



**ANNUAL FINANCIAL REPORT • FISCAL YEAR 2025**

# Greene County Board of Education Greensboro, Georgia

**Including Independent Auditor's Report**

**Greg S. Griffin | State Auditor**



**DOAA**

Georgia Department  
of Audits & Accounts

# Greene County Board of Education

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**Section I**

**Financial**



## INDEPENDENT AUDITOR'S REPORT

The Honorable Brian P. Kemp, Governor of Georgia  
Members of the General Assembly of the State of Georgia  
Members of the State Board of Education  
and  
Dr. Aaryn Schmuhl, Superintendent and Members of the  
Greene County Board of Education

### Report on the Audit of the Financial Statements

#### *Opinions*

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

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, discretely presented component units, and each major fund of the School District as of June 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

The financial statements of the discretely presented component units were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the discretely presented component units, is based solely on the reports of the other auditors.

#### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. The other auditors audited the financial statements of the discretely presented component units in accordance with GAAS but not in accordance with Government Auditing Standards, except for the Lake Oconee Academy, Inc.

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

### ***Emphasis of Matter***

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

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

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

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

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

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

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

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

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

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

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

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

### ***Supplementary Information***

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated March 20, 2026 on our consideration of the School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of

internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control over financial reporting and compliance.

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

Respectfully submitted,

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

Greg S. Griffin  
State Auditor

March 20, 2026

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

## INTRODUCTION

The discussion and analysis of the Greene County Board of Education's (School District) financial performance provides an overview of the School District's financial activities for the fiscal years ended June 30, 2025 and June 30, 2024. The intent of this discussion and analysis is to look at the School District's financial performance as a whole. Readers should also review the financial statements and the notes to the basic financial statements to enhance their understanding of the School District's financial performance.

Only the primary government will be considered for purposes of this discussion. Lake Oconee Academy, Inc., and Lake Oconee Academy Foundation are discretely presented component units, and are displayed in separately prepared financial statements that are independently audited.

## FINANCIAL HIGHLIGHTS

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

- GASB Statement No. 101, *Compensated Absences*, was implemented in fiscal year 2025 and replaced GASB Statement No. 16. This is considered a change in accounting principle that affects the School District's reporting of its compensated absences liability. This change in accounting principle required a beginning balance restatement for the fiscal year 2025. Ending balances for fiscal year 2024 presented inside the Management's Discussion and Analysis section do not show the accounting impact on these restated balances. Additional information may be found in Note 2, Summary of Significant Accounting Policies and Note 15, Restatement of Prior Year Net Position.
- On the government-wide financial statements, the assets and deferred outflow of resources of the School District exceeded liabilities and deferred inflow of resources by \$26,589,390 and \$27,045,550 respectively, for the fiscal years ended June 30, 2025 and 2024.
- The School District had \$60,739,574 and \$60,556,798 million in expenses relating to governmental activities for the fiscal years ended June 30, 2025 and June 30, 2024, respectively. Only \$16,183,822 and \$20,034,761 of the above-mentioned expenses for 2025 and 2024 were offset by program specific charges for services, grants and contributions. General revenues (primarily property and sales taxes) and special item of \$47,270,914 and \$46,203,799, respectively, for 2025 and 2024, along with fund balance were adequate to provide for these programs.
- General revenues accounts for \$47,270,914 in revenue or 74.5% of all revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$16,183,822 or 25.5% of total revenues of \$63,454,736.
- For the general fund, the current ratio, which measures the School District's ability to transform current assets into cash and pay its short-term liabilities, was 6.0 and 6.91 for the fiscal years ended June 30, 2025 and June 30, 2024, respectively. Generally, a ratio greater than 2.0 is considered very financially stable.
- The general fund (the primary operating fund), presented on a current financial resource basis, ended the fiscal year with a fund balance of \$18,551,185, a decrease of \$462,739 from the June 30, 2024 fund balance of \$19,013,924.
- Among major funds, the general fund had \$54,348,081 in revenues and other financing sources and \$54,810,820 in expenditures. The fund balance for the general fund decreased by \$462,739.

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

## OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

The fund financial statements reflect the School District's most significant funds. For the years ending June 30, 2025 and 2024, the general fund, the capital projects fund, and the debt service fund represent the most significant funds.

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

### Government-Wide Statements

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

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

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

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

### Fund Financial Statements

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

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

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

**FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE**

Recall that the Statement of Net Position provides the perspective of the School District as a whole. Table 1 provides a summary of the School District's net position for fiscal years 2025 and 2024.

**Table 1  
Net Position**

	Governmental Activities	
	Fiscal Year 2025	Fiscal Year 2024 (1)
<b>Assets</b>		
Current and Other Assets	\$ 40,693,927	\$ 60,802,246
Capital and Intangible Right-to-Use Assets, Net	89,864,523	69,440,182
<b>Total Assets</b>	<b>130,558,450</b>	<b>130,242,428</b>
<b>Deferred Outflows of Resources</b>		
Related to Defined Benefit Pension Plans	12,797,912	16,228,314
Related to OPEB Plan	6,137,897	7,666,150
<b>Total Deferred Outflows of Resources</b>	<b>18,935,809</b>	<b>23,894,464</b>
<b>Liabilities</b>		
Current and Other Liabilities	6,727,978	8,418,309
Long-Term Liabilities	101,872,520	108,471,175
<b>Total Liabilities</b>	<b>108,600,498</b>	<b>116,889,484</b>
<b>Deferred Inflows of Resources</b>		
Related to Defined Benefit Pension Plans	6,654,824	393,897
Related to OPEB Plan	7,649,547	9,778,961
<b>Total Deferred Inflows of Resources</b>	<b>14,304,371</b>	<b>10,172,858</b>
<b>Net Position</b>		
Net Investment in Capital Assets	50,902,792	37,000,647
Restricted	16,618,750	24,180,357
Unrestricted (Deficit)	(40,932,152)	(34,106,454)
<b>Total Net Position</b>	<b>\$ 26,589,390</b>	<b>\$ 27,074,550</b>

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

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

Total assets and deferred outflows of resources decreased by \$4,462,633. Deferred outflows of resources related to the defined pension plans, and other post-employment benefit plans made up \$4,958,655 of the decrease. The School District's proportionate share of deferred inflows amount related to the defined pension plan and OPEB are based on actuarial determinations. The change in current assets and capital assets is primarily due to the completion of the new primary school and the use of those funds set aside for construction costs.

Total liabilities and deferred inflows of resources decreased overall by \$4,157,473. Current liabilities decreased due to the completion of the new primary school. Long-term debt went down because of the change in net pension liability, and deferred inflows of resources related to define benefit pension plans went up significantly. These account balances are based on actuarial determinations.

Overall effect of the items mentioned above is an increase in net position for the year of \$485,160.

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

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

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

	Governmental Activities	
	Fiscal Year 2025	Fiscal Year 2024 (1)
<b>Revenues</b>		
Program Revenues:		
Charges for Services	\$ 247,487	\$ 313,937
Operating Grants and Contributions	15,577,283	17,534,213
Capital Grants and Contributions	359,052	2,186,611
Total Program Revenues	<u>16,183,822</u>	<u>20,034,761</u>
General Revenues:		
Taxes		
Property Taxes		
For Maintenance and Operations	34,603,120	32,515,698
Railroad Cars	-	24,861
Sales Taxes		
Special Purpose Local Option Sales Tax		
For Capital Projects	8,712,852	8,448,397
Other Taxes	1,161,345	1,086,678
Investment Earnings	1,932,120	3,143,626
Miscellaneous	861,477	927,443
Special Item		
Gain on Sale of Capital Assets	-	57,096
Total General Revenues and Special Item	<u>47,270,914</u>	<u>46,203,799</u>
Total Revenues and Special Item	<u>63,454,736</u>	<u>66,238,560</u>
<b>Program Expenses:</b>		
Instruction	39,168,117	39,586,786
Support Services		
Pupil Services	2,949,951	2,715,515
Improvement of Instructional Services	3,146,859	2,843,667
Educational Media Services	532,743	465,937
General Administration	1,349,976	1,246,029
School Administration	1,916,270	2,367,519
Business Administration	928,926	1,346,805
Maintenance and Operation of Plant	4,278,094	3,561,983
Student Transportation Services	2,012,326	2,059,667
Central Support Services	283,667	307,850
Other Support Services	118,867	358,016
Operations of Non-Instructional Services		
Enterprise Operations	534,483	399,532
Food Services	1,996,822	1,810,806
Interest on Long-Term Debt	1,522,473	1,486,687
Total Expenses	<u>60,739,574</u>	<u>60,556,799</u>
Increase in Net Position	<u>\$ 2,715,162</u>	<u>\$ 5,681,761</u>

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

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

Program revenues, in the form of charges for services, operating grants and contributions and capital grants and contributions decreased \$3,850,939 for governmental activities. Capital grants and contracts was more in the prior year because of the funding from the Georgia State Financing and Investment Commission for the new primary school. Operating Grants and contracts in prior year included ESSER (Elementary and Secondary School Emergency Relief Fund) grants that were substantially completed. An inconsequential amount of ESSER funds were expended in the current year.

General revenues increased by \$1,067,115 in total for fiscal year 2025. The increase was largely due to the growth in the County's property tax digest and expansion of commercial enterprises resulting in additional ESPLOST collections. However, we did see a decrease in investment earnings, because of the spending down of bond funds for the new primary school and decrease in interest rates.

Expenses reported at the government-wide level (full accrual) increased overall from the prior year by \$182,755. In 2025, our actual costs increased significantly due to the governor's mandated \$2,500 salary adjustments for certified staff, a 4.1% board-approved increase for classified salaries, and an increase in the TRS rate from 19.98% to 20.78%. These salary increases directly affected associated FICA and TRS benefit costs. Non-personnel costs also rose, as they typically do each year. Additionally, with the opening of a new facility, the School District incurred higher insurance, utility, and other operating expenses. The overall decrease in expenses is the result of changes in the Pension/OPEB expense recognized on the district-wide statements, which are determined actuarially.

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

**Governmental Activities**

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

**Table 3**  
**Governmental Activities**  
**(In Thousands)**

	Total Cost of Services		Net Cost of Services	
	Fiscal	Fiscal	Fiscal	Fiscal
	Year 2025	Year 2024 (1)	Year 2025	Year 2024 (1)
Instruction	\$ 39,168,117	\$ 39,586,786	\$ 31,233,615	\$ 27,722,523
Support Services:				
Pupil Services	2,949,951	2,715,515	2,727,631	2,161,046
Improvement of Instructional Services	3,146,859	2,843,667	2,226,245	1,367,049
Educational Media Services	532,743	465,937	45,331	(9,988)
General Administration	1,349,976	1,246,029	578,773	499,278
School Administration	1,916,270	2,367,519	666,051	1,165,037
Business Administration	928,926	1,346,805	924,724	1,342,315
Maintenance and Operation of Plant	4,278,094	3,561,983	2,574,438	2,344,629
Student Transportation Services	2,012,326	2,059,667	1,194,000	1,657,481
Central Support Services	283,667	307,850	283,487	304,470
Other Support Services	118,867	358,016	118,756	350,180
Operations of Non-Instructional Services:				
Enterprise Operations	534,483	399,532	534,483	300,191
Food Services	1,996,822	1,810,806	(74,256)	(168,860)
Interest on Short-Term and Long-Term Debt	1,522,473	1,486,687	1,522,473	1,486,687
<b>Total Expenses</b>	<b>\$ 60,739,574</b>	<b>\$ 60,556,799</b>	<b>\$ 44,555,751</b>	<b>\$ 40,522,038</b>

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

Although general revenues make up a majority of the funding, the School District is still dependent upon program revenues for governmental activities. For 2025, 75.10% of instruction and support activities were supplemented by taxes and other general revenues compared to 68.42% in 2024.

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

The School District's governmental funds are accounted for using the modified accrual basis of accounting. Total governmental funds had revenues and other financing sources of \$67,415,219 and expenditures and other financing uses of \$85,747,758.

The capital projects fund had an overall decrease of \$17,877,242 mostly due to the construction cost of the new primary school and other renovation projects. The beginning fund balance of \$33.0 million is predominately from bonds issued in the prior year for \$29.5 million and \$5.0 million in funds transferred from the general fund to help with the cost of the new school. Our ESPLOST (Education Special Purpose Local Option Sales Tax) collections remain strong from economic growth from new businesses in the county. Also, higher average cash balances yielded a significant increase in investment income. The ending fund balance for the fiscal year is \$15.1 million.

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

The general fund reported an overall decrease of \$462,739 for the fiscal year. This decrease was primarily attributable to expenditures exceeding revenues by \$662,858, partially offset by \$200,119 in proceeds from subscription liability. Despite a reduction in the millage rate from 10.311 to 9.847 mills, property tax collections increased by \$2.4 million compared to the prior fiscal year, reflecting growth in the tax digest. Interest revenue declined by \$478,000 as a result of lower cash balances and decreased interest rates. In addition, federal funding decreased by \$1.3 million due to the conclusion of ESSER grant programs.

Our general fund expenditures were up from the prior year due to increases in salaries and benefits from state mandated salary increase of \$2,500 for certified staff, step increases, health insurance for certified employee went from \$1,580 to \$1,760 per month starting in July 2024, and non-certified went from \$1,195 to \$1,580 per month in January 2025. In addition, operational costs increased from opening a new school such as utilities, insurance, lawn service, etc. There are also increased costs related to instructional technology needs and security and safety.

### **General Fund Budgeting Highlights**

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

The final budgeted revenues and other financing sources of \$51,807,083 increased from the original budgeted amount of \$49,210,838 by \$2,596,245. The differences in state revenue are related to school security grant, on-behalf payments, and several small grants that were not budgeted. The differences for federal revenues were school food revenues that were not included as well as several other small dollar amount grants and adjusted grant amounts.

The final budgeted expenditures and other uses of \$57,512,195 was more than the original budgeted amount of \$57,048,644 by \$463,551. The increase from the original is for those state and federal grants that were not originally budgeted. In our original budgeted amount, we use only one expense account to post the entire grant amount. Once a grant has been approved, we will go in and amend the amount and allocate the expense based on the approved budget. This keeps us from having to go back and amend numerous expense accounts.

Our actual revenues were greater than the final budgeted amounts by \$3.1 million. The increases were related to our tax digest being adjusted, higher sales taxes collections than we anticipated, state grants and school activity accounts that were not budgeted.

The actual expenditures of \$54,810,820 were \$14,720,236 more than the final budget. The majority of the variances between the final budgeted expenditures and actual are due to the per pupil allotment payments to Lake Oconee Academy, Inc., that were recorded in the instruction function but budgeted in "Other Uses". Maintenance and Operational costs were more than the budget, because of funds spent for safety and security measures and costs associated with a state grant. Enterprise operations are related to school activity accounts, which are not budgeted. The debt service principal and interest payments are associated with the crisis alert system.

For capital outlay, we had budgeted \$2.5 million in case additional funding was necessary for the construction of the new elementary school; however, no additional funding was necessary.

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

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

At the fiscal years ended June 30, 2025 and June 30, 2024, the School District had \$89,522,031 and \$69,226,424, respectively, invested in capital assets, net of accumulated depreciation. These assets are made up of a broad range of capital assets, including land; buildings; transportation, food service and maintenance equipment. Table 4 reflects a summary of these balances, by class, net of accumulated depreciation.

