended June 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues				
Federal funds	\$ 106,701	\$ 113,164	\$ 110,702	\$ (2,462)
Total revenues	<u>106,701</u>	<u>113,164</u>	<u>110,702</u>	<u>(2,462)</u>
Expenditures				
Current				
Instruction	39,965	57,128	55,067	2,061
Support services				
Pupil services	35,115	43,036	43,035	1
Improvement of instructional services	30,565	13,000	12,600	400
Instructional staff training	600	-	-	-
Federal grant administration	456	-	-	-
Total expenditures	<u>106,701</u>	<u>113,164</u>	<u>110,702</u>	<u>2,462</u>
Net change in fund balances	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

Fayette County Board of Education

ESSER I and II
 Special Revenue Fund
 SCHEDULE OF REVENUES AND EXPENDITURES -
 BUDGET AND ACTUAL

For the year ended June 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues				
Federal funds	\$ 1,486,000	\$ 1,477,881	\$ 1,392,352	\$ (85,529)
Total revenues	<u>1,486,000</u>	<u>1,477,881</u>	<u>1,392,352</u>	<u>(85,529)</u>
Expenditures				
Current				
Instruction	1,134,300	303,793	303,793	-
Support services				
Improvement of instructional services	-	1,053,432	967,904	85,528
Maintenance and operation of facilities	260,800	-	-	-
Food services	90,900	120,656	120,655	1
Total expenditures	<u>1,486,000</u>	<u>1,477,881</u>	<u>1,392,352</u>	<u>85,529</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Fayette County Board of Education

**ESSER III
Special Revenue Fund
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL**

For the year ended June 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues				
Federal funds	\$ 3,254,160	\$ 2,640,335	\$ 1,457,533	\$ (1,182,802)
Total revenues	<u>3,254,160</u>	<u>2,640,335</u>	<u>1,457,533</u>	<u>(1,182,802)</u>
Expenditures				
Current				
Instruction	1,788,043	1,265,500	945,710	319,790
Support services				
Pupil services	173,069	810,811	290,518	520,293
Improvement of instructional services	-	519,236	163,627	355,609
Instructional staff training	-	-	836	(836)
Federal grant administration	48,443	-	-	-
School administration	165,568	20,706	22,495	(1,789)
Maintenance and operation of facilities	582,052	4,310	-	4,310
Student transportation services	-	4,012	4,010	2
Food services	<u>496,985</u>	<u>15,760</u>	<u>30,337</u>	<u>(14,577)</u>
Total expenditures	<u>3,254,160</u>	<u>2,640,335</u>	<u>1,457,533</u>	<u>1,182,802</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Fayette County Board of Education

**JR ROTC
Special Revenue Fund
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL**

For the year ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance
Revenues				
Federal funds	\$ 191,806	\$ 171,806	\$ 167,358	\$ (4,448)
Total revenues	191,806	171,806	167,358	(4,448)
Expenditures				
Current				
Instruction	500,943	460,943	456,671	4,272
Total expenditures	500,943	460,943	456,671	4,272
Deficiency of revenues under expenditures	(309,137)	(289,137)	(289,313)	(176)
Other financing sources				
Transfers in	309,137	289,137	289,313	176
Total other financing sources	309,137	289,137	289,313	176
Net change in fund balances	\$ -	\$ -	\$ -	\$ -

Fayette County Board of Education

**Lottery
Special Revenue Fund
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL**

For the year ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance
Revenues				
State funds	\$ 1,470,000	\$ 1,600,000	\$ 1,603,122	\$ 3,122
Federal funds	-	70,000	70,000	-
Total revenues	1,470,000	1,670,000	1,673,122	3,122
Expenditures				
Current				
Instruction	1,963,139	2,101,139	2,095,005	6,134
Support services				
Instructional staff training	-	-	1,980	(1,980)
Total expenditures	1,963,139	2,101,139	2,096,985	4,154
Deficiency of revenues under expenditures	(493,139)	(431,139)	(423,863)	7,276
Other financing sources				
Transfers in	493,139	431,139	423,863	(7,276)
Total other financing sources	493,139	431,139	423,863	(7,276)
Net change in fund balances	\$ -	\$ -	\$ -	\$ -

Fayette County Board of Education

**Friends Mentoring Program
Special Revenue Fund
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL**

For the year ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance
Revenues				
Local and other funds	\$ 1,500	\$ 1,500	\$ -	\$ (1,500)
Total revenues	1,500	1,500	-	(1,500)
Expenditures				
Current				
Community service	5,000	5,000	256	4,744
Total expenditures	5,000	5,000	256	4,744
Net change in fund balances	\$ (3,500)	\$ (3,500)	\$ (256)	\$ 3,244

Fayette County Board of Education

**Other Grants
Special Revenue Fund
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL**

For the year ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance
Revenues				
Local and other funds	\$ 1,000	\$ 1,000	\$ 85	\$ (915)
Total revenues	1,000	1,000	85	(915)
Expenditures				
Current				
Community service	1,000	1,000	99	901
Total expenditures	1,000	1,000	99	901
Net change in fund balances	\$ -	\$ -	\$ (14)	\$ (14)

Fayette County Board of Education

Community Education
Special Revenue Fund
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL

For the year ended June 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues				
Local and other funds	\$ 814,860	\$ 814,860	\$ 973,875	\$ 159,015
Total revenues	<u>814,860</u>	<u>814,860</u>	<u>973,875</u>	<u>159,015</u>
Expenditures				
Current				
Community service	<u>370,469</u>	<u>370,469</u>	<u>350,031</u>	<u>20,438</u>
Total expenditures	<u>370,469</u>	<u>370,469</u>	<u>350,031</u>	<u>20,438</u>
Net change in fund balances	<u>\$ 444,391</u>	<u>\$ 444,391</u>	<u>\$ 623,844</u>	<u>\$ 179,453</u>

Fayette County Board of Education

**After School Program
Special Revenue Fund
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL**

For the year ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance
Revenues				
Local and other funds	\$ 1,961,693	\$ 1,961,693	\$ 1,615,959	\$ (345,734)
Total revenues	1,961,693	1,961,693	1,615,959	(345,734)
Expenditures				
Current				
Community service	1,961,693	1,961,693	1,642,600	319,093
Total expenditures	1,961,693	1,961,693	1,642,600	319,093
Net change in fund balances	\$ -	\$ -	\$ (26,641)	\$ (26,641)

Fayette County Board of Education

**Donation Funds
Special Revenue Fund
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL**

For the year ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance
Revenues				
Local and other funds	\$ 50,000	\$ 50,000	\$ 144,396	\$ 94,396
Total revenues	50,000	50,000	144,396	94,396
Expenditures				
Current				
Support services				
Pupil services	-	-	604	(604)
Improvement of instructional services	-	-	5,060	(5,060)
Community service	50,000	50,000	40,168	9,832
Total expenditures	50,000	50,000	45,832	4,168
Net change in fund balances	\$ -	\$ -	\$ 98,564	\$ 98,564

Fayette County Board of Education

Auditorium Rentals
Special Revenue Fund
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL

For the year ended June 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues				
Local and other funds	\$ 45,000	\$ 45,000	\$ 201,766	\$ 156,766
Total revenues	<u>45,000</u>	<u>45,000</u>	<u>201,766</u>	<u>156,766</u>
Expenditures				
Current				
Community service	<u>45,000</u>	<u>45,000</u>	<u>77,750</u>	<u>(32,750)</u>
Total expenditures	<u>45,000</u>	<u>45,000</u>	<u>77,750</u>	<u>(32,750)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 124,016</u>	<u>\$ 124,016</u>

