

**FAYETTE COUNTY
BOARD OF EDUCATION**

Fayetteville, Georgia



Where Excellence and Creativity Merge

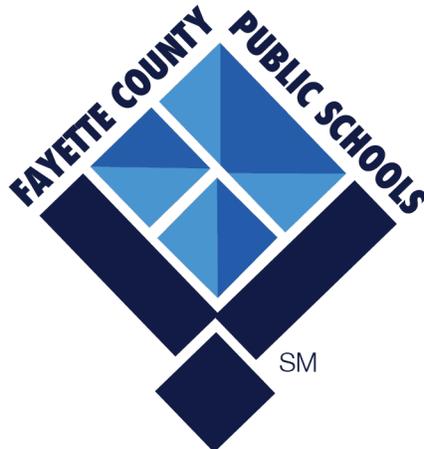
**COMPREHENSIVE ANNUAL FINANCIAL
REPORT**

Fiscal Year ended June 30, 2020

FAYETTE COUNTY BOARD OF EDUCATION
Fayetteville, Georgia

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Fiscal Year ended June 30, 2020



Where Excellence and Creativity Merge

Prepared by
Tom Gray, Chief Financial Officer
and

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

Fayette County Board of Education

TABLE OF CONTENTS

	Page
Table of Contents	i
INTRODUCTORY SECTION	
Letter of Transmittal	3
ASBO Certificate of Excellence	10
GFOA Certificate of Achievement	11
Organizational Chart	12
Listing of Principal Officials	14
FINANCIAL SECTION	
Independent Auditor's Report	17
Management's Discussion and Analysis	21
Basic Financial Statements:	
System-wide Financial Statements	
Statement of Net Position	40
Statement of Activities	41
Fund Financial Statements	
Governmental Funds	
Balance Sheet	42
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	43
Statement of Revenues, Expenditures, and Changes in Fund Balances	44
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances With the System-wide Statement of Activities	45
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Non-GAAP Basis) – General Fund	46
Proprietary Funds	
Statement of Net Position	47
Statement of Revenues, Expenses, and Changes in Net Position	48
Statement of Cash Flows	49

Fayette County Board of Education

TABLE OF CONTENTS - continued

	Page
FINANCIAL SECTION – continued	
Fiduciary Funds	
Statement of Fiduciary Net Position	50
Statement of Changes in Fiduciary Net Position	51
Notes to the Basic Financial Statements	53
Required Supplementary Information	
Schedule of Proportionate Share of the Net Pension Liability – TRS	88
Schedule of Contributions – TRS	90
Notes to Required Supplementary Information – TRS	93
Schedule of Proportionate Share of the Net Pension Liability – PSERS	94
Notes to Required Supplementary Information – PSERS	97
Schedule of Proportionate Share of the Net OPEB Liability	98
Schedule of Contributions – OPEB	100
Notes to Required Supplementary Information – OPEB	102
Combining Statements and Schedules	
Non-Major Governmental Funds	
Combining Balance Sheet – Non-Major Governmental Funds	106
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Non-Major Governmental Funds	107
Combining Balance Sheet – Non-Major Special Revenue Funds	108
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Non-Major Special Revenue Funds	112
Combining Balance Sheet – Non-Major Capital Project Funds	116
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Non-Major Capital Project Funds	117
Schedules of Revenues and Expenditures – Budget and Actual	
School Nutrition Service – Special Revenue Fund	118
Title I – Special Revenue Fund	119
IDEA – Special Revenue Fund	120
Vocational Grants – Special Revenue Fund	121
Title II – Special Revenue Fund	122
Title III – Special Revenue Fund	123
Title IV – Special Revenue Fund	124
CARES Act – Special Revenue Fund	125
JR ROTC – Special Revenue Fund	126
Lottery – Special Revenue Fund	127
Friends Mentoring Program – Special Revenue Fund	128
Other Grants – Special Revenue Fund	129
Community Education – Special Revenue Fund	130
After School Program – Special Revenue Fund	131
Donations – Special Revenue Fund	132