**Table 4**  
**Capital Assets**  
**(Net of Depreciation)**

	Governmental Activities	
	Fiscal Year	Fiscal Year
	2025	2024
Land	\$ 1,854,823	\$ 1,855,086
Construction In Progress	203,052	27,866,604
Building and Improvements	73,658,155	32,178,209
Equipment	5,746,291	3,062,867
Land Improvements	8,059,710	4,263,658
<b>Total</b>	<b>\$ 89,522,031</b>	<b>\$ 69,226,424</b>

Capital assets increased overall in fiscal year 2025 by \$20,295,607. The increase is mostly related to contractor and architect fees for the new primary school, high school baseball field renovation, re-turf of high school football field, and furniture for new primary school.

In addition, at fiscal year end June 30, 2025, the School District had \$342,492 invested in intangible right-to-use assets, net of accumulated amortization. This amount includes \$138,085 related to the School District's copier leases and \$204,407 for a subscription-based crisis alert system.

**DEBT ADMINISTRATION**

At June 30, 2025, the School District had \$39,910,960 in total debt outstanding with \$2,843,006 due within one year. Table 5 summarizes bond debt outstanding at June 30, 2025 and 2024.

**Table 5**  
**Debt at June 30**

	Governmental Activities	
	Fiscal	Fiscal
	Year 2025	Year 2024 (1)
Bonds Payable	\$ 29,025,000	\$ 29,500,000
Unamortized Bond Premiums	1,493,201	1,546,371
Compensated Absences	3,680,818	-
Intergovernmental Agreement	4,845,000	5,935,000
Leases	138,085	178,101
Lawsuit Settlement Agreement	728,856	911,070
<b>Total</b>	<b>\$ 39,910,960</b>	<b>\$ 38,070,542</b>

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

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

**CURRENT ISSUES**

For fiscal year 2026, we were able to keep the millage rate at 9.847, due to the increase in the County's tax digest. The property tax digest increased significantly due to the revaluation of properties and significant construction of new homes. Because of the increase in our property tax digest, our local 5 mills share will lower our state funding. Our program revenues which include state funding will not even cover 25% of our expenses. The local 5 mills calculation in our QBE (Quality Basic Education) funding is based on the property tax digest from two years ago meaning that our local 5 mills share will continue to increase and our state funding will decrease over the next several years unless property values decrease significantly. The responsibility for funding public education in Greene County is increasingly borne by local taxpayers.

We expect our collections from our Education Special Purpose Local Option Sales Tax (ESPLOST) to remain strong based on collections in fiscal year 2025 and the current economic conditions. There is no indication currently that we would see a reduction in those revenues. We continue to see growth in local businesses in our county that should increase our revenues.

For expenditures in 2026, the TRS (Teachers Retirement System) percentage increased from 20.78% to 21.91%. The state health insurance rate for our classified employees is increasing from \$1,760 to \$1,885. The health plan increase for classified employees (non-certified staff) will increase from \$1,580 to \$1,885, which is \$22,260 a year for every employee. The state does not pay the employer portion for SHBP (State Health Benefit Plan) leaving School Districts to fund this additional cost in local tax dollars for non-certified employees and those certified employees not funded by the state. The rate increases for both the TRS and SHBP are mandated by the state.

Our overall operational costs continue to climb for fuel, security to ensure the safety of all our students, insurance, utilities, technology, food, instructional resources for staff and students. Also, due to increases in the number of students and the per pupil rate, the amount we pay to our charter school will increase by more than \$1.5 million. We are also paying the charter school \$182,000 a year on the settlement agreement through August 2028.

Our new primary school opened in January 2025, welcoming students from Pre-K through 4th grade. Beginning with the 2025-2026 school year, the 5th grade will also transition to the primary school. The building is substantially complete; however, we are continuing to work with the contractor to ensure that all systems and features are fully functioning before the contract is officially closed out.

Other significant upcoming construction projects that planned to be completed or started during the 2025-2026 school year are as follows: Greene County High School roof replacement/HVAC, Agriculture/Greenhouse facility, theater, additional parking lot at new primary school, as well as various other projects mostly funded from our current fund balance and current ESPLOST collections.

**CONTACTING THE SCHOOL DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Connie Wilkes, Chief Financial Officer at the Greene County Board of Education, 101 East Third Street, Greensboro, Georgia 30642.

**Greene County Board of Education**

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

EXHIBIT "A"

	GOVERNMENTAL ACTIVITIES	COMPONENT UNIT CHARTER SCHOOL	COMPONENT UNIT FOUNDATION
<u>ASSETS</u>			
Cash and Cash Equivalents	\$ 35,113,215.06	\$ 7,269,143.00	\$ 709,369.00
Investments	9,136.23	-	-
Receivables, Net			
Taxes	1,959,317.79	-	-
State Government	1,326,841.88	-	-
Federal Government	720,124.60	-	-
Local	1,167,879.71	182,214.00	-
Other	46,767.70	4,932.00	9,000.00
Inventories	21,508.55	-	-
Prepaid Items	329,135.72	165,612.00	-
Restricted Cash	-	-	421,278.00
Intergovernmental Receivable, Non-Current	-	546,642.00	-
Intangible Right-to-Use Assets (Net of Accumulated Amortization)	138,084.89	20,349,763.00	406,010.00
Subscription Right-to-Use Assets (Net of Accumulated Amortization)	204,407.15	-	-
Capital Assets, Non-Depreciable	2,057,875.71	-	365,508.00
Capital Assets, Depreciable (Net of Accumulated Depreciation)	87,464,155.37	5,251,795.00	20,379,505.00
Total Assets	<u>130,558,450.36</u>	<u>33,770,101.00</u>	<u>22,290,670.00</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Related to Defined Benefit Pension Plans	12,797,911.60	-	-
Related to OPEB Plan	6,137,897.13	-	-
Total Deferred Outflows of Resources	<u>18,935,808.73</u>	<u>-</u>	<u>-</u>
<u>LIABILITIES</u>			
Accounts Payable	663,350.88	104,241.00	-
Salaries and Benefits Payable	3,174,215.03	3,030,286.00	-
Interest Payable	197,498.44	-	43,385.00
Contracts Payable	661,962.88	224,009.00	-
Retainages Payable	2,030,950.96	11,790.00	-
Deposits and Unearned Revenues	-	66,099.00	-
Net Pension Liability	38,853,205.00	-	-
Net OPEB Liability	23,108,355.00	-	-
Long-Term Liabilities			
Due Within One Year	2,843,005.59	463,929.00	357,307.00
Due in More Than One Year	37,067,954.01	20,945,834.00	20,426,239.00
Total Liabilities	<u>108,600,497.79</u>	<u>24,846,188.00</u>	<u>20,826,931.00</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Related to Defined Benefit Pension Plans	6,654,824.00	-	-
Related to OPEB Plan	7,649,547.00	-	-
Total Deferred Inflows of Resources	<u>14,304,371.00</u>	<u>-</u>	<u>-</u>
<u>NET POSITION</u>			
Net Investment in Capital Assets	50,902,791.77	3,955,996.00	367,477
Restricted for			
Continuation of Federal Programs	1,353,663.83	-	-
Debt Service	571,093.42	-	-
Capital Projects	14,693,992.77	-	-
Donor Restriction	-	-	421,278.00
Unrestricted (Deficit)	(40,932,151.49)	4,967,917.00	674,984.00
Total Net Position	<u>\$ 26,589,390.30</u>	<u>\$ 8,923,913.00</u>	<u>1,463,739.00</u>

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

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

EXHIBIT "B"

	PROGRAM REVENUES			
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS
<u>GOVERNMENTAL ACTIVITIES</u>				
Instruction	\$ 39,168,116.62	\$ 111,446.99	\$ 7,823,054.17	\$ -
Support Services				
Pupil Services	2,949,950.86	-	222,319.58	-
Improvement of Instructional Services	3,146,858.94	-	920,614.19	-
Educational Media Services	532,742.58	-	487,412.00	-
General Administration	1,349,976.43	-	771,203.08	-
School Administration	1,916,269.60	-	1,250,218.82	-
Business Administration	928,925.56	-	4,201.72	-
Maintenance and Operation of Plant	4,278,094.35	75,560.00	1,628,096.52	-
Student Transportation Services	2,012,325.46	6,764.65	452,508.73	359,052.00
Central Support Services	283,667.23	-	179.80	-
Other Support Services	118,867.32	-	111.07	-
Operations of Non-Instructional Services				
Enterprise Operations	534,483.44	-	-	-
Food Services	1,996,822.39	53,715.02	2,017,363.67	-
Interest on Long-Term Debt	1,522,472.83	-	-	-
Total Governmental Activities	<u>\$ 60,739,573.61</u>	<u>\$ 247,486.66</u>	<u>\$ 15,577,283.35</u>	<u>\$ 359,052.00</u>
<u>Component Unit</u>				
Charter School	\$ 17,475,055.00	\$ 96,016.00	\$ 459,314.00	\$ -
Foundation	1,941,605.00	-	-	-

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

EXHIBIT "B"

	NET (EXPENSES) REVENUES AND CHANGES IN NET POSITION	COMPONENT UNIT CHARTER SCHOOL	COMPONENT UNIT FOUNDATION
<b>GOVERNMENTAL ACTIVITIES</b>			
Instruction	\$ (31,233,615.46)	\$ -	\$ -
Support Services			
Pupil Services	(2,727,631.28)	-	-
Improvement of Instructional Services	(2,226,244.75)	-	-
Educational Media Services	(45,330.58)	-	-
General Administration	(578,773.35)	-	-
School Administration	(666,050.78)	-	-
Business Administration	(924,723.84)	-	-
Maintenance and Operation of Plant	(2,574,437.83)	-	-
Student Transportation Services	(1,194,000.08)	-	-
Central Support Services	(283,487.43)	-	-
Other Support Services	(118,756.25)	-	-
Operations of Non-Instructional Services			
Enterprise Operations	(534,483.44)	-	-
Food Services	74,256.30	-	-
Interest on Long-Term Debt	(1,522,472.83)		
<b>Total Governmental Activities</b>	<b>(44,555,751.60)</b>	<b>-</b>	<b>-</b>
<b>Component Unit</b>			
Charter School	-	(16,919,725.00)	-
Foundation	-	-	(1,941,605.00)
<b>General Revenues</b>			
<b>Taxes</b>			
<b>Property Taxes</b>			
For Maintenance and Operations	34,603,119.80	-	-
<b>Sales Taxes</b>			
<b>Special Purpose Local Option Sales Tax</b>			
For Capital Projects	8,712,852.34	-	-
Other Sales Tax	1,161,344.49	-	-
Greene County Board of Education		16,650,677.00	
Investment Earnings	1,932,119.60	109,252.00	10,382.00
Rental Income	-	-	1,062,484.00
Miscellaneous	861,477.40	306,030.00	655,518.00
<b>Total General Revenues</b>	<b>47,270,913.63</b>	<b>17,065,959.00</b>	<b>1,728,384.00</b>
<b>Change in Net Position</b>	<b>2,715,162.03</b>	<b>146,234.00</b>	<b>(213,221.00)</b>
<b>Net Position - Beginning of Year, as Previously Presented</b>	<b>27,074,549.70</b>	<b>8,757,679.00</b>	<b>1,676,960.00</b>
<b>Change in Accounting Principle - GASB Statement No.101</b>	<b>(3,200,321.43)</b>	<b>-</b>	<b>-</b>
<b>Error Correction</b>	<b>-</b>	<b>20,000.00</b>	<b>-</b>
<b>Net Position - Beginning of Year, as Restated</b>	<b>23,874,228.27</b>	<b>8,777,679.00</b>	<b>-</b>
<b>Net Position - End of Year</b>	<b>\$ 26,589,390.30</b>	<b>8,923,913.00</b>	<b>1,463,739.00</b>

GREENE COUNTY BOARD OF EDUCATION  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2025

EXHIBIT "C"

	GENERAL FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTAL
<u>ASSETS</u>				
Cash and Cash Equivalents	\$ 17,827,916.18	\$ 17,285,298.88	\$ -	\$ 35,113,215.06
Investments	-	-	9,136.23	9,136.23
Receivables, Net				
Taxes	1,186,769.66	772,548.13	-	1,959,317.79
State Government	1,326,841.88	-	-	1,326,841.88
Federal Government	720,124.60	-	-	720,124.60
Local	1,167,879.71	-	-	1,167,879.71
Other	45,494.07	1,273.63	-	46,767.70
Inventories	21,508.55	-	-	21,508.55
Prepaid Items	329,135.72	-	-	329,135.72
Total Assets	\$ 22,625,670.37	\$ 18,059,120.64	\$ 9,136.23	\$ 40,693,927.24
 <u>LIABILITIES</u>				
Accounts Payable	\$ 394,533.79	\$ 268,817.09	-	\$ 663,350.88
Salaries and Benefits Payable	3,174,215.03	-	-	3,174,215.03
Contracts Payable	-	661,962.88	-	661,962.88
Retainages Payable	-	2,030,950.96	-	2,030,950.96
Total Liabilities	3,568,748.82	2,961,730.93	-	6,530,479.75
 <u>DEFERRED INFLOWS OF RESOURCES</u>				
Unavailable Revenue - Property Taxes	\$ 505,736.34	\$ -	\$ -	505,736.34
 <u>FUND BALANCES</u>				
Nonspendable	350,644.27	-	-	350,644.27
Restricted	1,332,155.28	12,721,858.93	9,136.23	14,063,150.44
Assigned	271,642.87	2,375,530.78	-	2,647,173.65
Unassigned	16,596,742.79	-	-	16,596,742.79
Total Fund Balances	18,551,185.21	15,097,389.71	9,136.23	33,657,711.15
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 22,625,670.37	\$ 18,059,120.64	\$ 9,136.23	\$ 40,693,927.24

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

EXHIBIT "D"

Total fund balances - governmental funds (Exhibit "C")	\$	33,657,711.15
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
Land	\$	1,854,823.25
Construction in progress		203,052.46
Buildings and improvements		96,910,841.67
Equipment		10,269,324.98
Land improvements		14,648,036.87
Accumulated depreciation		<u>(34,364,048.15)</u>
		89,522,031.08
Right-to-use assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
Leased machinery and equipment	\$	178,100.54
Subscription assets		227,119.05
Accumulated amortization - Right-to-use assets		<u>(62,727.55)</u>
		342,492.04
Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Net pension liability	\$	(38,853,205.00)
Net OPEB liability		<u>(23,108,355.00)</u>
		(61,961,560.00)
Deferred outflows and inflows of resources related to pensions/OPEB are applicable to future periods and, therefore, are not reported in the funds.		
Related to pensions	\$	6,143,087.60
Related to OPEB		<u>(1,511,649.87)</u>
		4,631,437.73
Taxes that are not available to pay for current period expenditures are deferred in the funds.		
		505,736.34
Long-term liabilities, and related accrued interest, are not due and payable in the current period and therefore are not reported in the funds.		
Bonds payable	\$	(29,025,000.00)
Accrued interest payable		(197,498.44)
Compensated absences payable		(3,680,817.72)
Intergovernmental agreement payable		(4,845,000.00)
Lease liability payable		(138,084.89)
Settlement agreement - Lake Oconee Academy		(728,856.00)
Unamortized bond premiums		<u>(1,493,200.99)</u>
		(40,108,458.04)
Net position of governmental activities (Exhibit "A")	\$	<u><u>26,589,390.30</u></u>