Fayette County Board of Education

**Principals' Fund
Special Revenue Fund
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL**

For the year ended June 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues				
Local and other funds	\$ 3,750,000	\$ 6,200,000	\$ 6,144,441	\$ (55,559)
Total revenues	<u>3,750,000</u>	<u>6,200,000</u>	<u>6,144,441</u>	<u>(55,559)</u>
Expenditures				
Current				
Instruction	1,875,000	3,100,000	2,927,624	172,376
Support services				
Educational media services	187,500	310,000	292,763	17,237
School administration	750,000	1,240,000	1,171,050	68,950
Maintenance and operation of facilities	187,500	310,000	292,763	17,237
Student transportation services	187,500	310,000	292,763	17,237
Community service	<u>562,500</u>	<u>930,000</u>	<u>878,287</u>	<u>51,713</u>
Total expenditures	<u>3,750,000</u>	<u>6,200,000</u>	<u>5,855,250</u>	<u>344,750</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 289,191</u>	<u>\$ 289,191</u>

Fayette County Board of Education

**Debt Service Fund
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL**

For the year ended June 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues				
Local and other funds	\$ 7,101,200	\$ 7,101,200	\$ 6,202,433	\$ (898,767)
Total revenues	<u>7,101,200</u>	<u>7,101,200</u>	<u>6,202,433</u>	<u>(898,767)</u>
Expenditures				
Debt services				
Principal retirement	6,210,000	6,210,000	6,210,000	-
Interest and fees	<u>508,343</u>	<u>508,343</u>	<u>504,418</u>	<u>3,925</u>
Total expenditures	<u>6,718,343</u>	<u>6,718,343</u>	<u>6,714,418</u>	<u>3,925</u>
Net change in fund balances	<u>\$ 382,857</u>	<u>\$ 382,857</u>	<u>\$ (511,985)</u>	<u>\$ (894,842)</u>

ADDITIONAL FINANCIAL INFORMATION

FAYETTE COUNTY BOARD OF EDUCATION

**SCHEDULE OF EXPENDITURES OF
SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS - 2012 ISSUE
FOR THE YEAR ENDED JUNE 30, 2023**

<u>Project</u>	<u>Original Estimated Cost</u>	<u>Current Estimated Cost</u>	<u>Prior Years' Expenditures</u>	<u>Current Year's Expenditures</u>
Debt service payments on previously issued bonded debt	\$ 10,000,000	\$ -	\$ -	\$ -
Additions, renovations, repairs, improvements and equipment for existing school buildings and school system facilities	35,000,000	83,698,833	83,183,936	142,536
Acquisition of miscellaneous new equipment, fixtures and furnishings for the school system, including technology infrastructure, equipment and software, safety and security equipment	42,000,000	40,000,000	37,997,333	1,037,280
Acquisition of textbooks and instructional materials	10,000,000	9,950,000	9,213,323	387,191
Acquisition of school buses and transportation and maintenance equipment	<u>10,000,000</u>	<u>10,784,048</u>	<u>10,776,167</u>	<u>7,881</u>
	<u>\$ 107,000,000</u>	<u>\$ 144,432,881</u>	<u>\$ 141,170,759</u>	<u>\$ 1,574,888</u>

The amounts included in current estimated cost above, as well as prior years' and current year's expenditures include costs funded from non-SPLOST revenues. Those revenue sources include state grants and transfers from other funds.

FAYETTE COUNTY BOARD OF EDUCATION

**SCHEDULE OF EXPENDITURES OF
SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS - 2017 ISSUE
FOR THE YEAR ENDED JUNE 30, 2023**

Project	Original Estimated Cost	Current Estimated Cost	Prior Years' Expenditures	Current Year's Expenditures
Debt service payments on previously issued bonded debt	\$ 5,000,000	\$ -	\$ -	\$ -
Additions, renovations, repairs, improvements and equipment for existing school buildings and school system facilities, and acquisition, construction and equipping new school buildings and school system facilities	74,000,000	129,800,000	95,087,272	15,756,609
Acquisition of miscellaneous new equipment, fixtures and furnishings for the school system, including technology infrastructure, equipment and software, safety and security equipment	50,000,000	23,000,000	9,519,175	5,152,201
Acquisition of textbooks and instructional materials	8,000,000	7,000,000	2,129,368	180,874
Acquisition of school buses and transportation and maintenance equipment	8,000,000	6,000,000	-	1,580,448
Payment of interest on general obligation debt issued related to the SPLOST referendum.	-	6,593,504	4,898,843	933,081
	<u>\$ 145,000,000</u>	<u>\$ 172,393,504</u>	<u>\$ 111,634,658</u>	<u>\$ 23,603,213</u>

The amounts included in current estimated cost above, as well as prior years' and current year's expenditures include costs funded from non-SPLOST revenues. Those revenue sources include state grants, proceeds from the issuance of bonds, proceeds from the sale of capital assets and transfers from other funds.

Reconciliation of Schedule of Expenditures of SPLOST Tax Proceeds to Annual Financial Statements:

Amount expended in current year reported above	\$ 23,603,213
Payment of principal on general obligation bonds	<u>6,695,000</u>
Total expenditures reported for SPLOST III Fund	<u>\$ 30,298,213</u>

FAYETTE COUNTY BOARD OF EDUCATION

SCHEDULE OF EXPENDITURES OF
 SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS - 2022 ISSUE
 FOR THE YEAR ENDED JUNE 30, 2023

<u>Project</u>	<u>Original Estimated Cost</u>	<u>Current Estimated Cost</u>	<u>Prior Years' Expenditures</u>	<u>Current Year's Expenditures</u>
Adding to, renovating, repairing, improving, and equipping existing school buildings and school system facilities, and acquiring, construction and equipping new school buildings and school system facilities	122,000,000	122,000,000	-	262,667
Acquisition of miscellaneous new equipment, fixtures and furnishings for the school system, including technology infrastructure, equipment and software, safety and security equipment	54,000,000	54,000,000	-	-
Acquisition of textbooks and instructional materials	14,000,000	14,000,000	-	-
Acquisition of school buses and transportation and maintenance equipment	15,000,000	15,000,000	-	-
Payment of interest on general obligation debt issued related to the SPLOST referendum.	<u>5,000,000</u>	<u>5,000,000</u>	<u>-</u>	<u>-</u>
	<u>\$ 210,000,000</u>	<u>\$ 210,000,000</u>	<u>\$ -</u>	<u>\$ 262,667</u>

FAYETTE COUNTY BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES BY OBJECT
LOTTERY PROGRAM
FOR THE YEAR ENDED JUNE 30, 2023

Expenditures

Operating costs	
Salaries	\$ 1,356,680
Employee benefits	656,308
Supplies and materials	74,153
Supplies and materials related to technology	1,797
Expendable equipment	7,640
Books and periodicals	<u>407</u>
Total expenditures	<u><u>\$ 2,096,985</u></u>



Where Excellence and Creativity Merge

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STATISTICAL SECTION

This part of the Fayette County Board of Education’s annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the School System’s overall financial health.

Contents	Page
Financial Trends <i>These schedules contain trend information to help the reader understand how the School System’s financial performance and well-being have changed over time.</i>	150
Revenue Capacity <i>These schedules contain information to help the reader assess the School System’s most significant local revenue source, the property tax.</i>	159
Debt Capacity <i>These schedules present information to help the reader assess the affordability of the School System’s current level of outstanding debt and the School System’s ability to issue additional debt in the future.</i>	167
Operating Information <i>These schedules contain service and infrastructure data to help the reader understand how the information in the School System’s financial report relates to the services the School System provides and the activities it performs.</i>	172
Demographic and Economic Information <i>These schedules offer demographic and economic indications to help the reader understand the environment within which the School System’s financial activities take place.</i>	184



Where Excellence and Creativity Merge

Fayette County Board of Education
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)
(unaudited)

	Fiscal Year			
	2023	2022	2021	2020
Governmental Activities				
Net investment in capital assets	\$ 326,122,208	\$ 319,413,274	\$ 290,780,568	\$ 274,883,620
Restricted	46,284,583	36,067,418	31,623,880	26,513,690
Unrestricted	<u>(280,274,835)</u>	<u>(271,150,264)</u>	<u>(296,971,622)</u>	<u>(286,199,990)</u>
Total governmental activities net position	<u>\$ 92,131,956</u>	<u>\$ 84,330,428</u>	<u>\$ 25,432,826</u>	<u>\$ 15,197,320</u>

(a) Effective July 1, 2017, the School System implemented GASB Statement No. 75.