Fayette County Board of Education

TABLE OF CONTENTS - continued

	Page
FINANCIAL SECTION – continued	
Auditorium Rentals – Special Revenue Fund	133
Principal Accounts – Special Revenue Fund	134
Debt Service Fund	135
Statement of Changes in Assets and Liabilities – Agency Fund	137
Additional Financial Information	
Schedule of Expenditures of Special Purpose Local Option Sales Tax Proceeds – 2008 Issue	140
Schedule of Expenditures of Special Purpose Local Option Sales Tax Proceeds – 2012 Issue	141
Schedule of Expenditures of Special Purpose Local Option Sales Tax Proceeds – 2012 Issue	142
Schedule of Expenditures by Object – Lottery Program	143
STATISTICAL SECTION	
Financial Trends:	
Net Position by Component	146
Changes in Net Position	148
Fund Balances of Governmental Funds	150
Changes in Fund Balances of Governmental Funds	152
Revenue Capacity:	
Assessed and Estimated Actual Value of Taxable Property	155
Direct and Overlapping Property Tax Rates	156
Property Tax Levies and Collections	158
Governmental Activities Tax Revenues by Source	160
Principal Taxpayers (Top Ten)	162
Debt Capacity:	
Ratios of Outstanding Debt by Type	163
Ratios of General Bonded Debt Outstanding	164
Direct and Overlapping Governmental Activities Debt	165
Legal Debt Margin Information	166
Operating Information:	
Operating Statistics	168
Teacher Salaries	169
School Building Information	170
System Employees	176
School Lunch and Breakfast Program	178
Demographic and Economic Information:	
Demographic and Economic Statistics	180
Major Employers	181



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INTRODUCTORY SECTION



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Superintendent:
Jonathan Patterson, Ph.D.

Board of Education:
Scott Hollowell, Chairman
Roy Rabold, Vice-Chairman
Brian Anderson
Barry Marchman, Ph.D.
Leonard Presberg

December 18, 2020

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

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of the Fayette County Board of Education (the School System) for the fiscal year ended June 30, 2020. The finance department staff prepared this report. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the School System's administration.

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

Mauldin & Jenkins, Certified Public Accountants, LLC, has issued an unmodified ("clean") opinion on the Fayette County Board of Education's financial statements for the year ended June 30, 2020. The independent auditor's report is located at the front of the financial section of this report.

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

Profile of the School System

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

The Board of Education is made up of five members elected to serve four year terms. Its primary functions are to develop and adopt policies by which the schools are administered, to continually evaluate the effectiveness of these policies and to make certain that they are being administered as the Board intended. The administration of the educational programs and school business is the responsibility of the superintendent of schools and his staff.

There were just over 20,100 students enrolled in the School System at the end of the 2019-2020 school year. Projected enrollment for the 2020-2021 school year is 20,285 students. The School System has five high schools. The oldest high school facility was built in 1981 but was renovated and expanded in 2005. The School System has five middle schools. The oldest middle school facility was built in 1979 but was renovated and expanded in 2001. The School System has fourteen (14) elementary schools. One of these facilities was built prior to 1970, nine were

built between 1970 and 1999, and four were built after 2000. The newest facilities are a middle school that opened in school year 2007-2008 and an elementary school that opened the following year. A schedule of building information is provided in the Statistical Section of the CAFR.

Local economy

Fayette County, like the rest of the country, has seen an impact in the economy from the COVID-19 pandemic. Many businesses reduced operations or shut down completely for varying time periods. Some of those businesses have not been able to continue to operate. However, Fayette County is seeing increased activity and development in residential, business, industrial, arts and entertainment sectors of the economy. The county tax digest has surpassed the level prior to the recession of 2008 and 2009. Economic activity has been relatively strong as indicated by consistent local sales tax collections. Over the last five years, the retail sales tax collections have increased from \$20 million to over \$26 million, indicating strong retail activity. Even in the months since the initial pandemic economic impact, sales tax collections have remained at prior year levels. Intangible tax collections remain above normal, indicating activity in mortgage refinancing and in the real estate market.

As with most of Georgia and the nation as a whole, the job market of Fayette County experienced a drastic decline due to the COVID-19 pandemic. According to the U. S. Department of Labor, Fayette County's unemployment rate (not seasonally adjusted) is 7.1% at June 2020. This rate is below the national average rate (seasonally adjusted) of 11.1% and below the State of Georgia average rate (seasonally adjusted) of 7.6%. The county's labor force has decreased to 55,436 compared to 58,229 the prior year or 4.80%. Average weekly wages for Fayette County at the end of 2020 were \$928 compared to \$1,075 state wide.

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

- 7.9% increase for digest year 2015 (fiscal year 2016)
- 5.4% increase for digest year 2016 (fiscal year 2017)
- 11.0% increase for digest year 2017 (fiscal year 2018)
- 5.0% increase for digest year 2018 (fiscal year 2019)
- 7.6% increase for digest year 2019 (fiscal year 2020)
- 5.4% increase for digest year 2020 (fiscal year 2021)

The tax digest has recovered and is at a level above the 2009 values. However, the total exemptions as a percentage of the total digest has increased from 12.65% to 19.60% over the same time period resulting in a tax levy of \$108.6 million. This is the highest tax levy since the 2009 pre-recession levels. The change in the exemption amounts is reflective of the aging population of the county. It should be noted, however, that the School System has steadily reduced the millage rate from the maximum 20.000 mills in fiscal year 2016 to 19.150 mills for fiscal year 2021.