GREENE COUNTY BOARD OF EDUCATION  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2025

EXHIBIT "E"

	GENERAL FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTAL
<u>REVENUES</u>				
Property Taxes	\$ 34,709,453.81	\$ -	\$ -	\$ 34,709,453.81
Sales Taxes	1,161,344.49	8,712,852.34	-	9,874,196.83
State Funds	12,342,958.28	-	-	12,342,958.28
Federal Funds	4,090,629.50	-	-	4,090,629.50
Charges for Services	247,486.66	-	-	247,486.66
Investment Earnings	736,611.90	1,195,507.70	-	1,932,119.60
Miscellaneous	859,477.40	2,000.00	-	861,477.40
Total Revenues	<u>54,147,962.04</u>	<u>9,910,360.04</u>	<u>-</u>	<u>64,058,322.08</u>
<u>EXPENDITURES</u>				
Current				
Instruction	36,077,586.27	2,382,897.36	-	38,460,483.63
Support Services				
Pupil Services	2,135,359.74	774,718.79	-	2,910,078.53
Improvement of Instructional Services	3,006,951.81	157,609.62	-	3,164,561.43
Educational Media Services	522,265.08	-	-	522,265.08
General Administration	1,295,583.72	-	-	1,295,583.72
School Administration	1,837,170.31	-	-	1,837,170.31
Business Administration	948,351.98	200.00	100.00	948,651.98
Maintenance and Operation of Plant	3,885,680.03	717,453.80	-	4,603,133.83
Student Transportation Services	2,028,668.60	257,955.73	-	2,286,624.33
Central Support Services	241,034.16	-	-	241,034.16
Other Support Services	118,869.29	-	-	118,869.29
Enterprise Operations	534,483.44	-	-	534,483.44
Food Services Operation	1,921,506.38	32,446.23	-	1,953,952.61
Capital Outlay	-	20,307,542.41	-	20,307,542.41
Debt Service				
Principal	240,135.60	-	1,565,000.00	1,805,135.60
Interest	17,173.30	-	1,584,236.26	1,601,409.56
Total Expenditures	<u>54,810,819.71</u>	<u>24,630,823.94</u>	<u>3,149,336.26</u>	<u>82,590,979.91</u>
Revenues over (under) Expenditures	<u>(662,857.67)</u>	<u>(14,720,463.90)</u>	<u>(3,149,336.26)</u>	<u>(18,532,657.83)</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Subscription Liability Proceeds	200,119.05	-	-	200,119.05
Transfers In	-	-	3,156,778.09	3,156,778.09
Transfers Out	-	(3,156,778.09)	-	(3,156,778.09)
Total Other Financing Sources (Uses)	<u>200,119.05</u>	<u>(3,156,778.09)</u>	<u>3,156,778.09</u>	<u>200,119.05</u>
Net Change in Fund Balances	(462,738.62)	(17,877,241.99)	7,441.83	(18,332,538.78)
Fund Balances - Beginning	<u>19,013,923.83</u>	<u>32,974,631.70</u>	<u>1,694.40</u>	<u>51,990,249.93</u>
Fund Balances - Ending	<u>\$ 18,551,185.21</u>	<u>\$ 15,097,389.71</u>	<u>\$ 9,136.23</u>	<u>\$ 33,657,711.15</u>

GREENE COUNTY BOARD OF EDUCATION  
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF  
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
TO THE STATEMENT OF ACTIVITIES  
JUNE 30, 2025

EXHIBIT "F"

Net change in fund balances total governmental funds (Exhibit "E") \$ (18,332,538.78)

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

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of capital assets and right-to-use assets are allocated over their estimated useful lives as depreciation and amortization expense.

Capital outlay	\$ 23,537,659.09	
Intangible right-to-use outlay	227,119.05	
Depreciation expense	(2,799,947.89)	
Amortization expense	<u>(98,384.67)</u>	20,866,445.58

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, donations, and disposals) is to decrease net position. (442,104.53)

Taxes reported in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. (106,334.01)

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

Subscription liability proceeds	\$ (200,119.05)	
Intergovernmental arrangement payments	1,090,000.00	
Bond principal retirements	475,000.00	
Lease liability payments	40,015.65	
Subscription liability payments	200,119.05	
Settlement agreement with Lake Oconee Academy payments	182,214.00	
Amortization of bond premium	<u>53,170.36</u>	1,840,400.01

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

Pension expense	\$ (1,197,000.50)	
OPEB expense	<u>545,905.13</u>	(651,095.37)

Some items reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Compensated absences	(480,496.29)	
Net decrease in accrued interest	<u>20,885.42</u>	<u>(459,610.87)</u>

Change in net position of governmental activities (Exhibit "B") \$ 2,715,162.03

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

**Reporting Entity**

The Greene County Board of Education (School District) was established under the laws of the State of Georgia and operates under the guidance of a board elected by the voters and a Superintendent appointed by the Board. The School District is organized as a separate legal entity and has the power to levy taxes and issue bonds. Its budget is not subject to approval by any other entity. Accordingly, the School District is a primary government and consists of all the organizations that compose its legal entity.

***Blended Component Unit***

The Greene County College and Career Academy is responsible for the public education of all students attending its school. The College and Career Academy was created through a contract between the School District and the College and Career Academy whereby certain State funding associated with the students attending the College and Career Academy and specified local funds are used specifically to cover the cost of its operations. The College and Career Academy is a component unit of the School District and as such the College and Career Academy's financial activity has been blended with the School District's basic financial statements.

***Discretely Presented Component Unit***

The Lake Oconee Academy, Inc. (Charter School) is responsible for the public education of all students attending its schools. The Charter School was created through a contract between the School District and the Charter School whereby certain State funding associated with the students attending the Charter School and specified local funds are turned over to the Charter School to cover the costs of its operations. The financial statements of the Charter School have been included as a discretely presented component unit.

Lake Oconee Academy was formed as a Georgia non-profit corporation in April 2007 for the purpose of operating a public charter school in Greensboro, Georgia. Operations commenced in the 2007/2008 academic school year. The Charter School's mission is to increase student achievement by building a culture of high expectation for all students.

The Lake Oconee Academy Foundation, Inc. (Foundation) was organized on September 5, 2012 as a Georgia non-profit corporation. The Foundation is dedicated to raising and stewarding funds to provide education resources, improve the educational and extracurricular programs for the enrichment, betterment and education excellence of the children of Lake Oconee Academy. The financial statements of the Foundation have been included as a discretely presented component unit.

See Note 16 and Note 17 for additional information related to the component units.

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

## **Basis of Presentation**

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

### ***Government-Wide Statements:***

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

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

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

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

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

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

### ***Fund Financial Statements***

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

GREENE COUNTY BOARD OF EDUCATION  
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EXHIBIT "G"

The School District reports the following major governmental funds:

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

### **Basis of Accounting**

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

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

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The School District considers certain revenues reported in the governmental funds to be available if they are collected within 60 days after year-end. The School District considers all intergovernmental revenues to be available if they are collected within 120 after year-end. Property taxes, sales taxes and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, which are recognized as expenditures to the extent they have matured. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term liabilities and acquisitions under leases and subscriptions are reported as other financing sources.

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

### **New Accounting Pronouncements**

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

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

### **Cash and Cash Equivalents**

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

### **Investments**

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

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

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

### **Receivables**

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

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EXHIBIT "G"

**Inventories**

**Food Inventories**

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

**Prepaid Items**

Payments made to vendors for services that will benefit future accounting periods are recorded as prepaid items, in both the government-wide and governmental fund financial statements.

**Capital Assets**

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

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

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

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

	Capitalization Policy	Estimated Useful Life
Land	Any	N/A
Land Improvements	\$ 5,000.00	20 to 80 years
Buildings and Improvements	\$ 5,000.00	Up to 80 years
Equipment	\$ 5,000.00	5 to 25 years
Intangible Assets	\$ 350,000.00	5 to 80 years
	5% of more than Capital	
Bulk Purchases of Equipment or Furniture	Assets of the prior year	3 to 25 years

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EXHIBIT "G"

**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 District’s right to use an underlying asset for the lease or subscription term. Lease and subscription obligations represent the School District’s liability to make lease subscription payments arising from the lease or subscription agreement. Intangible right-to-use assets, lease obligations and subscription liabilities are recognized based on the present value of lease or subscription payments over the lease or subscription term, where the initial term exceeds 12 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.

Capitalization thresholds of intangible right-to-use assets reported in the government-wide statements are as follows:

		Capitalization Policy
Land		Any
Land Improvements	\$	75,000.00
Buildings and Improvements	\$	75,000.00
Equipment	\$	75,000.00
Subscription Assets	\$	75,000.00

**Leases as Lessee**

The School District is a lessee for a noncancellable lease of copiers owned by a 3<sup>rd</sup> party.

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

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

The lease agreement entered into by the School District as lessee does not contain a stated interest rate. Therefore, the School District has used its estimated incremental borrowing rate as the discount rate for the lease. The School District has estimated this incremental borrowing rate to be 8.50% for the leases in which the School District is currently involved as the lessee.

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

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

Lease assets are reported with other capital assets and lease liabilities are reported with current and long-term debt on the Statement of Net Position.

### **Deferred Outflows/Inflows of Resources**

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

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

### **Compensated Absences**

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

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

Vacation leave is awarded on a fiscal year basis to all full-time personnel employed on a twelve-month basis, according to the following guidelines.

Employees with 1-5 years of full-time experience earn 10 days per year

Employees with 6-9 years of full-time experience earn 11 days per year

Employees with 10-14 years of full-time experience earn 12 days per year

Employees with 15-19 years of full-time experience earn 13 days per year

Employees with 20-24 years of full-time experience earn 14 days per year

Employees with 25+ years of full-time experience earn 15 days per year

No other employees are eligible to earn vacation leave.

Vacation leave not utilized during the fiscal year may be carried over to the next fiscal year with a no limit cap. The School District does not provide for the payout of unused vacation leave upon resignation or retirement; accordingly, the liability represents the portion of accumulated vacation leave that is more likely than not to be used by employees during active employment.

Sick leave is earned at a rate of 1.25 days per month for eligible employees. Unused sick leave may be accumulated with a no limit cap. The School District does not provide for payout of unused sick leave upon resignation or retirement; accordingly, the liability represents the portion of accumulated sick leave that is more likely than not to be used by employees during active employment. Members of the

GREENE COUNTY BOARD OF EDUCATION  
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Teachers Retirement System of Georgia (TRS) may apply unused sick leave toward retirement service credit. This benefit is administered and funded by TRS; therefore, the related liability is not reported by the School District.

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

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

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

### Pensions

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

### Post-Employment Benefits Other than Pensions (OPEB)

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

### Fund Balances

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

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

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

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

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

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

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

### Use of Estimates

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

### Property Taxes

The Greene County Board of Commissioners adopted the property tax levy for the 2024 tax digest year (calendar year) on September 6, 2024 (levy date) based on property values as of January 1, 2024. Taxes were due on December 2, 2024 (lien date). Taxes collected within the current fiscal year or within 60 days after year-end on the 2024 tax digest are reported as revenue in the governmental funds for fiscal year 2025. The Greene County Tax Commissioner bills and collects the property taxes for the School District, withholds 2.5% of taxes collected as a fee for tax collection and remits the balance of taxes collected to the School District. Property tax revenues, at the fund reporting level, during the fiscal year ended June 30, 2025, for maintenance and operations amounted to \$32,459,180.44.

The tax millage rate levied for the 2024 tax digest year (calendar year) for the School District was as follows (a mill equals \$1 per thousand dollars of assessed value):

School Operations	<u>9.847</u> mills
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Additionally, Title Ad Valorem Tax revenues, at the fund reporting level, amounted to \$2,250,273.37 during fiscal year ended June 30, 2025.

### Sales Taxes

Education Special Purpose Local Option Sales Tax (ESPLOST), at the fund reporting level, during the year amounted to \$8,712,852.34 and is to be used for capital outlay for educational purposes or debt service. This sales tax was authorized by local referendum and the sales tax must be re-authorized at least every five years.

**NOTE 3: BUDGETARY DATA**

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

The budgetary process begins with the School District's administration presenting an initial budget for the Board's review. The administration makes revisions as necessary based on the Board's guidelines, and a tentative budget is approved. After approval of this tentative budget by the Board, such budget is advertised at least once in a newspaper of general circulation in the locality, as well as the School District's website. At the next regularly scheduled meeting of the Board after advertisement, the Board receives comments on the tentative budget, makes revisions as necessary and adopts a final budget. The approved budget is then submitted, in accordance with provisions of O.C.G.A. §20-2-167(c), to the Georgia Department of Education. The Board may increase or decrease the budget at any time during the year. All unexpended budget authority lapses at fiscal year-end.

The Superintendent is authorized by the Board to approve adjustments of no more than 10% of the amount budgeted for expenditures in any budget function for any fund. The Superintendent shall report any such adjustments to the Board. If expenditure of funds in any budget function for any fund is anticipated to be more than 10% of the budgeted amount, the Superintendent shall request Board approval for the budget amendment. Any position or expenditure not previously approved in the annual budget that exceeds \$5,000.00 shall require Board approval unless the Superintendent deems the position or purchase an emergency. In such case, the expenditure shall be reported to the Board at its regularly scheduled meeting. Under no circumstance is the Superintendent or other staff person authorized to spend funds that exceed the total budget without approval by the Board.

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

**NOTE 4: DEPOSITS, CASH EQUIVALENTS AND INVESTMENTS**

**Collateralization of Deposits**

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

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

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

GREENE COUNTY BOARD OF EDUCATION  
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- (2) Insurance on accounts provided by the Federal Deposit Insurance Corporation,
- (3) Bonds, bills, notes, certificates of indebtedness or other direct obligations of the United States or of the State of Georgia,
- (4) Bonds, bills, notes, certificates of indebtedness or other obligations of the counties or municipalities of the State of Georgia,
- (5) Bonds of any public authority created by the laws of the State of Georgia, providing that the statute that created the authority authorized the use of the bonds for this purpose,
- (6) Industrial revenue bonds and bonds of development authorities created by the laws of the State of Georgia, and
- (7) Bonds, bills, notes, certificates of indebtedness, or other obligations of a subsidiary corporation of the United States government, which are fully guaranteed by the United States government both as to principal and interest or debt obligations issued by or securities guaranteed by the Federal Land Bank, the Federal Home Loan Bank, the Federal Intermediate Credit Bank, the Central Bank for Cooperatives, the Farm Credit Banks, the Federal Home Loan Mortgage Association, and the Federal National Mortgage Association.

### **Categorization of Deposits**

Custodial credit risk is the risk that in the event of a bank failure, the School District's deposits may not be returned to it. The School District does not have a deposit policy for custodial credit risk. At June 30, 2025, the School District had deposits with a carrying amount of \$18,824,784.70, and a bank balance of \$19,867,719.33. The bank balances insured by Federal depository insurance were \$583,478.96 and the bank balances collateralized with securities held by the pledging financial institution or by the pledging financial institution's trust department or agent in the School District's name were \$19,248,052.84.

At June 30, 2025, \$36,187.53 of the School District's bank balances were exposed to custodial credit risk. This balance was in the State's Secure Deposit Program (SDP).