(b) Effective July 1, 2014, the School System implemented GASB Statement No. 68 and Statement No. 71.

<u>2019</u>	<u>2018 (a)</u>	<u>2017</u>	<u>2016</u>	<u>2015 (b)</u>	<u>2014</u>
\$ 257,204,103	\$ 241,976,851	\$ 228,529,060	\$ 207,779,562	\$ 186,432,779	\$ 168,187,655
22,440,593	38,634,281	31,851,204	32,124,998	41,198,421	41,020,287
<u>(274,387,632)</u>	<u>(296,315,785)</u>	<u>(132,765,628)</u>	<u>(122,077,469)</u>	<u>(134,974,173)</u>	<u>33,633,101</u>
<u>\$ 5,257,064</u>	<u>\$ (15,704,653)</u>	<u>\$ 127,614,636</u>	<u>\$ 117,827,091</u>	<u>\$ 92,657,027</u>	<u>\$ 242,841,043</u>

Fayette County Board of Education
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
(unaudited)

Expenses	Fiscal Year			
	2023	2022	2021	2020
Governmental Activities				
Instruction	\$ 210,462,248	\$ 165,309,790	\$ 192,309,443	\$ 181,874,689
Support Services				
Pupil services	18,389,091	14,401,141	16,498,708	15,079,390
Improvement of instructional services	8,160,144	6,348,726	7,069,951	7,049,918
Instructional staff training	1,145,493	1,016,872	1,051,816	1,057,895
Educational media services	4,679,619	3,898,279	4,336,323	4,043,475
Federal administration	590,765	426,637	380,459	408,275
General administration	1,881,349	1,572,997	2,075,686	1,760,578
School administration	19,962,693	15,660,135	18,019,223	16,399,329
Business administration	1,701,195	1,439,035	1,581,991	1,478,903
Maintenance and operation of facilities	18,644,157	20,102,326	17,746,301	16,866,071
Student transportation services	11,333,970	10,789,820	10,390,403	10,284,854
Central support services	7,511,174	6,211,325	6,792,229	6,734,056
Other support services	94,298	272,083	308,930	205,613
Community services	2,740,446	2,367,891	2,676,803	2,653,079
Food services	10,701,511	9,758,165	7,407,027	7,559,725
Loss on sale of capital assets	536,010	-	-	-
Interest expense	1,161,480	1,621,025	1,944,464	2,084,618
Total governmental activities expenses	\$ 319,695,643	\$ 261,196,247	\$ 290,589,757	\$ 275,540,468
Program Revenues				
Charges for services				
Instruction	\$ 147,118	\$ 45,350	\$ 21,740	\$ 227,761
Support services	2,679,851	2,280,585	1,485,053	2,131,711
Food services	4,120,646	669,603	492,796	2,766,833
Operating grants and contributions	141,280,119	147,333,924	131,423,521	124,785,145
Capital grants and contributions	4,602,040	5,579,350	6,853,890	6,472,357
Total governmental activities program revenues	\$ 152,829,774	\$ 155,908,812	\$ 140,277,000	\$ 136,383,807
NET EXPENSE	\$ (166,865,869)	\$ (105,287,435)	\$ (150,312,757)	\$ (139,156,661)
General Revenues				
Governmental Activities				
Taxes:				
Property taxes	\$ 131,176,956	\$ 122,437,025	\$ 122,142,635	\$ 116,367,637
Intangible taxes	2,268,009	3,713,831	4,386,646	2,889,830
Transfer taxes	1,351,781	1,265,109	1,046,636	844,539
Other taxes	-	24,495	23,806	23,622
Sales tax, capital outlay and debt service	36,525,394	33,928,561	30,938,606	27,740,618
Interest and investment earnings	3,096,500	194,053	53,045	936,159
Gain on sale of assets	-	2,418,217	-	-
Other	248,757	203,746	153,895	294,512
Extraordinary items	-	-	-	-
Total governmental activities general revenues	\$ 174,667,397	\$ 164,185,037	\$ 158,745,269	\$ 149,096,917
Change in Net Position	\$ 7,801,528	\$ 58,897,602	\$ 8,432,512	\$ 9,940,256

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$	161,132,453	\$ 163,610,768	\$ 153,170,007	\$ 133,734,324	\$ 126,035,930	\$ 123,283,652
	14,080,968	13,114,016	12,928,329	9,528,601	8,982,470	8,940,118
	6,000,450	5,290,805	5,391,077	4,887,298	4,233,092	3,919,268
	853,772	616,771	-	-	-	-
	3,684,678	3,633,729	3,643,719	3,717,116	3,031,063	3,078,138
	365,904	348,877	207,276	194,211	-	-
	1,478,192	1,445,888	1,367,169	1,609,711	1,664,955	1,778,299
	14,454,380	14,401,931	14,197,794	12,895,687	11,092,787	11,570,184
	1,325,334	1,369,710	1,376,557	986,533	865,120	872,724
	15,745,710	15,148,633	14,347,021	13,786,812	13,133,822	12,683,045
	10,503,034	10,386,171	10,052,045	9,112,882	8,620,521	8,820,745
	6,303,585	6,324,444	5,734,947	4,489,646	3,658,754	2,830,478
	232,354	244,308	318,883	434,780	225,350	491,443
	2,595,096	2,653,207	2,577,257	2,352,200	2,292,410	2,137,412
	7,850,877	7,870,165	7,897,792	7,386,296	7,090,152	7,495,355
	-	-	-	-	171,594	-
	2,149,912	2,024,416	1,719,075	1,920,806	2,242,423	3,154,736
\$	<u>248,756,699</u>	<u>248,483,839</u>	<u>234,928,948</u>	<u>207,036,903</u>	<u>193,340,443</u>	<u>191,055,597</u>
\$	525,915	\$ 604,556	\$ 648,477	\$ 398,758	\$ 390,482	\$ 391,846
	2,592,617	2,318,595	2,507,129	2,518,716	2,399,442	2,238,940
	3,255,175	3,098,054	3,185,169	3,122,497	3,204,349	3,565,762
	117,866,092	113,434,586	108,175,326	103,718,783	98,522,267	96,557,210
	2,086,921	5,322,847	5,281,541	4,141,350	4,805,599	132,000
\$	<u>126,326,720</u>	<u>124,778,638</u>	<u>119,797,642</u>	<u>113,900,104</u>	<u>109,322,139</u>	<u>102,885,758</u>
\$	(122,429,979)	\$ (123,705,201)	\$ (115,131,306)	\$ (93,136,799)	\$ (84,018,304)	\$ (88,169,839)
\$	111,456,435	\$ 105,841,173	\$ 97,124,554	\$ 92,982,798	\$ 87,023,400	\$ 84,458,044
	2,005,048	1,864,957	2,025,242	1,819,958	1,533,959	1,288,192
	791,752	710,710	709,199	711,559	518,915	427,724
	22,970	19,884	34,822	16,965	15,647	15,611
	26,822,957	26,050,684	24,266,584	22,010,037	21,094,300	20,241,186
	1,643,314	851,458	411,070	265,945	125,297	85,588
	221,550	1,722,271	29,564	-	-	-
	427,670	289,004	317,816	499,601	485,388	420,342
	-	-	-	-	-	(6,050,097)
\$	<u>143,391,696</u>	<u>137,350,141</u>	<u>124,918,851</u>	<u>118,306,863</u>	<u>110,796,906</u>	<u>100,886,590</u>
\$	<u>20,961,717</u>	<u>13,644,940</u>	<u>9,787,545</u>	<u>25,170,064</u>	<u>26,778,602</u>	<u>12,716,751</u>

Fayette County Board of Education
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(unaudited)

	Fiscal Year			
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
General Fund				
Nonspendable	\$ 267,573	\$ 8,217	\$ 208,473	\$ 191,157
Committed	-	-	-	-
Assigned	6,989,209	-	-	-
Unassigned	19,474,132	27,865,022	32,248,644	26,953,749
Total General Fund	<u>\$ 26,730,914</u>	<u>\$ 27,873,239</u>	<u>\$ 32,457,117</u>	<u>\$ 27,144,906</u>
All other governmental funds				
Nonspendable	\$ 253,149	\$ 207,171	\$ 203,150	\$ 379,998
Restricted	46,599,079	36,561,514	32,185,499	26,946,788
Committed	6,298,682	5,189,708	4,270,130	2,794,810
Assigned	13,530,828	17,150,963	6,501,035	6,082,389
Unassigned	(262,667)	-	-	-
Total all other governmental funds	<u>\$ 66,419,071</u>	<u>\$ 59,109,356</u>	<u>\$ 43,159,814</u>	<u>\$ 36,203,985</u>

Note: Includes all governmental fund types.