Investment in the film production industry continues to be a driving force of growth for Fayette County. Pinewood Studios Group of London has developed a major studio complex with state-of-the-art sound stages, administration offices and buildings for set and effects development and film equipment vendors. The studio complex has 18 sound stages, workshop and production facilities, backlot natural areas, a media hub and full post production support. Additional expansion of the studios is currently in process.

The development of a film production school in conjunction with the studio is well under way. Several years ago, the School System sold an under-utilized elementary school located adjacent to the studio property. This facility

has been transformed to be part of the film educational element that industry leaders plan to develop and will be a major economic focus for the state. Through the state's university system and technical college system, a film academy collaborative effort has started with the purpose of certifying work ready employees and connecting employees with opportunities on film and entertainment production projects. The county has begun to feel the economic impact of this industry segment; the potential growth of support businesses and new residents moving into the county could have a huge impact on the School System in the coming years. There have been strong indications of a resurgence of residential construction in the county that has contributed to increases in the tax digest as discussed previously.

Other significant economic activity includes the post-secondary arena. Georgia Military College (GMC) has completed construction of a new campus in the county as part of its 15-year strategic plan. The institution offers programs at the junior college level but also expanded into a four-year bachelor of applied science degree program. Plans include collaboration with the Fayette County School System and entities such as Piedmont-Fayette Hospital to provide extended educational opportunities for students in several areas. The focus is to prepare and equip a work force for local and regional businesses. Collaboration with local businesses and industry continues to be part of the School System's development of new educational opportunities.

Another area of economic activity is the medical field. Piedmont-Fayette Hospital recently expanded capacity and services with a major construction project. The facility has increased to 282 beds and the hospital employees over 2,000 people including 750 physicians. In addition to 24-hour emergency services, the hospital provides cancer care, heart care, orthopedic care, women's care, surgical services, major medical, and is known for the use of robotic surgery facilities. This hospital is nationally recognized for safety and has been ranked in the top 50 hospitals in the country for six consecutive years. In addition, several other related projects include a new medical office building (30,000 SF) and a new assisted living center near the hospital that have been completed in the last year.

The county government and cities collaborated in planning for a SPLOST referendum in early 2017. The projects include multiple transportation projects, public safety improvements, road improvements, cart path improvements, park/recreation improvements, debt retirement and storm-water infrastructure repair/replacement. The tax was approved in March and will be collected over 6 years and collections are expected to be over \$141 million which will be allocated to the cities and county per an intergovernmental agreement.

The city governments, county government, School System, Chamber of Commerce and community leaders participated in the Fayette Visioning Initiative over the last several years. The project focused on planning for the future in education, community, economy and place in Fayette County. A group consisting of government, business, and community leaders visited cities in nearby states that are known for successful re-development. The purpose of the trips was to see best practices in action in cooperation to bring back to Fayette County. In addition, the Chamber of Commerce led a rebranding initiative with county and city governments and community leaders. The campaign was designed to attract new residents and businesses with the focus on the county's history, livability, and creativity with the tag line "Create Your Story". This branding ties in well with the influx of film, television, and streaming production projects in Fayette.

Since K-12 education is the largest portion of the State of Georgia's (the State) budget, the state economy directly impacts the financial picture of all school systems in Georgia. The State has underfunded K-12 education since about 2003 compared to formula driven requirements in state law. Most of the funding reductions have occurred due to years of "austerity reductions" (also called "amended formula adjustments") or budget cuts imposed by the State. These are reductions to the amounts earned by school systems based on a funding formula written in state law that have been allocated to all systems across the state to help the State provide for a balanced budget. From fiscal year 2003 to fiscal year 2018, the Fayette County School System received approximately \$109 million less than it earned due to these cuts. This reduction is net of \$12.4 million in federal funds from the American Recovery and Reinvestment Act (ARRA) that flowed through the State of Georgia that was intended to offset the cuts. In



addition, the funding formula has not been adjusted in recent years for inflation. As a result, the local taxpayer has had to shoulder the burden of state budget cuts and inflationary costs.