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

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

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

Cash and cash equivalents		
Statement of Net Position	\$	35,113,215.06
Less:		
Investment pools reported as cash and cash equivalents		
Georgia Fund 1		16,288,430.36
Total carrying value of deposits - June 30, 2025	\$	18,824,784.70

**Categorization of Cash Equivalents**

The School District reported cash equivalents of \$16,288,430.36 in Georgia Fund 1, a local government investment pool, which is included in the cash balances above. Georgia Fund 1 is not registered with the SEC as an investment company and does not operate in a manner consistent with the SEC's Rule 2a-7 of the Investment Company Act of 1940. The investment is valued at the pool's share price, \$1.00 per share, which approximates fair value. The pool is an AA Af rated investment pool by Fitch. The weighted average maturity of Georgia Fund 1 may not exceed 60 days. The weighted average maturity for Georgia Fund 1 on June 30, 2025 was 51 days.

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

**Categorization of Investments**

At June 30, 2025, the School District had the following investments:

Investment Type	Fair Value
Mutual Funds	
Money Market Funds	\$ 9,136.23

**Fair Value of Investments**

The School District measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- Level 1: Quoted prices for identical investments in active markets;
- Level 2: Observable inputs other than quoted market prices; and,
- Level 3: Unobservable inputs.

The School District has the following recurring fair value measurements as of June 30, 2025:

Mutual Funds – Money Market Funds of \$9,136.23 are valued using quoted market prices. (Level 1 inputs)

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**Credit Quality Risk**

Credit quality risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State law limits investments to those prescribed O.C.G.A. §36-83-4. The School District does not have a formal policy that would further limit its investment choices or one that addresses credit risk.

The investments subject to credit quality risk are reflected below:

Rated Debt Investments	Fair Value	Quality Ratings AAA
Mutual Funds		
Money Market Funds	\$ 9,136.23	\$ 9,136.23

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

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

	Balances July 1, 2024	Increases	Decreases	Transfers	Balances June 30, 2025
Governmental Activities					
Capital Assets,					
Not Being Depreciated:					
Land	\$ 1,855,086.21	\$ -	\$ 262.96	\$ -	\$ 1,854,823.25
Construction in Progress	27,866,603.89	20,003,268.73	-	(47,666,820.16)	203,052.46
Total Capital Assets					
Not Being Depreciated	29,721,690.10	20,003,268.73	262.96	(47,666,820.16)	2,057,875.71
Capital Assets,					
Being Depreciated:					
Buildings and Improvements	54,060,607.87	104,539.00	435,444.15	43,181,138.95	96,910,841.67
Equipment	7,286,691.57	3,362,333.16	379,699.75	-	10,269,324.98
Land Improvements	10,549,641.73	67,518.20	454,804.27	4,485,681.21	14,648,036.87
Less Accumulated					
Depreciation:					
Buildings and Improvements	21,882,398.60	1,616,761.85	246,473.21	-	23,252,687.24
Equipment	4,223,824.30	668,074.70	368,864.62	-	4,523,034.38
Land Improvements	6,285,983.96	515,111.34	212,768.77	-	6,588,326.53
Total Capital Assets,					
Being Depreciated, Net	39,504,734.31	734,442.47	441,841.57	47,666,820.16	87,464,155.37
Governmental Activities					
Capital Assets - Net	\$ 69,226,424.41	\$ 20,737,711.20	\$ 442,104.53	\$ -	\$ 89,522,031.08

**GREENE COUNTY BOARD OF EDUCATION  
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Current year depreciation expense by function is as follows:

Instruction		\$	1,783,088.39
Support Services			
Pupil Services	\$		391,848.72
Improvements of Instructional Services			83,244.33
General Administration			24,451.89
Business Administration			849.63
Maintenance and Operation of Plant			91,437.61
Student Transportation Services			329,798.47
Central Support Services			34,444.69
Food Services			956,075.34
			<u>60,784.16</u>
		\$	<u><u>2,799,947.89</u></u>

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

	<u>Balances</u>		<u>Increases</u>		<u>Decreases</u>		<u>Balance</u>
	<u>July 1, 2024</u>						<u>June 30, 2025</u>
Governmental Activities							
Intangible Right-to-Use Assets							
Equipment	\$ 178,100.54	\$ -		\$ -		\$ 178,100.54	
Subscription Assets	157,485.58		227,119.05		157,485.58		227,119.05
Less Accumulated Amortization:							
Equipment	-		40,015.65		-		40,015.65
Subscription Assets	121,828.46		58,369.02		157,485.58		22,711.90
Governmental Activities							
Intangible Right-to-Use Assets - Net	\$ <u>213,757.66</u>	\$ <u>128,734.38</u>		\$ <u>-</u>		\$ <u>342,492.04</u>	

Current year amortization expense by function is as follows:

Instruction		\$	23,831.30
Support Services			
Improvements of Instructional Services	\$		4,167.72
Educational Media Services			3,883.14
General Administration			3,598.56
Business Administration			38,695.70
Maintenance and Operation of Plant			22,711.90
Student Transportation Services			1,496.35
			<u>74,553.37</u>
		\$	<u><u>98,384.67</u></u>

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**NOTE 6: INTERFUND TRANSFERS**

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

Transfers to	<u>Transfers From</u> <u>Capital Projects</u>
	Fund
Debt Service	\$ <u><u>3,156,778.09</u></u>

Transfers are used to move Education Special Purpose Local Option Sales Tax revenues (ESPLOST) collected by the capital projects fund to the debt service for repayment of bond principal and interest. In addition, a transfer was made to reclassify investment account related to debt service fund.

**NOTE 7: LONG-TERM LIABILITIES**

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

	Governmental Activities				
	Balance July 1, 2024	Additions	Deductions	Balance	Due Within
	Restated			June 30, 2025	One Year
General Obligation (G.O.) Bonds	\$ 29,500,000.00	\$ -	\$ 475,000.00	\$ 29,025,000.00	\$ 495,000.00
Unamortized Bond Premiums	1,546,371.35	-	53,170.36	1,493,200.99	53,170.36
Compensated Absences (1)	3,200,321.43	480,496.29	-	3,680,817.72	935,431.96
Intergovernmental Agreements	5,935,000.00	-	1,090,000.00	4,845,000.00	1,135,000.00
Leases - Copiers	178,100.54	-	40,015.65	138,084.89	42,189.27
Settlement Agreement with Charter School	911,070.00	-	182,214.00	728,856.00	182,214.00
Subscription Liabilities	-	200,119.05	200,119.05	-	-
	<u>\$ 41,270,863.32</u>	<u>\$ 680,615.34</u>	<u>\$ 2,040,519.06</u>	<u>\$ 39,910,959.60</u>	<u>\$ 2,843,005.59</u>

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

**General Obligation Bonds**

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

The School District had no unused line of credit or outstanding notes from direct borrowings and direct placements related to governmental activities as of June 30, 2025. In the event the entity is unable to make the principal and interest payments using proceeds from the Education Special Purpose Local Option Sales Tax (ESPLOST), the debt will be satisfied from a direct annual ad valorem tax levied upon all taxable property within the School District. Additional security is provided by the State of Georgia Intercept Program which allows for state appropriations entitled to the School District to be transferred to the Debt Service Account Custodian for the payment of debt.

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**EXHIBIT "G"**

General obligation bonds currently outstanding are as follows:

Description	Interest Rates	Issue Date	Maturity Date	Amount Issued	Amount Outstanding
General Government - Series 2023	4.0% - 5.0%	7/20/2023	6/1/2053	\$ 29,500,000.00	\$ 29,025,000.00

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

Fiscal Year Ended June 30:	General Obligation Debt		Unamortized Bond Premium
	Principal	Interest	
2026	\$ 495,000.00	\$ 1,306,143.76	\$ 53,170.36
2027	520,000.00	1,281,393.76	53,170.36
2028	550,000.00	1,260,593.76	53,170.36
2029	575,000.00	1,233,093.76	53,170.36
2030	605,000.00	1,204,343.76	53,170.36
2031 - 2035	3,505,000.00	5,536,968.80	265,851.80
2036 - 2040	4,470,000.00	4,568,968.80	265,851.80
2041 - 2045	5,710,000.00	3,345,168.80	265,851.80
2046 - 2050	7,290,000.00	2,015,012.54	265,851.80
2051 - 2053	5,305,000.00	444,674.22	163,941.99
Total Principal and Interest	\$ 29,025,000.00	\$ 22,196,361.96	\$ 1,493,200.99

**Intergovernmental Agreement**

The Greene County Board of Education entered into a contract with the Greene County Development Authority, dated December 16, 2009, for the issuance of bonds to provide funds to Lake Oconee Academy, Inc. for the purpose of constructing Greene County School District educational facilities for use by Lake Oconee Academy, Inc. Under the terms of the contract, the Greene County Development Authority issued \$17,205,000.00 in bonds on behalf of the School District. The obligation of the School District is absolute and unconditional so long as any of the bonds remain outstanding. Under the contract, the School District will exercise its power of taxation to the extent necessary to pay the amounts required to be paid by the contract.

The School District had no unused line of credit or outstanding notes from direct borrowings and direct placements related to governmental activities as of June 30, 2025. In the event the entity is unable to make the principal and interest payments using proceeds from the Education Special Purpose Local Option Sales Tax (ESPLOST), the debt will be satisfied from a direct annual ad valorem tax levied upon all taxable property within the School District. Additional security is provided by the State of Georgia Intercept Program which allows for state appropriations entitled to the School District to be transferred to the Debt Service Account Custodian for the payment of debt.

**GREENE COUNTY BOARD OF EDUCATION  
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**EXHIBIT "G"**

Debt currently outstanding under intergovernmental agreement is as follows:

Purpose	Interest Rates	Issue Date	Maturity Date	Amount Issued	Amount Outstanding
General Government - Series 2009	2.0% - 2.5%	12/16/2009	2/1/2029	\$ 17,205,000.00	\$ 4,845,000.00

The following is a schedule of total intergovernmental agreement payments:

Fiscal Year Ended June 30:	Principal	Interest
2026	\$ 1,135,000.00	\$ 212,767.50
2027	1,185,000.00	164,530.00
2028	1,235,000.00	112,390.00
2029	1,290,000.00	58,050.00
Total Principal and Interest	\$ 4,845,000.00	\$ 547,737.50

The following assets were acquired through the intergovernmental agreement and are reflected in the capital asset note at fiscal year-end.

	Governmental Activities
Land	\$ 1,174,999.65
Building and Improvements	12,226,220.14
Land Improvements	3,333,589.96
Equipment	5,843.70
Less: Accumulated Depreciation	5,968,300.25
	\$ 10,772,353.20

**Leases**

The School District has acquired copiers under the provisions of a contract that conveys control of the right to use another entity's asset for a period of time in an exchange or exchange-like transaction. This contract is classified as a lease for accounting purposes.

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**EXHIBIT "G"**

The following is a summary of the carrying values of intangible right-to-use assets under lease at June 30, 2025:

	Governmental Activities
Equipment	\$ 178,100.54
Less: Accumulated Amortization	40,015.65
	\$ 138,084.89

The lease currently outstanding is as follows:

Purpose	Interest Rate	Issue Date	Maturity Date	Amount Issued	Amount Outstanding
Copiers	8.50%	5/29/2024	6/30/2028	\$ 178,100.54	\$ 138,084.89

The following is a schedule of total lease payments:

Fiscal Year Ended June 30:	Principal	Interest
2026	\$ 42,189.27	\$ 10,118.73
2027	45,918.42	6,389.58
2028	49,977.20	2,330.81
Total Principal and Interest	\$ 138,084.89	\$ 18,839.12

### Settlement Agreement with Charter School

On January 2, 2023, the School District Board signed an agreement with Lake Oconee Academy, Inc. for the settlement of Civil Action File No. 2020CV340594 filed by the charter school. The School District will pay the charter school \$1,093,284.00. The total is to be paid in six equal installments of \$182,214.00 starting on August 1, 2023 and continuing each August 1 through August 1, 2028. If the Charter Agreement is terminated or not renewed for any reason, including but not limited to the reasons identified in Section 24 of the Charter Agreement, the remaining balance of the total identified in this Paragraph will be due to LOA within ten (10) days of the expiration of the Charter Agreement, whichever occurred earlier.

Settlement agreement currently outstanding is as follows:

Purpose	Issue Date	Maturity Date	Amount Issued	Amount Outstanding
Settlement Agreement with Charter School	1/2/2023	8/1/2028	\$ 1,093,284.00	\$ 728,856.00

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**EXHIBIT "G"**

The following is a schedule of total intergovernmental agreement payments:

Fiscal Year Ended June 30:	Principal
2026	\$ 182,214.00
2027	182,214.00
2028	182,214.00
2029	182,214.00
Total Principal and Interest	\$ 728,856.00

**Subscription Liabilities**

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

The following is a summary of the carrying value of the intangible right-to-use assets under subscription at June 30, 2025:

	Governmental Activities
Subscription Assets	\$ 227,119.05
Less: Accumulated Amortization	22,711.90
	\$ 204,407.15

During the current fiscal year, the School District entered into a subscription agreement for the right to use Centegix software at a total cost of \$237,000.00. The entire subscription cost was paid prior to year-end.

**Compensated Absences**

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

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

GREENE COUNTY BOARD OF EDUCATION  
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EXHIBIT "G"

**NOTE 8: RISK MANAGEMENT**

**Insurance**

***Commercial Insurance***

The School District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors or omissions; job related illness or injuries to employees; and natural disasters. Except as described below, the School District carries commercial insurance for these risks. Settled claims resulting from these insured risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

**Unemployment Compensation**

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

**Surety Bond**

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

Position Covered	Amount
Superintendent	\$ 50,000.00

**NOTE 9: FUND BALANCE CLASSIFICATION DETAILS**

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

Nonspendable			
Inventories	\$	21,508.55	
Prepaid Assets		329,135.72	\$ 350,644.27
Restricted			
Continuation of Federal Programs	\$	1,332,155.28	
Capital Projects		11,971,539.53	
Debt Service		759,455.63	14,063,150.44
Assigned			
Local Capital Outlay Projects	\$	2,375,530.78	
School Activity Accounts		271,642.87	2,647,173.65
			16,596,742.79
Unassigned			
Fund Balance, June 30, 2025		\$	33,657,711.15

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

GREENE COUNTY BOARD OF EDUCATION  
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EXHIBIT "G"

**NOTE 10: SIGNIFICANT COMMITMENTS**

**Commitments under Construction Contracts**

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

Project	Unearned Executed Contracts (1)	Payments through June 30, 2025 (2)	Funding Available From State (1)
Anita Carson Middle School Gyn Floor	\$ 105,706.82	\$ 33,826.18	\$ -
Greene County High School Baseball Field - Contractor	54,353.90	2,209,498.00	-
Greene County High School Baseball Field - Architect	677.50	36,322.50	-
Greene County High School Roofing/HVAC Project - Architect	42,672.50	58,327.50	-
Greene County High School Football Field Storage - Architect	12,675.00	17,325.00	-
Greene County High School Greenhouse - Architect	16,000.00	24,000.00	-
New Primary School - Architect	13,797.79	1,957,315.21	-
New Primary School - Contractor	470,245.45	40,202,023.55	242,956.80
	<u>\$ 716,128.96</u>	<u>\$ 44,538,637.94</u>	<u>\$ 242,956.80</u>

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

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

**NOTE 11: SIGNIFICANT CONTINGENT LIABILITIES**

**Federal Grants**

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

**Litigation**

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

**NOTE 12: OTHER POST-EMPLOYMENT BENEFITS (OPEB)**

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

**Plan Description:** Certified teachers and non-certified public school employees of the School District as defined in §20-2-875 of the Official Code of Georgia Annotated (O.C.G.A.) are provided OPEB through the School OPEB Fund - a cost-sharing multiple-employer defined benefit post-employment healthcare plan, reported as an employee trust fund and administered by a Board of Community Health (Board). Title 20 of the O.C.G.A. assigns the authority to establish and amend the benefit terms of the group health plan to the Board.