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 214,009	\$ 134,250	\$ 224,118	\$ 140,206	\$ 4,788	\$ 4,788
-	-	-	-	989,886	791,710
-	1,162,743	-	-	-	-
23,832,068	23,187,383	20,381,367	23,171,077	26,378,632	22,751,211
<u>\$ 24,046,077</u>	<u>\$ 24,484,376</u>	<u>\$ 20,605,485</u>	<u>\$ 23,311,283</u>	<u>\$ 27,373,306</u>	<u>\$ 23,547,709</u>
\$ 239,938	\$ 229,048	\$ 137,351	\$ 381,893	\$ 193,570	\$ 180,376
22,800,924	39,145,345	32,163,566	32,473,696	42,088,724	47,746,430
2,970,331	2,684,688	2,670,041	2,446,594	3,879,580	3,620,207
10,179,613	6,360,212	7,104,275	10,637,994	1,061,510	1,062,101
-	-	-	-	-	-
<u>\$ 36,190,806</u>	<u>\$ 48,419,293</u>	<u>\$ 42,075,233</u>	<u>\$ 45,940,177</u>	<u>\$ 47,223,384</u>	<u>\$ 52,609,114</u>

Fayette County Board of Education
Changes in Fund Balances of Governmental Funds
Last Ten Years
(modified accrual basis of accounting)
(unaudited)

	Fiscal Year			
	2023	2022	2021	2020
Revenues				
State funds	\$ 119,279,605	\$ 120,699,357	\$ 117,089,087	\$ 120,624,105
Federal funds	19,282,681	27,523,915	17,962,434	9,132,211
Local and other funds	188,574,699	170,672,640	165,574,848	154,832,112
Total revenues	<u>327,136,985</u>	<u>318,895,912</u>	<u>300,626,369</u>	<u>284,588,428</u>
Expenditures				
Current				
Instruction	182,724,900	167,471,010	162,208,400	158,878,344
Support services				
Pupil services	17,581,791	16,096,998	15,121,574	14,360,011
Improvement of instructional services	7,684,717	6,939,063	6,362,469	6,547,673
Instructional staff training	1,128,798	1,057,437	1,018,225	1,045,854
Educational media services	4,279,500	4,051,335	3,752,009	3,615,398
Federal grants administration	581,119	463,664	346,495	387,501
General administration	1,666,971	1,594,540	1,922,362	1,631,403
School administration	18,064,910	16,447,846	15,528,205	14,708,864
Business administration	1,666,916	1,597,679	1,458,903	1,408,512
Maintenance and operation of facilities	19,060,578	19,976,172	16,958,821	15,374,376
Student transportation services	9,569,402	9,092,059	7,891,917	7,944,968
Central support services	7,009,819	6,216,884	6,254,591	5,953,764
Other support services	116,379	310,959	294,417	204,220
Community service	3,022,394	2,591,008	2,475,118	2,581,106
Food services	10,187,643	9,629,078	6,700,290	6,874,618
Capital outlay	24,592,184	37,042,419	32,408,247	32,112,091
Debt Service				
Principal retirement	13,338,397	8,522,411	7,385,000	5,590,000
Interest and fees	1,450,829	1,837,863	2,074,280	2,257,707
Bond issuance cost	-	-	-	-
Total expenditures	<u>323,727,247</u>	<u>310,938,425</u>	<u>290,161,323</u>	<u>281,476,410</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,409,738</u>	<u>7,957,487</u>	<u>10,465,046</u>	<u>3,112,018</u>
Other financing sources (uses)				
Sale of general capital assets	2,313,970	3,307,000	-	-
Leases (as lessee)	429,000	101,177	-	-
Subscriptions	14,682	-	-	-
Transfers in	6,713,176	8,612,265	3,085,170	7,474,833
Transfers out	(6,713,176)	(8,612,265)	(3,085,170)	(7,474,833)
Premium on issuance of bonds	-	-	-	-
Issuance of bonds/ refunding bonds	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Total other financing sources (uses)	<u>2,757,652</u>	<u>3,408,177</u>	<u>-</u>	<u>-</u>
Net change in fund balances	6,167,390	11,365,664	10,465,046	3,112,018
Debt service as a percentage of noncapital expenditures	4.9%	3.8%	3.7%	3.1%

¹ Positive change in total fund balance is the result of the issuance of general obligation debt.

NOTE: Prior to Fiscal Year 2017, transfers were reported at net.

	2019	2018	2017	2016	2015	2014
\$	108,867,070	\$ 107,770,068	\$ 101,955,190	\$ 97,281,667	\$ 90,599,947	\$ 85,914,380
	9,537,584	8,844,154	8,883,979	9,333,571	11,102,101	8,535,870
	151,305,061	143,907,959	134,024,331	125,892,498	119,121,400	115,419,650
	269,709,715	260,522,181	244,863,500	232,507,736	220,823,448	209,869,900
	150,618,898	143,669,255	136,608,003	128,658,329	122,793,512	115,453,676
	14,238,355	12,856,592	12,318,614	9,974,713	9,541,931	8,941,466
	5,871,893	5,123,315	5,118,563	4,844,095	4,296,463	3,740,483
	857,759	616,771	-	-	-	-
	3,581,681	3,383,542	3,174,174	2,907,278	2,997,463	2,870,088
	369,537	345,363	199,122	194,211	-	-
	1,475,381	1,422,399	1,313,145	1,650,868	1,702,605	1,707,173
	14,148,506	13,897,843	13,318,954	12,661,688	11,260,039	10,909,670
	1,358,046	1,402,529	1,341,217	1,036,771	956,902	861,971
	14,916,288	14,933,616	14,267,062	13,726,106	13,150,553	12,393,833
	8,332,088	8,059,463	7,857,490	7,298,564	7,306,948	7,441,448
	5,408,329	4,875,470	4,788,118	4,001,455	3,316,811	2,570,756
	231,027	218,711	316,797	438,951	229,642	491,443
	2,663,613	2,608,831	2,543,418	2,433,128	2,359,127	2,137,436
	7,408,398	7,108,972	7,181,540	6,740,655	6,427,196	6,707,814
	43,600,120	54,872,825	34,823,453	34,966,996	24,978,776	6,318,135
	5,390,000	5,205,000	4,995,000	4,189,955	8,585,520	9,206,900
	2,228,142	1,467,337	1,363,572	2,129,203	2,480,093	3,264,945
	-	-	-	-	-	323,414
	282,698,061	282,067,834	251,528,242	237,852,966	222,383,581	195,340,651
	(12,988,346)	(21,545,653)	(6,664,742)	(5,345,230)	(1,560,133)	14,529,249
	221,550	3,282,300	94,000	-	-	5,170,000
	-	-	-	-	-	-
	-	-	-	-	-	-
	8,954,222	3,515,156	6,456,363	-	-	-
	(8,954,222)	(3,515,156)	(6,456,363)	-	-	-
	-	3,668,604	-	-	-	-
	-	25,000,000	-	-	-	53,240,000
	-	-	-	-	-	(58,040,847)
	221,550	31,950,904	94,000	-	-	369,153
	(12,766,796)	10,405,251 ¹	(6,570,742)	(5,345,230)	(1,560,133)	14,898,402
	3.2%	2.8%	2.9%	3.0%	5.5%	6.5%



Where Excellence and Creativity Merge

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Fayette County Board of Education
Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(in thousands of dollars)
(unaudited)

MAINTENANCE AND OPERATIONS

Fiscal Year	Assessed Valued			Less:	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Values as a Percentage of Actual Value
	Real Property	Personal Property	Privately-Owned Public Utilities	Freeport Homestead Exemption				
2023	8,645,424	47,768	88,696	2,712,603	6,069,285	19.150	21,954,720	40%
2022	7,398,006	52,388	85,183	1,999,538	5,536,039	19.334	18,838,943	40%
2021	6,889,545	64,267	82,759	1,366,719	5,669,852	19.150	17,591,428	40%
2020	6,518,336	76,126	78,970	1,246,721	5,426,711	19.250	16,683,580	40%
2019	6,034,277	92,942	77,951	1,131,602	5,073,568	19.500	15,512,925	40%
2018	5,712,341	122,973	76,918	1,033,520	4,878,712	19.500	14,780,580	40%
2017	5,086,160	166,111	75,650	918,934	4,408,987	19.750	13,319,803	40%
2016	4,761,779	218,903	74,640	842,707	4,212,615	20.000	12,638,305	40%
2015	4,311,654	296,890	74,580	748,672	3,934,452	20.000	11,707,810	40%
2014	4,210,089	354,671	74,510	736,562	3,902,708	20.000	11,598,175	40%

DEBT SERVICE

Fiscal Year	Assessed Valued			Less:	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Values as a Percentage of Actual Value
	Real Property	Personal Property	Privately-Owned Public Utilities	Freeport Homestead Exemption				
2023	8,645,425	47,768	88,696	1,785,123	6,996,766	0.850	21,954,723	40%
2022	7,398,005	52,388	85,183	1,506,950	6,028,626	1.100	18,838,940	40%
2021	6,889,545	64,267	82,759	1,331,987	5,704,584	1.180	17,591,428	40%
2020	6,518,337	76,126	78,970	1,211,394	5,462,039	1.271	16,683,583	40%
2019	6,034,277	92,942	77,951	1,096,526	5,108,644	1.350	15,512,925	40%
2018	5,712,341	122,973	76,918	997,280	4,914,952	1.350	14,780,580	40%
2017	5,086,160	166,111	75,650	882,872	4,445,049	1.350	13,319,803	40%
2016	4,761,779	218,903	74,640	805,577	4,249,745	1.350	12,638,305	40%
2015	4,311,654	296,890	74,580	711,210	3,971,914	1.450	11,707,810	40%
2014	4,210,089	354,671	74,510	696,952	3,942,318	1.450	11,598,175	40%

Source: Georgia Department of Revenue

Fayette County Board of Education
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(unaudited)

	School System			County			
	Operating Millage	Debt Service Millage	Total Millage	Unincorporated Operating Millage	Incorporated Operating Millage	Fire (1) District Millage	EMS (2) District Millage
2023	19.150	0.850	20.000	4.034	5.889	3.070	0.500
2022	19.334	1.100	20.434	4.034	4.034	3.070	0.456
2021	19.150	1.180	20.330	4.277	4.277	3.070	0.456
2020	19.250	1.271	20.521	4.392	4.392	3.070	0.456
2019	19.500	1.350	20.850	4.392	4.392	3.070	0.456
2018	19.500	1.350	20.850	4.509	4.509	3.070	0.456
2017	19.750	1.350	21.100	4.917	4.917	3.070	0.456
2016	20.000	1.350	21.350	5.171	5.171	3.070	0.456
2015	20.000	1.450	21.450	5.602	5.602	3.070	0.456
2014	20.000	1.450	21.450	5.714	5.714	3.070	0.456

Source: Georgia Department of Revenue

- Notes (1) Levied in all municipalities except Fayetteville and Peachtree City.
(2) Levied in all municipalities except Peachtree City.
(3) Previously included as a part of the unincorporated millage rate.

Overlapping Governments

E911 (3) District Millage	City of Fayetteville Millage	Town of Tyrone Millage	City of Brooks Millage	City of Peachtree City Millage	City of Peachtree City Debt Service	State Millage
0.210	5.646	2.889	1.207	6.043	-	-
0.210	5.646	2.889	1.000	6.043	-	-
0.210	5.646	2.889	0.606	6.232	-	-
0.210	5.646	2.889	0.627	6.232	-	-
0.210	5.646	2.889	0.680	6.232	0.176	-
0.210	3.874	2.889	0.723	6.232	0.027	-
0.210	3.874	2.889	0.799	6.756	0.309	-
0.210	3.874	2.889	0.840	6.756	0.314	0.050
0.210	3.874	2.889	0.899	6.756	0.332	0.100
0.210	3.926	2.889	0.940	6.756	0.332	0.150

**Fayette County Board of Education
Property Tax Levies and Collections
Last Ten Fiscal Years
(Unaudited)**

Fiscal Year	M&O Tax Levy	Debt Service Tax Levy	Total Tax Levy for the Fiscal Year	Collected within the Fiscal Year of the Levy	
				Amount	Percentage of Levy
2023	\$ 116,226,817	\$ 5,947,251	\$ 122,174,068	\$ 119,332,455	97.7%
2022	107,033,772	6,631,488	113,665,260	110,311,394	97.0%
2021	108,577,670	6,731,409	115,309,079	113,524,740	98.5%
2020	104,464,193	6,942,252	111,406,445	107,806,827	96.8%
2019	98,934,582	6,896,670	105,831,252	103,295,147	97.6%
2018	95,134,893	6,635,186	101,770,079	98,521,451	96.8%
2017	87,077,498	6,000,817	93,078,315	91,457,612	98.3%
2016	84,252,308	5,737,156	89,989,464	87,682,320	97.4%
2015	78,689,039	5,759,275	84,448,314	83,020,297	98.3%
2014	78,054,155	5,716,361	83,770,516	82,759,692	98.8%

Source: As reported by the Fayette County Tax Commissioner

Note Tax levy includes levy on motor vehicles.

Collections in Subsequent Years	Total Collections to Date	
	Amount	Percentage of Levy
-	\$ 119,332,455	97.7%
677,353	110,988,747	97.6%
1,109,941	114,634,681	99.4%
1,675,706	109,482,533	98.3%
824,075	104,119,222	98.4%
789,394	99,310,845	97.6%
697,105	92,154,717	99.0%
883,606	88,565,926	98.4%
820,503	83,840,800	99.3%
1,019,118	83,778,810	100.0%

**Fayette County Board of Education
Governmental Activities Tax Revenues by Source
Last Ten Fiscal Years**

Fiscal Year	Property Tax	Auto Title/ Ad Valorem	Intangible Tax	Transfer Tax	Special Purpose Local Option Sales Tax
2023	\$ 120,038,817	\$ 11,138,138	\$ 2,268,009	\$ 1,351,781	\$ 36,525,394
2022	111,882,314	10,554,711	3,713,831	1,265,109	33,928,561
2021	111,945,317	10,197,316	4,386,646	1,046,636	31,895,010
2020	107,729,523	8,638,114	2,889,831	844,539	26,784,214
2019	102,409,517	9,046,918	2,005,048	791,752	26,822,957
2018	97,054,882	8,786,291	1,864,957	710,710	26,050,684
2017	88,579,167	8,545,387	2,025,242	709,199	24,266,584
2016	84,025,850	8,956,949	1,819,958	711,558	22,010,037
2015	77,946,865	9,076,535	1,533,959	518,915	21,094,300
2014	75,056,047	9,401,997	1,288,192	427,724	20,241,186

<u>Other Taxes</u>	<u>Total</u>
\$ -	\$ 171,322,139
24,495	161,369,021
23,806	159,494,731
23,622	146,909,843
22,970	141,099,162
19,884	134,487,408
34,822	124,160,401
16,965	117,541,317
15,647	110,186,221
15,611	106,430,757