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

**Contributions:** As established by the Board, the School OPEB Fund is substantially funded on a pay-as-you-go basis; that is, annual cost of providing benefits will be financed in the same year as claims occur. Contributions to the School OPEB Fund from the School District were \$864,619.13 for the year ended June 30, 2025. Active employees are not required to contribute to the School OPEB Fund.

During fiscal year 2025, the State of Georgia, through the State Health Benefit Plan (SHBP) administered by the Department of Community Health, made an on-behalf contribution in the amount of \$505,224.87 for the School District's employees.

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

At June 30, 2025, the School District reported a liability of \$23,108,355.00 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2024. The total OPEB liability used to calculate the net OPEB liability was based on an actuarial valuation as of June 30, 2023. An expected total OPEB liability as of June 30, 2024 was determined using standard roll-forward techniques. The School District's proportion of the net OPEB liability was actuarially determined based on employer contributions during the fiscal year ended June 30, 2024. At June 30, 2024, the School District's proportion was 0.202770%, which was a decrease of 0.007695% from its proportion measured as of June 30, 2023.

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For the year ended June 30, 2025, the School District recognized OPEB expense of \$318,714.00. At June 30, 2025, the School District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	OPEB	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,133,194.00	\$ 4,172,531.00
Changes of assumptions	2,694,535.00	2,287,440.00
Net difference between projected and actual earnings on OPEB plan investments	-	150,430.00
Changes in proportion and differences between School District contributions and proportionate share of contributions	1,445,549.00	1,039,146.00
School District contributions subsequent to the measurement date	864,619.13	-
Total	\$ 6,137,897.13	\$ 7,649,547.00

School District contributions subsequent to the measurement date are reported as deferred outflows of resources and will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30:	OPEB
2026	\$ (960,880.00)
2027	\$ (1,274,120.00)
2028	\$ (384,015.00)
2029	\$ 293,104.00
2030	\$ (40,297.00)
Thereafter	\$ (10,061.00)

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**Actuarial Assumptions:** The total OPEB liability as of June 30, 2024 was determined by an actuarial valuation as of June 30, 2023 using the following actuarial assumptions and other inputs, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2024:

**OPEB:**

Inflation	2.50%
Salary increases	3.00% – 8.75%, including inflation
Long-term expected rate of return	7.00%, compounded annually, net of investment expense, and including inflation
Healthcare cost trend rate	6.75%
Ultimate trend rate	4.50%
Year of Ultimate trend rate	2032

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

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

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The actuarial assumptions used in the June 30, 2023 valuation were based on the results of an actuarial experience study for the pension systems, which covered the five-year period ending June 30, 2018, with the exception of the assumed annual rate of inflation which was changed from 2.75% to 2.50%, effective with the June 30, 2018 valuation.

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

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

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

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

\* Net of inflation

**Discount Rate:** In order to measure the total OPEB liability for the School OPEB Fund, a single equivalent interest rate of 3.98% was used as the discount rate, as compared with last year's rate of 3.68%. The plan's fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, the municipal bond rate as used for the long-term rate of return was applied to all periods of projected benefit payments to determine total OPEB liability. This is comprised mainly of the yield or index rate for 20-year tax-exempt general obligation bonds with an average rating of AA or higher (3.93% per the Municipal Bond Index Rate). The projection of cash flows used to determine the discount rate assumed that contributions from members and from the employers will be made at the current level as averaged over the last five years, adjusted for annual projected changes in headcount. Projected future benefit payments for all current plan members were projected through 2123.

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**Sensitivity of the School District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate:** The following presents the School District's proportionate share of the net OPEB liability calculated using the discount rate of 3.98%, as well as what the School District's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.98%) or 1-percentage-point higher (4.98%) than the current discount rate:

	1% Decrease (2.98%)	Current Discount Rate (3.98%)	1% Increase (4.98%)
School District's proportionate share of the Net OPEB liability	\$ 26,144,097.00	\$ 23,108,355.00	\$ 20,548,268.00

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

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
School District's proportionate share of the Net OPEB liability	\$ 19,966,938.00	\$ 23,108,355.00	\$ 26,968,795.00

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

**NOTE 13: RETIREMENT PLANS**

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

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

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

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

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compensation up to the time of disability. Death benefits equal the amount that would be payable to the employee's beneficiary had the employee retired on the date of death. Death benefits are based on the employee's creditable service and compensation up to the date of death.

**Contributions:** Per Title 47 of the O.C.G.A., contribution requirements of active employees and participating employers, as actuarially determined, are established and may be amended by the TRS Board. Pursuant to O.C.G.A. §47-3-63, the employer contributions for certain full-time public school support personnel are funded on behalf of the employer by the State of Georgia. Contributions are expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Employees were required to contribute 6.00% of their annual pay during fiscal year 2025. The School District's contractually required contribution rate for the year ended June 30, 2025 was 20.78% of annual School District payroll, of which 20.75% of payroll was required from the School District and 0.03% of payroll was required from the State. For the current fiscal year, employer contributions to the pension plan were \$5,215,374.48 and \$6,288.57 from the School District and the State, respectively.

### Employees' Retirement System

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

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

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

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

**Contributions:** Member contributions under the old plan are 4.00% of annual compensation, up to \$4,200.00, plus 6.00% of annual compensation in excess of \$4,200.00. Under the old plan, the state pays member contributions in excess of 1.25% of annual compensation. Under the old plan, these state contributions are included in the members' accounts for refund purposes and are used in the

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computation of the members' earnable compensation for the purpose of computing retirement benefits. Member contributions under the new plan and GSEPS are 1.25% of annual compensation. The School District's total required contribution rate for the year ended June 30, 2025 was 29.20% of annual covered payroll for old and new plan members and 25.51% for GSEPS members. Contributions are expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Employer contributions to the pension plan were \$37,005.12 for the current fiscal year.

### **Public School Employees Retirement System (PSERS)**

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

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

Upon retirement, the member will receive a monthly benefit of \$16.50, multiplied by the number of years of creditable service. Death and disability benefits are also available through PSERS. Additionally, PSERS may make periodic cost-of-living adjustments to the monthly benefits. Upon termination of employment, member contributions with accumulated interest are refundable upon request by the member. However, if an otherwise vested member terminates and withdraws his/her member contribution, the member forfeits all rights to retirement benefits.

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

Individuals who became members prior to July 1, 2012 contribute \$4 per month for nine months each fiscal year. Individuals who became members on or after July 1, 2012 contribute \$10 per month for nine months each fiscal year. The State of Georgia, although not the employer of PSERS members, is required by statute to make employer contributions actuarially determined and approved and certified by the PSERS Board of Trustees. The current fiscal year contribution was \$43,598.00.

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

At June 30, 2025, the School District reported a liability of \$38,853,205.00 for its proportionate share of the net pension liability for TRS (\$38,689,202.00) and ERS (\$164,003.00).

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

School District's proportionate share of the net pension liability	\$	38,689,202.00
State of Georgia's proportionate share of the net pension liability associated with the School District		<u>57,558.00</u>
Total	\$	<u><u>38,746,760.00</u></u>

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

At June 30, 2024, the School District's TRS proportion was 0.153928%, which was a decrease of 0.005709% from its proportion measured as of June 30, 2023. At June 30, 2024, the School District's ERS proportion was 0.003643%, which was an increase of 0.000025% from its proportion measured as of June 30, 2023.

At June 30, 2025, the School District did not have a PSERS liability for a proportionate share of the net pension liability because of a Special Funding Situation with the State of Georgia, which is responsible for the net pension liability of the plan. The amount of the State's proportionate share of the net pension liability associated with the School District is \$166,834.00.

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

For the year ended June 30, 2025, the School District recognized pension expense of \$6,497,194.37 for TRS, (\$38,342.00) for ERS and \$38,587.00 for PSERS and revenue of \$9,472.00 for TRS and \$38,587.00 for PSERS. The revenue is support provided by the State of Georgia. For TRS the State of Georgia support is provided only for certain support personnel.

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

	TRS		ERS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 4,377,952.00	\$ 115,634.00	\$ 8,791.00	\$ -
Changes of assumptions	2,691,420.00	-	-	-
Net difference between projected and actual earnings on pension plan investments	-	5,394,110.00	-	18,472.00
Changes in proportion and differences between School District contributions and proportionate share of contributions	466,631.00	1,119,240.00	738.00	7,368.00
School District contributions subsequent to the measurement date	<u>5,215,374.48</u>	<u>-</u>	<u>37,005.12</u>	<u>-</u>
<b>Total</b>	<u>\$ 12,751,377.48</u>	<u>\$ 6,628,984.00</u>	<u>\$ 46,534.12</u>	<u>\$ 25,840.00</u>

The School District contributions subsequent to the measurement date for TRS and for ERS are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:	TRS	ERS
2026	\$ 662,944.00	\$ (9,872.00)
2027	\$ 4,802,232.00	\$ 11,995.00
2028	\$ (2,663,086.00)	\$ (11,241.00)
2029	\$ (1,895,071.00)	\$ (7,193.00)

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**Actuarial Assumptions:** The total pension liability as of June 30, 2024 was determined by an actuarial valuation as of June 30, 2023, using the following actuarial assumptions, applied to all periods included in the measurement:

**Teachers Retirement System:**

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

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

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2013 – June 30, 2018.

**Employees' Retirement System:**

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

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Mortality rates are as follows:

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

<b><u>Participant Type</u></b>	<b><u>Membership Table</u></b>	<b><u>Set Forward (+)/ Setback (-)</u></b>	<b><u>Adjustment to Rates</u></b>
Service Retirees	General Healthy Annuitant	Male: +1; Female: +1	Male: 105%; Female: 108%
Disability Retirees	General Disabled	Male: -3; Female: 0	Male: 103%; Female: 106%
Beneficiaries	General Contingent Survivors	Male: +2; Female: +2	Male: 106%; Female: 105%

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

***Public School Employees Retirement System:***

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

Mortality rates are as follows:

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

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

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

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

<u>Asset Class</u>	<u>TRS/ERS/PSERS Target Allocation</u>	<u>Long-Term Expected Real Rate of Return*</u>
Fixed income	30.00%	1.50%
Domestic large stocks	46.40%	9.10%
Domestic small stocks	1.10%	13.00%
International developed market stocks	13.60%	9.10%
International emerging market stocks	3.90%	11.10%
Alternative	5.00%	10.60%
Total	100.00%	

\* Rates shown are net of inflation

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

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

<b>Teachers Retirement System:</b>	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
School District's proportionate share of the net pension liability	\$ 66,591,862.00	\$ 38,689,202.00	\$ 15,912,092.00
<b>Employees' Retirement System:</b>	1% Decrease (6.900%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
School District's proportionate share of the net pension liability	\$ 247,090.00	\$ 164,003.00	\$ 94,127.00

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

**Defined Contribution Plan**

On November 1, 2001, the School District began an employer paid 403(b) annuity plan for the group of employees covered under the Public School Employees Retirement System (PSERS). Recognizing that PSERS was a limited defined contribution and defined benefit plan which did not provide for an adequate retirement for this group of employees, it was the Board's desire to supplement the retirement of this group.

The School District selected VALIC as the provider of this plan. For each employee covered under PSERS, the Board began contributing to the plan an amount equal to \$25.00 per month in matching contributions.

The employee becomes vested in the plan with 10 years of experience. Employees who had already achieved 10 years of experience at the time the plan was implemented were vested upon enrollment.

Funds accumulated in the employer paid accounts are only available to the employee upon termination of employment and 10 years of service. If an employee terminates employment prior to achieving 10 years of service, funds paid on behalf of the non-vested employee are credited back to the School District.

Employer contributions for the current fiscal year and the preceding two fiscal years are as follows:

Fiscal Year	Required Contribution
2025	\$ 1,675.00
2024	\$ 2,250.00
2023	\$ 2,989.44

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**NOTE 14: TAX ABATEMENTS**

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

For the fiscal year ended June 30, 2025, Greene County abated property taxes due to the School District that were levied on September 6, 2024 and due on December 2, 2024 totaling \$55,490.45. Included in that amount abated are the following individual tax abatement agreements:

- A property tax abatement to a lodging hospitality organization that increases employment sale taxes and economic development. The abatement amounted to \$19,665.21.
- A property tax abatement to an aluminum rolling and recycling company that increases employment sale taxes and economic development. The abatement amounted to \$35,825.24.

**NOTE 15: RESTATEMENT OF PRIOR YEAR NET POSITION**

**Compensated Absences**

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

The change was applied retrospectively, resulting in a restatement of net position for governmental activities as of July 1, 2024. The effect of this restatement was a decrease in beginning net position and an increase in the compensated absences liability of \$3,200,321.43.

Net Position, July 1, 2024, as previously reported:	\$	27,074,549.70
Change in Accounting Principle - GASB Statement No. 101		(3,200,321.43)
Net Position, July 1, 2024, as restated	\$	23,874,228.27

**Component Unit Restatement**

During the fiscal year 2025, the Component Unit auditor noted that the ending net position from fiscal year 2024 did not agree with the beginning net position in the fiscal year 2025 report resulting in beginning net position to be understated by \$20,000.00.

Net Position, July 1, 2024, as previously reported	\$	8,757,679.00
Error Correction - Change in Component Unit Beginning Net Position		20,000.00
Net Position, July 1, 2024, as restated	\$	8,777,679.00

**NOTE 16: COMPONENT UNIT**

The Lake Oconee Academy, Inc. (Charter School) “the Organization” was formed in April 2007 as a Georgia non-profit corporation. The Charter School is responsible for the public education of all students attending its schools.

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The Organization has elected to include a discretely presented component unit, the financial information for Lake Oconee Academy Foundation, Inc., “the Foundation”, due to the nature and significance of its relationship with the Foundation. See Note 17 for additional information related to the component unit. A complete set of financial statements for the Foundation can be obtained upon request from Ms. Ansley Vinson, Chairman, by email at ansleyvinson@gmail.com.

### **New Accounting Pronouncements**

In fiscal year 2025, the School District adopted Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*. The objective of this statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. This is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The adoption of this statement did not have a material impact on the Organization’s financial statements. This statement will be applied prospectively.

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

### **Deposits for Component Unit**

Custodial credit risk is the risk that in the event of bank failure, the Organization’s deposits may not be returned to it. The Organization’s policy is that all deposits are secured by FDIC insurance and/or acceptable collateral. At June 30, 2025, the Organization had deposits with a carrying amount of \$7,269,143.00 and a bank balance of \$7,371,170.00.

At June 30, 2024, \$7,121,170.00 of the Charter’s School bank balances was exposed to custodial credit risk. This balance was in the State’s Secure Deposit Program (SDP).