**Fayette County Board of Education
Principal Taxpayers (Top Ten)
June 30, 2023 and Nine Years Ago**

<u>Taxpayer</u>	FY 2023 Assessed Valuation	Rank	Percentage of Total Assessed Valuation	FY 2014 Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Wencor LLC	\$ 41,398,867	1	0.47%			
Pinewood Atlanta LLC	34,669,036	2	0.39%			
Coweta Fayette EMC	32,162,063	3	0.37%	15,312,706	1	0.33%
Sany America Inc.	30,443,151	4	0.35%			
Hoshizaki America Inc.	23,476,481	5	0.27%	13,523,473	3	0.29%
Georgia Power	22,117,305	6	0.25%	13,051,915	4	0.28%
Camden Summit Parntership LP	16,598,400	7	0.19%			
Atlanta Gas Light	16,160,298	8	0.18%	11,369,533	9	0.25%
Cooper Lighting LLC	15,907,808	9	0.18%	12,821,471	5	0.28%
Pulte Home Corporation	15,754,828	10	0.18%			
DDRTC Fayette Pavilion I & II				14,297,548	2	0.31%
DDRTC Fayette Pavilion III & IV				12,794,056	6	0.28%
BellSouth				11,667,339	7	0.25%
DDRTC Fayette Pavilion I & II				11,743,628	8	0.25%
Dixie Aerospace Inc				11,226,637	10	0.24%
Other Taxpayers	8,548,955,310		97.35%	4,538,000,037		97.82%
	<u>\$ 8,781,888,719</u>		<u>100.00%</u>	<u>\$ 4,639,269,000</u>		<u>100.57%</u>

Source: Fayette County Tax Commissioner

Note: Amounts for FY 2023 relate to tax year 2022.

Fayette County Board of Education
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

	Governmental Activities			Total Primary Government	Percentage of Personal Income (2)	Per Capita (3)
	General Obligation Bonds (1)	Leases	Subscription Liabilities			
2023	\$ 28,761,352	\$ 466,596	\$ 226,050	\$ 29,453,998	NA	NA
2022	42,241,819	308,678	-	42,550,497	0.46%	348.69
2021	51,122,286	-	-	51,122,286	0.58%	423.62
2020	59,082,753	-	-	59,082,753	0.73%	494.49
2019	65,248,220	-	-	65,248,220	0.85%	553.50
2018	71,213,687	-	-	71,213,687	0.96%	612.92
2017	47,869,972	-	-	47,869,972	0.69%	415.84
2016	52,908,467	-	-	52,908,467	0.81%	466.51
2015	57,160,274	-	-	57,160,274	0.93%	510.46
2014	65,805,944	-	-	65,805,944	1.13%	594.60

Note: Details regarding the School System's debt can be found in the notes to the basic financial statements.

(1) Presented net of original issuance discounts and premiums.

(2) Personal income data can be found in the Schedule of Demographic and Economic Statistics on page 184.

(3) Population data can be found in the Schedule of Demographic and Economic Statistics on page 184.

NA: Personal income data and population data not available for calculation of amounts.

Fayette County Board of Education
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds (1)	Less: Amounts Available in Debt Service Fund (2)	Total	Percentage of Estimated Actual Taxable Value of Property (3)	Per Capita (4)
2023	\$ 28,761,352	\$ 1,415,821	\$ 27,345,531	0.12%	NA
2022	42,241,819	1,748,206	40,493,613	0.21%	331.83
2021	51,122,286	1,419,822	49,702,464	0.28%	411.85
2020	59,082,753	1,059,156	58,023,597	0.35%	485.62
2019	65,248,220	447,501	64,800,719	0.42%	549.70
2018	71,213,687	-	71,213,687	0.48%	612.92
2017	47,869,972	-	47,869,972	0.36%	415.84
2016	52,908,467	56,038	52,852,429	0.42%	466.02
2015	57,160,274	-	57,160,274	0.49%	510.46
2014	65,805,944	2,001,775	63,804,169	0.55%	576.51

Note: Details regarding the School System's outstanding debt can be found in the notes to the basic financial statements.

(1) This is the general bonded debt of governmental activities, net of original issuance discounts and premiums.

(2) This is the net position restricted for debt service principal payments.

(3) See the Schedule of Assessed and Estimated Actual Value of Taxable Property on page 159 for property tax data.

(4) Population data can be found in the Schedule of Demographic and Economic Statistics on page 184.

NA - population data not available for calculation of per capita amount.

Fayette County Board of Education
Direct and Overlapping Governmental Activities Debt
As of June 30, 2023

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable (1)</u>	<u>Estimated Share of Overlapping Debt</u>
Peachtree City	\$ 420,046	100%	\$ 748,279
Town of Tyrone	3,729,000	100%	3,729,000
Fayette County	21,110,000	100%	<u>21,110,000</u>
Total Overlapping Debt			25,587,279
Fayette County Board of Education, direct debt			<u>29,453,998</u>
Total Direct and Overlapping Debt			<u><u>\$ 55,041,277</u></u>

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the School System. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses within the School System's boundaries. This process recognizes that, when considering the School System's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

(1) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the municipality/authority's taxable assessed value that is within the School System's boundaries and dividing it by the municipality/authority's total taxable assessed value.

**Fayette County Board of Education
Legal Debt Margin Information
Last Ten Fiscal Years**

Legal Debt Margin Calculation for Fiscal Year 2023

Assessed value 2022 tax digest	\$ 6,996,765,590
Limit of bonded indebtedness, 10% of net assessed taxable property value	699,676,559
Amount of debt applicable to the debt limit General obligation bonds, net of original issuance discounts and premiums	<u>28,761,352</u>
Legal Debt Margin	<u>\$ 670,915,207</u>

	2023	2022	2021	2020
Debt limit	\$ 699,676,559	\$ 602,862,582	\$ 570,458,421	\$ 546,203,931
Total debt applicable to limit	<u>28,761,352</u>	<u>42,241,819</u>	<u>51,122,286</u>	<u>59,082,753</u>
Legal debt margin	<u>\$ 670,915,207</u>	<u>\$ 560,620,763</u>	<u>\$ 519,336,135</u>	<u>\$ 487,121,178</u>

Total debt applicable as a percentage of debt limit	4.1%	7.0%	9.0%	10.8%
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Note: Under the Constitution of the State of Georgia, the School System may not incur long-term debt in excess of ten percent of the assessed value of all taxable property within the district.

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 510,864,430	\$ 491,495,247	\$ 444,504,926	\$ 424,974,542	\$ 397,191,396	\$ 394,231,773
<u>65,248,220</u>	<u>71,213,678</u>	<u>47,869,972</u>	<u>52,908,467</u>	<u>57,160,274</u>	<u>65,805,944</u>
<u>\$ 445,616,210</u>	<u>\$ 420,281,569</u>	<u>\$ 396,634,954</u>	<u>\$ 372,066,075</u>	<u>\$ 340,031,122</u>	<u>\$ 328,425,829</u>
12.8%	14.5%	10.8%	12.4%	14.4%	16.7%

**Fayette County Board of Education
Operating Statistics
Last Ten Fiscal Years
(unaudited)**

<u>Fiscal Year</u>	<u>General Fund Expenditures</u>	<u>Student Enrollment</u>	<u>Cost Per Pupil</u>	<u>Percentage Change</u>	<u>Teaching Staff</u>	<u>Pupil/Teacher Ratio</u>
2023	\$ 254,108,701	19,938	\$ 12,744.94	9.7%	1,545	12.84
2022	230,544,456	19,839	11,620.77	4.5%	1,536	12.99
2021	221,894,773	19,959	11,117.53	3.4%	1,525	13.52
2020	221,674,642	20,613	10,754.12	5.0%	1,513	13.47
2019	208,723,090	20,377	10,243.07	4.0%	1,484	13.60
2018	198,752,997	20,177	9,850.47	4.1%	1,454	13.83
2017	190,150,915	20,104	9,458.36	7.3%	1,438	14.07
2016	178,395,251	20,238	8,814.87	6.6%	1,410	14.36
2015	167,402,295	20,242	8,270.05	6.0%	1,327	15.25
2014	158,003,155	20,243	7,805.32	-5.4%	1,304	15.58