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

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

### **Long-Term Lease for Component Unit**

The Charter School has acquired building and equipment under the provisions of various contracts that convey control of the right to use another entity’s asset for a period of time in an exchange or exchange-

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like transaction. These contracts are classified 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.

The Charter School leases copier equipment under the terms of a long-term agreement executed on April 24, 2024 for a term of 60 months in the amount of \$2,312.00 per month.

On August 1, 2019, the Charter School entered into a thirty-eight (38) year lease agreement to lease a 25,000 square foot high school and a 31,000 square foot student life center on approximately 22.42 acres of land located adjacent to the organization's present location from Lake Oconee Academy Foundation, Inc. Monthly lease payments, which commenced on November 1, 2019, were \$66,566.00 which is sufficient to pay the costs of ownership including debt service for the project.

Starting in October 2021, the amount increased to \$68,159.00 plus an additional \$6,816.00 to be deposited into a separate bank account until the amount in the account is equivalent to one year of required principal and interest payments. Though the Foundation received a deferment of its debt service obligations to USDA, the charter school continued to pay the lease payments.

The reserve account is expected to be funded at the end of January 1, 2031. Monthly payment of \$6,656.00 began on November 2019 to fund the reserve.

The Charter School entered into a lease for an 18,278 square foot fine arts educational facility located on the same property as the high school and student life center and adjacent to the Charter School's present location from Lake Oconee Academy Foundation, Inc. Monthly lease payments, which commenced on April 22, 2023, are calculated as the rate that is sufficient to pay the costs of ownership including debt service for the project. The lease terminates on July 31, 2057, except that if the debt used to finance the project is not fully repaid, monthly lease payments continue until it is paid in full, which management has estimated to be on March 22, 2061. The lessor's monthly debt service is \$12,610.00 until June 22, 2033, when it is reduced to \$11,464.00 through the term of the lease. The \$12,610.00 includes the 10% of its monthly required loan payment into a separate bank account until the amount in the account is equivalent to one year of required principal and interest payments.

The facilities leased from the Lake Oconee Academy Foundation are financed with the United States Department of Agriculture, the terms of which are further described in Note 17. The Charter School is a guarantor of the debt.

Total lease expense under these agreements for the year ended June 20, 2025 was \$1,078,764.00.

The following is a summary of the carrying values of intangible right-to-use assets under lease at June 30, 2025:

	Governmental Activities
Buildings and Improvements	\$ 23,221,139.00
Equipment	128,668.00
Less: Accumulated Amortization	3,000,044.00
	\$ 20,349,763.00

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

**EXHIBIT "G"**

Leases currently outstanding are as follows:

Purpose	Interest Rates	Issue Date	Maturity Date	Amount Issued	Amount Outstanding
Fine Arts Educational Facility	2.38%	3/22/2023	3/22/2061	\$ 3,564,375.00	\$ 3,410,452.00
Copiers	3.00%	4/24/2024	5/20/2029	128,668.00	102,402.00
High School/Student Life Center	3.00%	11/1/2019	9/1/2058	19,656,764.00	17,896,909.00
				<u>\$ 23,349,807.00</u>	<u>\$ 21,409,763.00</u>

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

Fiscal Year Ended June 30	Principal	Interest
2026	\$ 463,929.00	\$ 614,835.00
2027	477,585.00	601,179.00
2028	491,645.00	587,119.00
2029	503,808.00	572,643.00
2030	492,827.00	558,193.00
2031 - 2035	2,267,517.00	2,590,921.00
2036 - 2040	2,529,256.00	2,248,124.00
2041 - 2045	2,923,902.00	1,853,478.00
2046 - 2050	3,380,553.00	1,396,827.00
2051 - 2055	3,909,002.00	868,378.00
2056 - 2060	3,867,575.00	263,691.00
2061	102,164.00	1,014.00
Total	<u>\$ 21,409,763.00</u>	<u>\$ 12,156,402.00</u>

GREENE COUNTY BOARD OF EDUCATION  
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 JUNE 30, 2025

EXHIBIT "G"

**Capital Assets for Component Unit:**

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

	Balances July 1, 2024	Increases	Decreases	Balances June 30, 2025
Governmental Activities				
Capital Assets,				
Not Being Depreciated:				
Construction in Progress	\$ -	\$ 274,062.00	\$ -	\$ 274,062.00
Capital Assets,				
Being Depreciated:				
Buildings and Improvements	6,426,008.00	140,992.00	-	6,567,000.00
Equipment	1,462,079.00	-	-	1,462,079.00
Intangible Assets	67,632.00	-	-	67,632.00
Less Accumulated				
Depreciation:				-
Buildings and Improvements	2,597,895.00	230,919.00	-	2,828,814.00
Equipment	203,608.00	18,924.00	-	222,532.00
Intangible Assets	67,632.00	-	-	67,632.00
Total Capital Assets,				
Being Depreciated, Net	5,086,584.00	(108,851.00)	-	4,977,733.00
Governmental Activities				
Capital Assets - Net	\$ 5,086,584.00	\$ 165,211.00	\$ -	\$ 5,251,795.00

Current year depreciation expense by function is as follows:

Instruction	\$ 730.00
Support Services	
Maintenance and Operation of Plant	249,113.00
	\$ 249,843.00

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

**EXHIBIT "G"**

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

	Balances July 1, 2024	Increases	Decreases	Balance June 30, 2025
Governmental Activities				
Intangible Right-to-Use Assets				
Buildings and Improvements	\$ 23,221,139.00	\$ -	\$ -	\$ 23,221,139.00
Equipment	128,668.00	-	-	128,668.00
Less Accumulated Amortization:				
Buildings and Improvements	2,410,539.00	585,217.00	-	2,995,756.00
Equipment	2,144.00	2,144.00	-	4,288.00
Governmental Activities				
Intangible Right-to-Use Assets - Net	\$ 20,937,124.00	\$ (587,361.00)	\$ -	\$ 20,349,763.00

Current year amortization expense by function is as follows:

Support Services	
Business Administration	\$ 2,144.00
Maintenance and Operation of Plant	585,217.00
	\$ 587,361.00

### **Litigation for Component Unit**

On September 17, 2020, Lake Oconee Academy, Inc., filed a lawsuit in Fulton County Superior Court in connection with funding from its charter contract with the Greene County Board of Education. On January 2, 2023, the litigation was settled with the Charter School scheduled to receive an additional \$1,093,284.00 in funding payable over six annual installments of \$182,214.00 beginning August 1, 2023. In the government wide financial statements, the settlement has been reported in the receivable balances; however, it will be reported in the fund level statements when received.

### **NOTE 17: CHARTER SCHOOL'S COMPONENT UNIT**

Lake Oconee Academy Foundation, Inc., "the Foundation", was organized on September 5, 2012, as a Georgia Corporation pursuant to the provisions of the Georgia Non-Profit Corporation Code. The Foundation is dedicated to raising and stewarding funds to provide educational resources, improve the educational environment, and support the educational and extracurricular programs for the enrichment, betterment and educational excellence of the children of Lake Oconee Academy, a charter school located in Greensboro, Georgia.

### **Deposits for Foundation**

The Foundation maintains depository accounts at one local bank and one account with PayPal. Deposit accounts at each bank are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000.00 per account. The balances occasionally exceed those limits. As of June 30, 2025, cash held at one depository bank of \$1,134,625.00 exceeded insurance provided by the FDIC by \$884,625.00 and was at risk of loss.

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

EXHIBIT "G"

**Foundation's Lease Revenue**

The Foundation leases an educational facility to the Lake Oconee Academy charter school under the terms of an agreement which commenced on August 1, 2019 and which ends on October 1, 2059. The facility was constructed using proceeds from a promissory note with the USDA (see note below). During the term of the agreement, the charter school will pay to the Foundation the same amount required to service the USDA loan. The lease may be terminated by the charter school after the USDA loan is repaid or it can continue to lease the facility for a reasonable market rate of rental. During the current period, monthly lease revenue received to offset required payments of principal and interest were \$66,566.00 beginning on November 1, 2019. Prior to that date lease revenue received was \$1,500.00 per month. An additional amount of \$6,656.00 was paid monthly; however, in fiscal year 2021 only one payment was made in July 2020 to fund the reserve account. The reserve payment started back in October 2021 in the amount of \$6,816.00 which is 10% of the required debt payment which increased to \$68,159.00.

In addition, the Foundation financed the construction of a 16,275 square foot fine-arts which is leased to the Lake Oconee charter school. The loan is due in monthly payments of \$11,464.00 including interest at 2.375% beginning on April 22, 2023 and continuing until loan maturity on March 22, 2061. The Foundation is required to deposit an amount equal to 10% of its monthly loan payments into a separate bank account until the amount in the account is equivalent to one year of required principal and interest payments.

The Foundation modified the presentation from the previous year of future minimum lease revenues to include amounts that are received but which are held in the debt service fund.

\$1,051,020.00 was received by the Foundation as rental revenue for the current year from the charter school under this agreement. Future minimum lease revenues for the next five years and thereafter are as follows:

Year Ending	Principal	Interest
2026	\$ 438,915.00	\$ 612,105.00
2027	451,810.00	599,210.00
2028	465,086.00	585,934.00
2029	478,754.00	572,266.00
2030	492,827.00	558,193.00
2031 - 2035	2,267,517.00	2,590,921.00
2036 - 2040	2,529,255.00	2,248,125.00
2041 - 2045	2,923,902.00	1,853,478.00
2046 - 2050	3,380,552.00	1,396,828.00
2051 - 2055	3,909,002.00	868,378.00
2056 - 2060	3,867,577.00	263,691.00
2061	102,162.00	1,014.00
Total Principal and Interest	\$ 21,307,359.00	\$ 12,150,143.00

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

EXHIBIT "G"

### Foundations Intangible Assets

The Foundation incurred \$466,307.00 in intangible costs during the construction phase of buildings which are leased to the Lake Oconee Academy charter school and an additional \$11,469.00 in costs in connection with re-amortization of the USDA loan described below. These fees are being amortized over a period of thirty-eight years using the straight-line method. Accumulated amortization at June 30 was \$71,767.00. Amortization expense in the current period was \$12,573.00.

### Foundations' Long-Term Debt

#### Public Finance Authority

The Foundation executed a construction promissory note on December 20, 2017 with the Public Finance Authority, a public entity organized in the State of Wisconsin, the proceeds which were used to construct a 55,000 square-foot facility consisting of classrooms, offices, a gym, a café, and a school store which is leased to the Lake Oconee Academy charter school. The loan bears interest at 2.3% per annum and is secured by the land and buildings attached. Interest only payments are due in semi-annual installments on April 1 and October 1 until October 1, 2019 at which time all principal and interest were paid in full.

#### USDA Direct Loan

The Foundation executed a promissory note in the amount of \$18,088,544.00 with the USDA through the USDA Community Facilities Direct Loan Fund. The proceeds of the loan were used to repay the Public Finance Authority note described above. Principal and interest payments in the amount of \$66,566.00 were due beginning November 1, 2019 with interest at 3.0% per annum and continuing for a period of thirty-eight (38) years with all principal and accrued but unpaid interest being due on October 1, 2059. The loan is secured by land comprising approximately 22.92 acres and the attached buildings constructed for the high school and student life center and also by all personal property, equipment, fixtures, revenues, fees, charges, assessments, income, and accounts receivable of the Foundation.

On July 20, 2020, the Foundation was notified that the USDA had granted its request for deferral of loan payments; however, the organization continue to pay lease payments under the leave for the use of the facility. Subsequently, on August 27, 2021, the Foundation was notified that the USDA would begin requiring loan payments of \$68,159.00 plus the additional \$6,816.00 to fund the required reserve resulting in a totaling payment of \$74,975.00 starting in October 2021.

On September 1, 2021, the Foundation executed an agreement to re-amortize the loan. During the period of deferment, interest accrued in the amount of \$627,276.00 which was added to the loan balance. The outstanding principal balance on the loan at June 30, 2025 is \$17,480,686.00.

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

**EXHIBIT "G"**

The charter school's lease payment to the component unit will be sufficient to meet this debt service requirement per the lease. The loan will mature on October 1, 2059. Future requirements to reduce long-term debt are as follows:

Year	Amount
2026	\$ 297,537.00
2027	306,587.00
2028	315,912.00
2029	325,521.00
2030	335,422.00
2031 - 2035	1,836,493.00
2036 - 2040	2,133,300.00
2041 - 2045	2,478,077.00
2046 - 2050	2,878,575.00
2051 - 2055	3,343,801.00
2056 - 2060	3,229,461.00
Total	\$ 17,480,686.00

The Foundation executed a promissory note in the amount of \$3,432,100.00 with the USDA through the USDA Community Facilities Direct Loan Fund on March 22, 2023. The proceeds of the loan were used to repay a construction loan from Bank South dated January 19, 2022 which had financed the construction of a 16,275 square foot fine-arts facility which is leased to the Lake Oconee Academy charter school. The loan is due in monthly payments of \$11,464.00 including interest at 2.375% beginning on April 22, 2023 and continuing until loan maturity on March 22, 2061. As of June 30, 2025, \$3,302,860.00 was outstanding on this loan.

Year	Amount
2026	\$ 59,770.00
2027	61,206.00
2028	62,572.00
2029	64,280.00
2030	65,721.00
2031 - 2035	353,042.00
2036 - 2040	397,435.00
2041 - 2045	447,650.00
2046 - 2050	503,953.00
2051 - 2055	567,429.00
2056 - 2060	638,896.00
2061	80,906.00
Total	\$ 3,302,860.00

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

EXHIBIT "G"

The two loan agreements contain a due on default clause by which the USDA may declare the entire debt immediately due and payable if the Foundation fails to remit the required payments or fails to comply with any of the conditions and agreements contained in the promissory note or instruments securing them. A default on one loan is considered a default on both loans. The loans are secured by land comprising of approximately 22.92 acres and the attached buildings constructed for the high school, student life center, and fine arts facilities and by all personal property, equipment, fixtures, revenues, fees, charges, assessments, income, and accounts receivable of the Foundation. The loans are guaranteed by Lake Oconee Academy, Inc.

The Foundation is required to establish a debt service reserve fund in which it will deposit an amount equal to 10% of its monthly loan payments on the two loan agreements until the amount in the reserve is equivalent to one year of required principal and interest payments totaling \$955,476.00. At June 30, 2025, the balance of this reserve fund was \$421,278.00. This balance is considered to be restricted cash.