Source: School System records

**Fayette County Board of Education
Teacher Salaries
Last Ten Fiscal Years
(unaudited)**

<u>Fiscal Year</u>	<u>Minimum Salary</u>	<u>Maximum Salary</u>	<u>Statewide Base</u>
2023	\$ 44,908	\$ 99,653	\$ 39,092
2022	41,970	93,134	37,092
2021	41,147	91,308	37,092
2020	41,147	91,308	37,092
2019	38,147	88,308	34,092
2018	38,147	88,308	34,092
2017	37,399	86,576	33,424
2016	36,309	84,054	33,424
2015	35,597	82,405	33,424
2014	34,723	80,383	33,424

Source: School System records

Fayette County Board of Education
School Building Information
Last Ten Years
(unaudited)

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Elementary				
Braclinn (1989)				
Square feet	73,986	73,986	73,986	73,986
Capacity	675	675	675	675
Enrollment	574	570	533	551
Robert J. Burch (1989)				
Square feet	73,146	73,146	73,146	73,146
Capacity	675	675	675	675
Enrollment	569	554	585	605
Crabapple Lane (2004)				
Square feet	94,179	94,179	94,179	94,179
Capacity	800	800	800	800
Enrollment	615	591	585	653
Fayetteville (1970)				
Square feet	74,557	73,176	73,176	73,176
Capacity	575	575	575	575
Enrollment	484	447	481	484
Huddleston (1979)				
Square feet	79,694	79,694	79,694	79,694
Capacity	625	625	625	625
Enrollment	605	591	562	624
Inman (2009)				
Square feet	86,172	86,172	86,172	86,172
Capacity	663	663	663	663
Enrollment	659	623	597	659
Kedron (1995)				
Square feet	87,734	87,734	87,734	87,734
Capacity	725	725	725	725
Enrollment	746	704	693	681
Cleveland (2003)				
Square feet	94,179	94,179	94,179	94,179
Capacity	800	800	800	800
Enrollment	432	443	447	488

Note: Square footage data for North Fayette Elementary has been updated/revised.

Note: Enrollment data as of 9th month, with the exception of FY2020 (7th month)

Note: Capacity information is based on State of Georgia capacity calculations using the total number of instructional units for the facility and allowable class sizes.

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
73,986	73,986	73,986	73,986	73,986	73,986
675	675	675	675	675	675
529	552	529	547	549	542
73,146	73,146	73,146	73,146	73,146	73,146
675	675	675	675	675	675
586	568	530	548	583	531
94,179	94,179	94,816	94,816	94,816	94,816
800	800	800	800	800	800
614	621	619	652	637	637
73,176	73,176	73,176	73,176	73,176	73,176
575	575	575	575	575	575
468	466	482	465	483	590
79,694	79,694	79,694	79,694	79,694	79,694
625	625	625	625	625	625
612	601	627	627	634	645
86,172	86,172	86,172	86,172	86,172	86,172
663	663	663	663	663	663
690	648	652	626	585	512
87,734	87,734	87,734	87,734	87,734	87,734
725	725	725	725	725	725
679	627	597	593	573	582
94,179	94,179	94,179	94,179	94,179	94,179
800	800	800	800	800	800
507	450	487	502	545	538

Fayette County Board of Education
School Building Information- continued
Last Ten Years
(unaudited)

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Elementary - continued				
S. H. Minter (2003)				
Square feet	94,179	94,179	94,179	94,179
Capacity	800	800	800	800
Enrollment	769	776	760	780
North Fayette (1980)				
Square feet	78,444	78,444	78,444	78,444
Capacity	750	750	750	750
Enrollment	599	566	601	660
Oak Grove (1986)				
Square feet	84,568	84,568	84,568	71,040
Capacity	725	725	725	725
Enrollment	482	501	545	544
Peachtree City (1968)				
Square feet	80,945	80,945	80,945	80,945
Capacity	625	625	625	625
Enrollment	489	474	496	503
Peeples (1998)				
Square feet	94,655	94,655	94,655	94,655
Capacity	800	800	800	800
Enrollment	726	724	757	779
Spring Hill (1996)				
Square feet	94,655	94,655	94,655	94,655
Capacity	800	800	800	800
Enrollment	672	634	666	713
Middle				
Bennett's Mill (2008)				
Square feet	158,653	158,653	158,653	158,653
Capacity	1,475	1,475	1,475	1,475
Enrollment	858	916	968	985
Flat Rock (1989)				
Square feet	137,879	137,879	137,879	137,879
Capacity	1,012	1,012	1,012	1,012
Enrollment	881	861	847	805

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
94,179	94,179	94,179	94,179	94,179	94,179
800	800	800	800	800	800
779	742	726	743	765	772
78,444	78,444	78,444	75,785	75,785	75,785
750	750	750	750	750	750
638	625	618	628	597	574
71,040	71,040	71,040	71,040	71,040	71,040
725	725	725	725	725	725
529	534	501	464	464	497
80,945	80,945	80,945	62,732	62,732	62,732
625	625	625	525	525	525
490	486	511	494	526	523
94,655	94,655	94,655	94,655	94,655	94,655
800	800	800	800	800	800
756	725	721	682	648	657
94,655	94,655	94,655	94,655	94,655	94,655
800	800	800	800	800	800
712	718	700	741	712	598
158,653	158,653	158,653	158,653	158,653	158,653
1,475	1,475	1,475	1,475	1,475	1,475
980	1,000	929	970	984	984
137,879	137,879	137,879	137,879	137,879	137,879
1,012	1,012	1,012	1,012	1,012	1,012
803	791	783	721	753	820

Fayette County Board of Education
School Building Information- continued
Last Ten Years
(unaudited)

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Middle - continued				
Center of Innovation/J.C. Booth (1979) ⁽¹⁾				
Square feet	139,581	139,581	139,581	139,581
Capacity	-	1,175	1,175	1,175
Enrollment	-	1,144	1,151	1,190
J. C. Booth (2023)				
Square feet	180,654	-	-	-
Capacity	1,400	-	-	-
Enrollment	1,163	-	-	-
Rising Starr (1996)				
Square feet	156,846	156,846	156,846	156,846
Capacity	1,175	1,175	1,175	1,175
Enrollment	927	962	957	986
Whitewater (1989)				
Square feet	137,879	137,879	137,879	137,879
Capacity	1,050	1,050	1,050	1,050
Enrollment	863	896	897	916
High				
Fayette County (1998)				
Square feet	293,238	293,238	293,238	293,238
Capacity	1,725	1,725	1,725	1,725
Enrollment	1,273	1,227	1,276	1,288
McIntosh (1981)				
Square feet	301,328	301,328	301,328	301,328
Capacity	1,900	1,900	1,900	1,900
Enrollment	1,629	1,620	1,692	1,658
Sandy Creek (1990)				
Square feet	248,280	248,280	248,280	248,280
Capacity	1,475	1,475	1,475	1,475
Enrollment	1,122	1,092	1,145	1,143
Starr's Mill (1998)				
Square feet	231,796	231,796	231,796	231,796
Capacity	1,650	1,650	1,650	1,650
Enrollment	1,338	1,324	1,320	1,357
Whitewater (2004)				
Square feet	279,822	279,822	279,822	279,822
Capacity	1,475	1,475	1,475	1,475
Enrollment	1,286	1,257	1,306	1,386

NOTE (1): As of school year 2022-2023, J.C. Booth was closed as a middle school and the building was renamed the Center of Innovation. A new middle school was opened with the same name, J.C.Booth Middle School.