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

SCHEDULE "1"

For the Year Ended June 30	School District's proportion of the Net Pension Liability (NPL)	School District's proportionate share of the NPL	State of Georgia's proportionate share of the NPL associated with the School District	Total	School District's covered payroll	School District's proportionate share of the NPL as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2025	0.153928%	\$ 38,689,202.00	\$ 57,558.00	\$ 38,746,760.00	\$ 24,015,655.94	161.10%	80.86%
2024	0.159637%	\$ 47,131,699.00	\$ 77,649.00	\$ 47,209,348.00	\$ 23,302,212.68	202.26%	76.29%
2023	0.160564%	\$ 52,138,235.00	\$ 88,973.00	\$ 52,227,208.00	\$ 21,779,829.73	239.39%	72.85%
2022	0.153305%	\$ 13,558,805.00	\$ 19,634.00	\$ 13,578,439.00	\$ 19,988,566.71	67.83%	92.03%
2021	0.152864%	\$ 37,029,644.00	\$ 10,659.00	\$ 37,040,303.00	\$ 19,714,115.24	187.83%	77.01%
2020	0.150737%	\$ 32,412,531.00	\$ 67,303.00	\$ 32,479,834.00	\$ 18,472,560.24	175.46%	78.56%
2019	0.144669%	\$ 26,853,665.00	\$ 165,760.00	\$ 27,019,425.00	\$ 17,431,278.52	154.05%	80.27%
2018	0.141084%	\$ 26,220,896.00	\$ 478,200.00	\$ 26,699,096.00	\$ 16,485,900.49	159.05%	79.33%
2017	0.136025%	\$ 28,063,474.00	\$ 735,706.00	\$ 28,799,180.00	\$ 15,311,822.79	183.28%	76.06%
2016	0.132034%	\$ 20,100,865.00	\$ 600,283.00	\$ 20,701,148.00	\$ 14,357,962.71	140.00%	81.44%

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

SCHEDULE "2"

For the Year Ended June 30	Contractually required contribution	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	School District's covered payroll	Contribution as a percentage of covered payroll
2025	\$ 5,215,374.48	\$ 5,215,374.48	\$ -	\$ 25,132,070.24	20.75%
2024	\$ 4,791,207.19	\$ 4,791,207.19	\$ -	\$ 24,015,655.94	19.95%
2023	\$ 4,648,119.67	\$ 4,648,119.67	\$ -	\$ 23,302,212.68	19.95%
2022	\$ 4,307,246.52	\$ 4,307,246.52	\$ -	\$ 21,779,829.73	19.78%
2021	\$ 3,804,315.79	\$ 3,804,315.79	\$ -	\$ 19,988,566.71	19.03%
2020	\$ 4,166,366.88	\$ 4,166,366.88	\$ -	\$ 19,714,115.24	21.13%
2019	\$ 3,850,981.49	\$ 3,850,981.49	\$ -	\$ 18,472,560.24	20.85%
2018	\$ 2,911,460.22	\$ 2,911,460.22	\$ -	\$ 17,431,278.52	16.70%
2017	\$ 2,311,700.42	\$ 2,311,700.42	\$ -	\$ 16,485,900.49	14.02%
2016	\$ 2,129,171.85	\$ 2,129,171.85	\$ -	\$ 15,311,822.79	13.91%

GREENE COUNTY BOARD OF EDUCATION  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
 EMPLOYEES' RETIREMENT SYSTEM OF GEORGIA

SCHEDULE "3"

For the Year Ended June 30	School District's proportion of the Net Pension Liability (NPL)	School District's proportionate share of the NPL	School District's covered payroll	School District's proportionate share of the NPL as a percentage of covered payroll	Plan fiduciary net position as a percentage of total pension liability
2025	0.003643%	\$ 164,003.00	\$ 107,137.62	153.08%	78.75%
2024	0.003618%	\$ 215,835.00	\$ 99,321.96	217.31%	71.20%
2023	0.005320%	\$ 355,294.00	\$ 130,236.72	272.81%	67.44%
2022	0.007339%	\$ 171,652.00	\$ 175,926.60	97.57%	87.62%
2021	0.005346%	\$ 225,332.00	\$ 134,797.64	167.16%	76.21%
2020	0.003029%	\$ 124,993.00	\$ 76,350.83	163.71%	76.74%
2019	0.001871%	\$ 76,917.00	\$ 47,718.60	161.19%	76.68%
2018	0.002316%	\$ 94,061.00	\$ 56,808.87	165.57%	76.33%
2017	0.002463%	\$ 116,510.00	\$ 57,272.78	203.43%	72.34%
2016	0.004508%	\$ 182,637.00	\$ 97,835.48	186.68%	76.20%

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

SCHEDULE "4"

For the Year Ended June 30	Contractually required contribution	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	School District's covered payroll	Contribution as a percentage of covered payroll
2025	\$ 37,005.12	\$ 37,005.12	\$ -	\$ 126,729.96	29.20%
2024	\$ 31,444.91	\$ 31,444.91	\$ -	\$ 107,137.62	29.35%
2023	\$ 30,799.68	\$ 30,799.68	\$ -	\$ 99,321.96	31.01%
2022	\$ 32,077.20	\$ 32,077.20	\$ -	\$ 130,236.72	24.63%
2021	\$ 43,383.48	\$ 43,383.48	\$ -	\$ 175,926.60	24.66%
2020	\$ 33,241.15	\$ 33,241.15	\$ -	\$ 134,797.64	24.66%
2019	\$ 18,919.73	\$ 18,919.73	\$ -	\$ 76,350.83	24.78%
2018	\$ 11,838.96	\$ 11,838.96	\$ -	\$ 47,718.60	24.81%
2017	\$ 14,094.28	\$ 14,094.28	\$ -	\$ 56,808.87	24.81%
2016	\$ 14,157.84	\$ 14,157.84	\$ -	\$ 57,272.78	24.72%

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

SCHEDULE "5"

For the Year Ended June 30	School District's proportion of the Net Pension Liability (NPL)	School District's proportionate share of the NPL	State of Georgia's proportionate share of the NPL associated with the School District	Total	School District's covered payroll	School District's proportionate share of the NPL as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2025	0.00%	\$ -	\$ 166,834.00	\$ 166,834.00	\$ 893,167.61	N/A	90.02%
2024	0.00%	\$ -	\$ 278,287.00	\$ 278,287.00	\$ 874,272.94	N/A	85.67%
2023	0.00%	\$ -	\$ 365,440.00	\$ 365,440.00	\$ 806,701.00	N/A	81.21%
2022	0.00%	\$ -	\$ 36,490.00	\$ 36,490.00	\$ 776,062.57	N/A	98.00%
2021	0.00%	\$ -	\$ 279,427.00	\$ 279,427.00	\$ 861,138.02	N/A	84.45%
2020	0.00%	\$ -	\$ 281,548.00	\$ 281,548.00	\$ 921,592.40	N/A	85.02%
2019	0.00%	\$ -	\$ 289,352.00	\$ 289,352.00	\$ 961,501.92	N/A	85.26%
2018	0.00%	\$ -	\$ 261,394.00	\$ 261,394.00	\$ 951,641.31	N/A	85.69%
2017	0.00%	\$ -	\$ 346,042.00	\$ 346,042.00	\$ 956,860.21	N/A	81.00%
2016	0.00%	\$ -	\$ 235,801.00	\$ 235,801.00	\$ 998,454.91	N/A	87.00%

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

SCHEDULE "6"

For the Year Ended June 30	School District's proportion of the Net OPEB Liability (NOL)	School District's proportionate share of the NOL	State of Georgia's proportionate share of the NOL associated with the School District	Total	School District's covered-employee payroll	School District's proportionate share of the NOL as a percentage of its covered- employee payroll	Plan fiduciary net position as a percentage of the total OPEB liability
2025	0.202770%	\$ 23,108,355.00	\$ -	\$ 23,108,355.00	\$ 22,880,556.38	101.00%	6.88%
2024	0.210465%	\$ 23,053,099.00	\$ -	\$ 23,053,099.00	\$ 21,991,319.67	104.83%	6.05%
2023	0.199188%	\$ 19,725,950.00	\$ -	\$ 19,725,950.00	\$ 21,133,616.27	93.34%	6.17%
2022	0.194495%	\$ 21,065,418.00	\$ -	\$ 21,065,418.00	\$ 19,131,188.65	110.11%	6.14%
2021	0.198034%	\$ 29,086,583.00	\$ -	\$ 29,086,583.00	\$ 18,463,265.80	157.54%	3.99%
2020	0.197947%	\$ 24,292,344.00	\$ -	\$ 24,292,344.00	\$ 17,365,462.11	139.89%	4.63%
2019	0.194821%	\$ 24,761,151.00	\$ -	\$ 24,761,151.00	\$ 16,631,062.70	148.88%	2.93%
2018	0.188558%	\$ 26,492,323.00	\$ -	\$ 26,492,323.00	\$ 15,778,694.87	167.90%	1.61%

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

SCHEDULE "7"

For the Year Ended June 30	Contractually required contribution	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	School District's covered-employee payroll	Contribution as a percentage of covered- employee payroll
2025	\$ 864,619.13	\$ 864,619.13	\$ -	\$ 23,324,564.23	3.71%
2024	\$ 829,287.00	\$ 829,287.00	\$ -	\$ 22,880,556.38	3.62%
2023	\$ 809,119.00	\$ 809,119.00	\$ -	\$ 21,991,319.67	3.68%
2022	\$ 720,214.00	\$ 720,214.00	\$ -	\$ 21,133,616.27	3.41%
2021	\$ 723,488.00	\$ 723,488.00	\$ -	\$ 19,131,188.65	3.78%
2020	\$ 669,703.00	\$ 669,703.00	\$ -	\$ 18,463,265.80	3.63%
2019	\$ 1,066,082.00	\$ 1,066,082.00	\$ -	\$ 17,365,462.11	6.14%
2018	\$ 1,009,734.00	\$ 1,009,734.00	\$ -	\$ 16,631,062.70	6.07%
2017	\$ 983,157.00	\$ 983,157.00	\$ -	\$ 15,778,694.87	6.23%

**Teachers Retirement System**

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

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

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

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

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

**Employees' Retirement System**

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

**Changes of assumptions:** On December 17, 2015, the Board adopted recommended changes to the economic and demographic assumptions utilized by the System. Primary among the changes were the updates to rates of mortality, retirement, disability, withdrawal and salary increases. The expectation of retired life mortality was changed to the RP-2000 Combined Mortality Table projected to 2025 with projection scale BB (set forwarded 2 years for both males and females).

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

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

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

**Public School Employees Retirement System**

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

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

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

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

***School OPEB Fund***

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

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

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

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

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

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

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

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

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

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

GREENE COUNTY BOARD OF EDUCATION  
GENERAL FUND

SCHEDULE "9"

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2025

	NONAPPROPRIATED BUDGETS		ACTUAL	VARIANCE
	ORIGINAL (1)	FINAL (1)	AMOUNTS	OVER/UNDER
<b>REVENUES</b>				
Property Taxes	\$ 33,947,190.15	\$ 33,947,190.15	\$ 34,709,453.81	\$ 762,263.66
Sales Taxes	800,000.00	800,000.00	1,161,344.49	361,344.49
State Funds	10,788,715.00	11,111,336.57	12,342,958.28	1,231,621.71
Federal Funds	1,735,166.80	4,008,790.00	4,090,629.50	81,839.50
Charges for Services	-	-	247,486.66	247,486.66
Investment Earnings	950,000.00	950,000.00	736,611.90	(213,388.10)
Miscellaneous	229,000.00	229,000.00	859,477.40	630,477.40
Total Revenues	<u>48,450,071.95</u>	<u>51,046,316.72</u>	<u>54,147,962.04</u>	<u>3,101,645.32</u>
<b>EXPENDITURES</b>				
Current				
Instruction	20,338,439.70	19,747,575.70	36,077,586.27	(16,330,010.57)
Support Services				
Pupil Services	2,030,503.61	2,139,043.61	2,135,359.74	3,683.87
Improvement of Instructional Services	2,442,810.66	3,302,235.66	3,006,951.81	295,283.85
Educational Media Services	582,329.00	582,329.00	522,265.08	60,063.92
General Administration	1,351,929.39	1,362,607.55	1,295,583.72	67,023.83
School Administration	1,917,904.06	1,917,904.06	1,837,170.31	80,733.75
Business Administration	924,803.51	928,698.25	948,351.98	(19,653.73)
Maintenance and Operation of Plant	3,248,717.88	3,283,961.02	3,885,680.03	(601,719.01)
Student Transportation Services	2,039,359.14	2,063,604.60	2,028,668.60	34,936.00
Central Support Services	241,217.44	241,280.65	241,034.16	246.49
Other Support Services	100,490.22	100,543.92	118,869.29	(18,325.37)
Enterprise Operation	-	-	534,483.44	(534,483.44)
Food Services Operation	1,908,527.67	1,920,800.03	1,921,506.38	(706.35)
Capital Outlay	2,500,000.00	2,500,000.00	-	2,500,000.00
Debt Service				
Principal	-	-	240,135.60	(240,135.60)
Interest	-	-	17,173.30	(17,173.30)
Total Expenditures	<u>39,627,032.28</u>	<u>40,090,584.05</u>	<u>54,810,819.71</u>	<u>(14,720,235.66)</u>
Excess of Revenues over (under) Expenditures	<u>8,823,039.67</u>	<u>10,955,732.67</u>	<u>(662,857.67)</u>	<u>(11,618,590.34)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Other Sources	760,766.03	760,766.03	200,119.05	(560,646.98)
Other Uses	(17,421,611.83)	(17,421,611.83)	-	17,421,611.83
Total Other Financing Sources (Uses)	<u>(16,660,845.80)</u>	<u>(16,660,845.80)</u>	<u>200,119.05</u>	<u>16,860,964.85</u>
Net Change in Fund Balances	(7,837,806.13)	(5,705,113.13)	(462,738.62)	5,242,374.51
Fund Balances - Beginning	18,602,104.76	18,602,104.76	19,013,923.83	411,819.07
Adjustments	15,726.29	9,949.25	-	(9,949.25)
Fund Balances - Ending	<u>\$ 10,780,024.92</u>	<u>\$ 12,906,940.88</u>	<u>\$ 18,551,185.21</u>	<u>\$ 5,644,244.33</u>

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

(1) Original and Final Budget amounts do not include the budgeted revenues or expenditures of the various principal accounts.

The actual revenues and expenditures of the various principal accounts are \$688,598.57 and \$716,580.14, respectively.

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

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

SCHEDULE "10"

FUNDING AGENCY PROGRAM/GRANT	ASSISTANCE LISTING NUMBER	PASS- THROUGH ENTITY IDENTIFYING NUMBER	EXPENDITURES IN PERIOD
Agriculture, U.S. Department of			
Child Nutrition Cluster			
Pass-Through From Georgia Department of Education			
Food Services			
School Breakfast Program	10.553	255GA324N1199	\$ 498,329.29
National School Lunch Program	10.555	255GA324N1199	<u>1,323,588.63</u>
Total Child Nutrition Cluster			<u>1,821,917.92</u>
Forest Service Schools and Roads Cluster			
Pass-Through From Office of the State Treasurer			
Schools and Roads - Grants to States	10.665	486 Forest	5,164.04
Other Programs			
Pass-Through From Georgia Department of Education			
Food Services			
State Administrative Expenses for Child Nutrition	10.560	255GA904N2533	<u>2,344.05</u>
Total U.S. Department of Agriculture			<u>1,829,426.01</u>
Education, U.S. Department of			
Education Stabilization Fund			
Pass-Through From Georgia Department of Education			
COVID-19 - American Rescue Plan Elementary and Secondary School Emergency Relief Fund - Homeless Children and Youth	84.425W	S425W210011	<u>3,699.62</u>
Special Education Cluster			
Pass-Through From Georgia Department of Education			
Special Education			
Grants to States	84.027A	H027A230073	53,502.00
Grants to States	84.027A	H027A240073	552,065.46
Preschool Grants	84.173A	H173A230081	2.00
Preschool Grants	84.173A	H173A240081	<u>36,340.00</u>
Total Special Education Cluster			<u>641,909.46</u>
Other Programs			
Pass-Through From Georgia Department of Education			
Career and Technical Education - Basic Grants to States	84.048A	V048A240010	32,139.00
English Language Acquisition State Grants	84.365A	S365A230010	15,344.00
English Language Acquisition State Grants	84.365A	T365A240010	1,883.62
Rural Education - Rural and Low-Income School Program	84.358B	S358B230010	21,976.00
Rural Education - Rural and Low-Income School Program	84.358B	S358B240010	70,024.41
Student Support and Academic Enrichment Program	84.424A	S424A230011	17,626.00
Student Support and Academic Enrichment Program	84.424A	S424A240011	54,510.72
Student Support and Academic Enrichment Program	84.424H	S424H240002	282,797.82
Supporting Effective Instruction State Grants (formerly Improving Teacher Quality State Grants)	84.367A	S367A240001	60,541.33
Title I Grants to Local Educational Agencies	84.010A	S010A230010	82,928.00
Title I Grants to Local Educational Agencies	84.010A	S010A240010	<u>746,537.38</u>
Total Other Programs			<u>1,386,308.28</u>
Total U.S. Department of Education			<u>2,031,917.36</u>

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

SCHEDULE "10"

FUNDING AGENCY PROGRAM/GRANT	ASSISTANCE LISTING NUMBER	PASS- THROUGH ENTITY IDENTIFYING NUMBER	EXPENDITURES IN PERIOD
Defense, U.S. Department of Direct Department of the Air Force R.O.T.C. Program	12.UNKNOWN		71,068.42
Total Expenditures of Federal Awards			\$ 3,932,411.79

Notes to the Schedule of Expenditures of Federal Awards

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of the Greene County Board of Education (the "Board") under programs of the federal government for the year ended June 30, 2025. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Board, it is not intended to and does not present the financial position or changes in net position of the Board.