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
139,581	139,581	139,581	139,581	139,581	139,581
1,175	1,175	1,175	1,175	1,175	1,175
1,194	1,205	1,191	1,216	1,209	1,201
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
156,846	156,846	156,846	156,846	156,846	156,846
1,175	1,175	1,175	1,175	1,175	1,175
966	906	933	973	976	965
137,879	137,879	137,879	137,879	137,879	137,879
1,050	1,050	1,050	1,050	1,050	1,050
871	897	906	938	955	981
293,238	293,238	259,536	259,536	259,536	259,536
1,725	1,725	1,725	1,725	1,725	1,725
1,299	1,297	1,271	1,288	1,302	1,236
273,809	273,809	273,809	273,809	273,809	270,793
1,625	1,625	1,625	1,625	1,625	1,625
1,674	1,654	1,618	1,630	1,600	1,640
248,280	248,280	248,280	248,280	248,280	248,280
1,475	1,475	1,475	1,475	1,475	1,475
1,099	1,093	1,163	1,175	1,149	1,160
231,796	231,796	231,796	231,796	231,796	231,796
1,650	1,650	1,650	1,650	1,650	1,650
1,376	1,382	1,416	1,387	1,385	1,472
279,822	279,822	279,822	279,822	279,822	279,822
1,475	1,475	1,475	1,475	1,475	1,475
1,382	1,428	1,412	1,404	1,415	1,369

**Fayette County Board of Education
System Employees
Last Ten Fiscal Years
(unaudited)**

Position	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Administrators	109	108	107	106
Teachers	1,545	1,536	1,525	1,513
Media	24	24	24	24
Counselors	52	53	53	53
Clerical	138	137	135	130
Paraprofessionals	353	341	347	357
Custodians	133	132	132	132
Lunchroom	114	118	100	110
Other Areas*	<u>342</u>	<u>358</u>	<u>360</u>	<u>353</u>
 Total employees	 <u><u>2,810</u></u>	 <u><u>2,807</u></u>	 <u><u>2,783</u></u>	 <u><u>2,778</u></u>

Source: School System records

Note: Employee data does not include substitute teachers and is based on fulltime equivalent employment. Data for FY 2022 revised.

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
107	104	101	105	92	91
1,484	1,454	1,438	1,410	1,327	1,304
24	24	24	24	24	24
53	50	50	49	48	47
128	134	132	132	133	128
340	323	322	307	270	211
131	131	131	131	130	132
116	122	122	122	157	157
<u>355</u>	<u>347</u>	<u>363</u>	<u>327</u>	<u>386</u>	<u>395</u>
<u><u>2,738</u></u>	<u><u>2,689</u></u>	<u><u>2,683</u></u>	<u><u>2,607</u></u>	<u><u>2,567</u></u>	<u><u>2,489</u></u>

**Fayette County Board of Education
School Lunch and Breakfast Program
Last Ten Fiscal Years
(unaudited)**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Lunch Meals Served				
Free	494,340	1,989,764	1,048,763	438,854
Reduced	147,393	-	2,334	104,358
Paid	815,428	-	11,962	617,928
Total	<u>1,457,161</u>	<u>1,989,764</u>	<u>1,063,059</u>	<u>1,161,140</u>
Daily Average	8,329	11,372	5,788	8,258
Student Price	\$3.00 - \$3.25	\$2.75 - \$2.90	\$2.75 - \$2.90	\$2.75 - \$2.90
Breakfast Meals Served				
Free	228,445	842,156	462,343	174,063
Reduced	53,207	-	552	24,847
Paid	168,195	-	1,119	51,174
Total	<u>449,847</u>	<u>842,156</u>	<u>464,014</u>	<u>250,084</u>
Daily Average	2,594	4,842	2,499	1,394
Student Price	\$1.75	\$1.60	\$1.60	\$1.60
Total Meals Served				
Free	722,785	2,831,920	1,511,106	612,917
Reduced	200,600	-	2,886	129,205
Paid	983,623	-	13,081	669,102
Total	<u>1,907,008</u>	<u>2,831,920</u>	<u>1,527,073</u>	<u>1,411,224</u>
Daily Average	10,923	16,214	8,287	9,652

Source: School System records

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
518,405	517,218	536,863	592,273	582,919	551,946
123,609	111,098	118,922	120,370	116,582	111,599
785,270	723,689	769,069	775,991	824,822	755,131
<u>1,427,284</u>	<u>1,352,005</u>	<u>1,424,854</u>	<u>1,488,634</u>	<u>1,524,323</u>	<u>1,418,676</u>
8,052	7,889	7,976	8,325	8,544	8,260
\$2.75 - \$2.90	\$2.75 - \$2.90	\$2.65 - \$2.75	\$2.55 - \$2.65	\$2.45 - \$2.55	\$2.35 - \$2.45
151,444	144,544	147,136	167,262	157,122	148,968
26,594	22,247	23,274	21,664	19,523	17,617
57,169	47,849	51,415	48,388	44,331	40,650
<u>235,207</u>	<u>214,640</u>	<u>221,825</u>	<u>237,314</u>	<u>220,976</u>	<u>207,235</u>
1,343	1,264	1,247	1,345	1,260	1,231
\$1.60	\$1.60	\$1.45 - \$1.50	\$1.45 - \$1.50	\$1.45 - \$1.50	\$1.45 - \$1.50
669,849	661,762	683,999	759,535	740,041	700,914
150,203	133,345	142,196	142,034	136,105	129,216
842,439	771,538	820,484	824,379	869,153	795,781
<u>1,662,491</u>	<u>1,566,645</u>	<u>1,646,679</u>	<u>1,725,948</u>	<u>1,745,299</u>	<u>1,625,911</u>
9,395	9,153	9,223	9,670	9,804	9,491

**Fayette County Board of Education
Demographic and Economic Statistics
Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>Estimated Population ⁽¹⁾</u>	<u>Personal Income (in \$1,000) ⁽¹⁾</u>	<u>Per Capita Personal Income ⁽¹⁾</u>	<u>School Enrollment</u>	<u>Unemployment Rate ⁽²⁾</u>
2023	NA	NA	NA	19,938	3.3%
2022	122,030	9,188,067	75,294	19,839	3.0%
2021	120,681	8,778,997	72,745	19,959	3.4%
2020	119,483	8,131,840	68,059	20,613	7.7%
2019	117,884	7,658,318	64,965	20,377	3.5%
2018	116,188	7,439,553	64,030	20,177	4.0%
2017	115,116	6,907,870	60,008	20,104	4.5%
2016	113,413	6,543,449	57,696	20,238	5.3%
2015	111,978	6,166,136	55,066	20,242	5.8%
2014	110,673	5,812,695	52,521	20,243	6.7%

Source ⁽¹⁾ Bureau of Economic Analysis, U.S. Department of Commerce, Table CAINC 1, updated November 16, 2023, with new statistics for 2022 and revised statistics for years 2014-2021.

⁽²⁾ Bureau of Labor Statistics, U.S. Department of Labor, for June of each year, updated with data extracted from BLS website on November 20, 2023.

NA Data not available.

**Fayette County Board of Education
Major Employers
June 30, 2023 and Nine Years Ago**

Employer	2023			2014		
	Employees	Rank	Percentage of County Employment (1)	Employees	Rank	Percentage of County Employment
Piedmont Fayette Hospital	2,000	1	3.28%	1,500	1	3.35%
Panasonic Automotive Systems	800	2	1.31%	1,100	3	2.46%
Cooper Lighting	500	3	0.82%	750	4	1.68%
Hoshizaki America Inc	500	4	0.82%	350	5	0.78%
Walmart SuperCenter	427	5	0.70%			
Walmart	400	6	0.66%			
Cornerstone Building Brands Inc.	250	7	0.41%			
Fayetteville Center for Nursing	210	7	0.34%			
Gerresheimer Peachtree City LP	200	9	0.33%	100	10	0.22%
Publix, 1200 Highway 74S	200	10	0.33%			
NCR				1,200	2	2.68%
SANY America				220	6	0.49%
FAA Tracon				190	7	0.42%
AMCOR				140	8	0.31%
Rinnai				100	9	0.22%
Total	5,487		9.00%	5,650		12.61%

Source: Fayette County

(1) Calculated using total labor force.