Note 2. Summary of Significant Accounting Policies

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

Note 3. Indirect Cost Rate

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

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

SCHEDULE "11"

<u>AGENCY/FUNDING</u>	<u>GOVERNMENTAL FUND TYPE</u>
GRANTS	<u>GENERAL FUND</u>
Bright From the Start:	
Georgia Department of Early Care and Learning	
Pre-Kindergarten Program	\$ 726,510.88
Education, Georgia Department of	
Quality Basic Education	
Direct Instructional Cost	
Kindergarten Program	635,482.00
Kindergarten Program - Early Intervention Program	23,054.00
Primary Grades (1-3) Program	1,444,919.00
Primary Grades - Early Intervention (1-3) Program	123,225.00
Upper Elementary Grades (4-5) Program	712,727.00
Upper Elementary Grades - Early Intervention (4-5) Program	31,922.00
Middle School (6-8) Program	1,210,216.00
High School General Education (9-12) Program	1,124,536.00
Vocational Laboratory (9-12) Program	395,083.00
Students with Disabilities	1,527,481.00
Gifted Student - Category VI	172,144.00
Remedial Education Program	50,623.00
Alternative Education Program	91,600.00
English Speakers of Other Languages (ESOL)	192,422.00
Media Center Program	203,094.00
20 Days Additional Instruction	66,170.00
Staff and Professional Development	29,693.00
Principal Staff and Professional Development	828.00
Indirect Cost	
Central Administration	319,778.00
School Administration	495,506.00
Facility Maintenance and Operations	314,160.00
Categorical Grants	
Pupil Transportation	
Regular	425,961.00
Bus Replacement	88,110.00
Nursing Services	60,707.00
Sparsity	213,649.00
Other State Programs	
Career, Technical and Agricultural Education (CTAE)	71,346.00
Charter Schools - Facilities	200,000.00
Custodian Supplement	15,119.01
Dyslexia Services Screener	8,014.00
Food Services	61,867.95
Hygiene Products	2,242.00
Math and Science Supplements	34,299.00
Paraprofessional to Teacher Reimbursement Grant	4,500.00
Preschool Disability Services	72,075.00
Pupil Transportation - State Bonds	264,330.00
School Bus Safety Incentive Funding	6,612.00
School Security Grant	235,620.00
Teachers Retirement	6,288.57
Vocational Supervisors	7,221.00
HB 519 -Technology and Safety	125,000.00
Office of the State Treasurer	
Public School Employees Retirement	43,598.00
Community Health, Georgia Department of	
Other Post-Employment Benefits (OPEB)	505,224.87
	\$ 12,342,958.28

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

SCHEDULE "12"

PROJECT	ORIGINAL ESTIMATED COST (1)	CURRENT ESTIMATED COSTS (2)	ESTIMATED COMPLETION DATE
<b>2019 ESPLOST</b>			
1. Acquiring land and performing site preparation related to the construction of new school facilities, and the expansion of existing School District facilities,	\$ 4,875,500.00	\$ 4,875,000.00	December 31, 2026
2. Adding to, renovating, repairing, improving, and equipping existing School District buildings and instructional facilities system-wide,	1,325,000.00	325,000.00	December 31, 2026
3. Expanding, replacing, renovating, repairing, improving and equipping existing school buildings, parking lots, restrooms, theatres, science labs, outdoor spaces and other School District facilities,	1,630,000.00	13,000,000.00	December 31, 2026
4. Acquiring miscellaneous new equipment, fixtures and furnishings for the School District, including heating and air conditioning equipment, plumbing, LED lighting, flooring, roofing and similar infrastructure improvements,	4,023,000.00	2,200,000.00	December 31, 2026
5. Acquiring technology equipment and software and safety and security equipment,	2,641,500.00	2,641,500.00	December 31, 2026
6. Acquiring school buses and transportation and maintenance equipment,	1,500,000.00	1,500,000.00	December 31, 2026
7. Acquiring textbooks, e-books and e-book readers for the School District,	1,000,000.00	1,000,000.00	December 31, 2026
8. Paying a portion of the purchase payments due under the Intergovernmental Agreement securing the Greene County Development Authority Revenue Bonds (Lake Oconee Academy Project), Series 2009, from January 2020 through February 2025 (the maximum amount of such payments not to exceed \$10,000,000.00),	10,000,000.00	10,000,000.00	February 1, 2029
9. Paying any general obligation debt of the School District issued in conjunction with the imposition of said sales and use tax, and	-	-	Completed
10. Paying any expenses incident to accomplishing the foregoing.	5,000.00	9,650.12	Completed
Subtotal 2019 Projects	<u>27,000,000.00</u>	<u>35,551,150.12</u>	
<b>2024 ESPLOST</b>			
1. Acquiring, constructing and equipping new school buildings, administration buildings, athletics buildings and facilities and other buildings or facilities useful or desirable in connections therewith,	\$ 12,598,318.29	\$ 46,000,000.00	June 30, 2029
2. Adding to, renovating, repairing, improving and equipping existing School District buildings, administration buildings, athletic buildings and facilities and other buildings and facilities useful or desirable therewith,	5,000,000.00	4,000,000.00	June 30, 2027
3. Acquiring buses and other vehicles,	300,000.00	300,000.00	June 30, 2027
4. Acquiring, installing and implementing technology improvements,	800,000.00	800,000.00	June 30, 2028
5. Acquiring text books, e-books and e-book readers,	55,000.00	55,000.00	June 30, 2028
6. Acquiring land for future facilities,	200,000.00	200,000.00	June 30, 2028
7. Acquiring any property useful or desirable therefore both real and personal,	200,000.00	300,000.00	June 30, 2028
8. Paying capitalized interest on the bonds,	482,205.08	482,205.08	Completed
9. Paying costs of issuing the Bonds,	401,646.63	401,646.63	Completed
10. Paying a portion of the principal and interest on the Bonds in the maximum amount not to exceed \$12,221,000.00, and	12,221,000.00	12,221,000.00	June 30, 2029
11. Paying all or a portion of the purchase payments due under the Intergovernmental Agreement securing the Greene County Development Authority Revenue Bonds (Lake Oconee Academy Project), Series 2009 (the maximum amount of such payments will not exceed \$6,741,830.00).	6,741,830.00	6,741,830.00	February 1, 2029
Subtotal 2024 Projects	<u>39,000,000.00</u>	<u>71,501,681.71</u>	
<b>Total</b>	<u>\$ 66,000,000.00</u>	<u>\$ 107,052,831.83</u>	

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

SCHEDULE "12"

PROJECT	AMOUNT EXPENDED IN CURRENT YEAR (3)	AMOUNT EXPENDED IN PRIOR YEARS (3)(4)	TOTAL COMPLETION COST	EXCESS PROCEEDS NOT EXPENDED
<b>2019 ESPLOST</b>				
1. Acquiring land and performing site preparation related to the construction of new school facilities, and the expansion of existing School District facilities,	\$ 173,133.92	\$ 4,271,058.98	\$ -	\$ -
2. Adding to, renovating, repairing, improving, and equipping existing School District buildings and instructional facilities system-wide,	-	133,538.76	-	-
3. Expanding, replacing, renovating, repairing, improving and equipping existing school buildings, parking lots, restrooms, theatres, science labs, outdoor spaces and other School District facilities,	4,612,369.98	2,152,041.60	-	-
4. Acquiring miscellaneous new equipment, fixtures and furnishings for the School District, including heating and air conditioning equipment, plumbing, LED lighting, flooring, roofing and similar infrastructure improvements,	494,689.93	650,196.89	-	-
5. Acquiring technology equipment and software and safety and security equipment,	328,602.66	1,815,208.25	-	-
6. Acquiring school buses and transportation and maintenance equipment,	41,408.00	680,984.60	-	-
7. Acquiring textbooks, e-books and e-book readers for the School District,	38,038.46	70,176.30	-	-
8. Paying a portion of the purchase payments due under the Intergovernmental Agreement securing the Greene County Development Authority Revenue Bonds (Lake Oconee Academy Project), Series 2009, from January 2020 through February 2025 (the maximum amount of such payments not to exceed \$10,000,000.00),	1,349,092.50	6,489,155.27	-	-
9. Paying any general obligation debt of the School District issued in conjunction with the imposition of said sales and use tax, and	-	-	-	-
10. Paying any expenses incident to accomplishing the foregoing.	50.00	9,600.12	9,650.12	-
Subtotal 2019 Projects	<u>7,037,385.45</u>	<u>16,271,960.77</u>	<u>9,650.12</u>	<u>-</u>
<b>2024 ESPLOST</b>				
1. Acquiring, constructing and equipping new school buildings, administration buildings, athletics buildings and facilities and other buildings or facilities useful or desirable in connections therewith,	\$ 18,103,181.92	\$ 24,096,208.80	\$ -	\$ -
2. Adding to, renovating, repairing, improving and equipping existing School District buildings, administration buildings, athletic buildings and facilities and other buildings and facilities useful or desirable therewith,	3,200.00	-	-	-
3. Acquiring buses and other vehicles,	200,993.84	88,393.00	-	-
4. Acquiring, installing and implementing technology improvements,	403,136.00	76,792.16	-	-
5. Acquiring text books, e-books and e-book readers,	-	-	-	-
6. Acquiring land for future facilities,	-	-	-	-
7. Acquiring any property useful or desirable therefore both real and personal,	232,069.23	-	-	-
8. Paying capitalized interest on the bonds,	-	482,205.08	482,205.08	-
9. Paying costs of issuing the Bonds,	-	401,646.63	401,646.63	-
10. Paying a portion of the principal and interest on the Bonds in the maximum amount not to exceed \$12,221,000.00, and	1,800,193.76	662,646.88	-	-
11. Paying all or a portion of the purchase payments due under the Intergovernmental Agreement securing the Greene County Development Authority Revenue Bonds (Lake Oconee Academy Project), Series 2009 (the maximum amount of such payments will not exceed \$6,741,830.00).	-	-	-	-
Subtotal 2024 Projects	<u>20,742,774.75</u>	<u>25,807,892.55</u>	<u>883,851.71</u>	<u>-</u>
<b>Total</b>	<u>\$ 27,780,160.20</u>	<u>\$ 42,079,853.32</u>	<u>\$ 893,501.83</u>	<u>\$ -</u>

(1) The School District's original cost estimate as specified in the resolution calling for the imposition of the Local Option Sales Tax.

(2) The School District's current estimate of total cost for the projects. Includes all cost from project inception to completion.

(3) The voters of Greene County approved the imposition of a 1% sales tax to fund the above projects and retire associated debt.

Amounts expended for these projects may include sales tax proceeds, state, local property taxes and/or other funds over the life of the projects.

(4) Project 7/SPLOST 2014 was completed in June 2020 with total actual expenditures of \$6,659,974.11.

The previous estimated cost was \$6,660,213.00. The surplus of SPLOST proceeds will be used for Project 8 for SPLOST 2019.

## **Section II**

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



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

The Honorable Brian P. Kemp, Governor of Georgia  
Members of the General Assembly of the State of Georgia  
Members of the State Board of Education  
and  
Dr. Aaryn Schmuhl, Superintendent and Members of the  
Greene County Board of Education

We have audited the financial statements of the governmental activities, discretely presented component units, and each major fund of the Greene County Board of Education (School District) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated March 20, 2026. We conducted our audit in accordance with the auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States.

Our report includes a reference to other auditors who audited the financial statements of the discretely presented component units, as described in our report on the School District's basic financial statements. Those financial statements were audited in accordance with GAAS but not in accordance with *Government Auditing Standards*, except for the Lake Oconee Academy, Inc. Accordingly, this report does not include reporting on internal control over financial reporting or compliance and other matters associated with those component units nor does it include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors for the component units specified above.

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

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the School District's financial statements will not be prevented, or detected and

corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

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

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

## **Purpose of this Report**

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

Respectfully submitted,



Greg S. Griffin  
State Auditor

March 20, 2026



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

The Honorable Brian P. Kemp, Governor of Georgia  
Members of the General Assembly of the State of Georgia  
Members of the State Board of Education  
and  
Dr. Aaryn Schmuhl, Superintendent and Members of the  
Greene County Board of Education

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

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

We have audited the Greene County Board of Education's (School District) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the School District's major federal programs for the year ended June 30, 2025. The School District's major federal programs are identified in the *Summary of Auditor's Results* section of the accompanying *Schedule of Findings and Questioned Costs*.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Greg S. Griffin". The signature is written in a cursive, flowing style.

Greg S. Griffin  
State Auditor

March 20, 2026

### **Section III**

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

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

**PRIOR YEAR FINANCIAL STATEMENT FINDINGS**

No matters were reported.

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

No matters were reported.

## **Section IV**

### **Findings and Questioned Costs**

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

**I SUMMARY OF AUDITOR'S RESULTS**

**Financial Statements**

Type of auditor's report issued:  
Governmental Activities, Discretely Presented  
Component Units, and Each Major Fund Unmodified

Internal control over financial reporting:  
▪ Material weakness(es) identified? No  
▪ Significant deficiency(ies) identified? None Reported

Noncompliance material to financial statements noted: No

**Federal Awards**

Internal control over major programs:  
▪ Material weakness(es) identified? No  
▪ Significant deficiency(ies) identified? None Reported

Type of auditor's report issued on compliance for major programs:  
  
All major programs Unmodified

Any audit findings disclosed that are required to be reported in  
accordance with 2 CFR 200.516(a)? No

Identification of major programs:

<u>Assistance Listing Number</u>	<u>Assistance Listing Program or Cluster Title</u>
10.553, 10.555	Child Nutrition Cluster

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

Auditee qualified as low-risk auditee? Yes

**II FINANCIAL STATEMENT FINDINGS**

No matters were reported.

**III FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

No matters were reported.