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

However, for fiscal year 2021, the State again utilized the austerity measures due to the initial loss of revenue in the second quarter of 2020. The School System saw a reduction in State funding of \$11.5 million. It appears that the Georgia economy may fair better than most states

Long-term Financial Planning

Total fund balance of the general fund is approximately 11.8% of budgeted operating expenditures (fiscal year 2021) and represents approximately one month’s expenditures. This amount is a little higher than the prior year 10.4% (the limit set by state law is 15%). This level of fund balance includes a 10% budgetary reserve set by Board policy. The fund balance increased from \$24.0 million to \$27.1 million. Anticipating a cut in state funding, administration felt it necessary to hold the 2021 budgeted expenditures at or below the 2020 budgeted amount. The School System is using \$10.5 million of fund balance for the 2021 budget. The Board and administration continue to set aside local funds for capital projects in the near future that could include classroom renovations and program improvements at specific locations as well as athletic facility improvements.

The School System has traditionally used general obligation bonds to finance construction of new schools. The 2005 and 2007 bond issuances provided funding for the construction of one middle school and two elementary schools. Residential development in the county suggest modest student population growth. The School System has additional capacity available from previous school closings. The School System addressed revenue decline and excess capacity by closing three elementary schools and one middle school in school year 2013-2014 and sold an elementary school building that had been under-utilized for specialized programs in 2015. The School System has placed plans to reopen or expand current facilities for normal school operations due to a slight expected enrollment decline in light of the COVID-19 pandemic.

In November 2009, the citizens of Fayette County passed a 1% educational Special Purpose Local Option Sales Tax (SPLOST). This additional funding has been used toward technology (including infrastructure improvements, hardware and software), security, textbooks, facilities improvements and debt service on existing general obligation bonds. In November 2012, the citizens of Fayette County voted to extend the first SPLOST for an additional five years. The second SPLOST is being used for needs similar to the first SPLOST. The SPLOST is significant to the immediate future financial needs of the School System, as it will allow the System to make much needed purchases, such as textbooks and computers, while relieving the operating budget of those costly expenditures.

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

Relevant Financial Policies

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

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

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

As a recipient of federal and state financial assistance, the School System is also responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation for weaknesses by management and staff.

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

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

Major Initiatives

In fiscal year 2015, the Fayette County School System adopted a process developed by the Georgia School Boards Association (GSBA) and the Georgia Leadership Institute for School Improvement (GLISI) to develop a strategic improvement plan for the School System. This comprehensive process engaged the community and all stakeholder groups to create universal ownership for district and school improvement. Plans were developed at both the overall School System and each school, department and program.

In 2016, the Fayette County School System revised and updated the vision, mission and belief statements to reflect the changes in technology, society, the community and the world. The new mission is *to forge and equip a community of learners who confidently face challenges, embrace opportunities and positively impact our world*. The mission was developed with input from the community, teachers, students, administrators, business leaders, and Board members. The

vision associated with the mission is *that our students will be capable of living and working effectively, responsibly and productively in a global environment.*

The strategic improvement plan includes objectives in four goal areas:

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

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

For student engagement and achievement, focus in our educational settings includes equity and access for all students, future ready schools, culturally responsive pedagogy, and pathway completion. The initiative to ensure that students receive high quality Tier I instruction, as well as high quality specialized instruction, includes training administration on effective assessment and grading practices, improving literacy in all content areas, ongoing development of common assessments, and increased use of culturally responsive pedagogy.

As part of the equity and future ready school initiatives, all students' grades two and above are issued a chrome book. This allows teachers and students to use digital learning for credit repair, credit recovery and original credit. This proved especially effective as all learning moved to virtual learning due to COVID-19 quarantines on March 16, 2020 through the remainder of the school year. The School System also provided internet connections to students and teachers unable to provide this for themselves. Due to COVID-19 virtual learning, chrome books were also issued to students in kindergarten and first grade. Funds for the computer purchases were from SPLOST collections.

Stakeholder, community and family engagement saw the School System improve internal and external communication. School improvement plans are posted on each schools' website. System plans are on the district website. The School System actively engages our community through social media and our school websites, as well as ongoing stakeholder forums such as PTO meetings, Chamber of Commerce meetings, monthly superintendent teacher, parent and student advisory councils, community partnerships, and live stream board meetings. Use of social media has provided the System with the platform to place important information through videos and announcements. The International Association of Business Communicators recognized our exceptional work in communication. It was our second year for our public information department to receive the Golden Flame communication award.

The professional growth and human resources portion of the plan focuses on hiring and retaining excellent certified staff and developing all staff within the School System. For certified staff, this starts at the recruitment level and continues with specialized professional learning throughout the school year and teacher's employment with the School System. Currently the School System has a retention rate of 93.7%, which is a comfortable amount over the goal of 90%.

Organizational and operational effectiveness assists in ensuring a safe supportive learning environment and efficient use of resources, processes and management. For safety measures, all schools and buildings have controlled entrances through an entry fob and/or code for employees. All facilities have recording camera systems for both external and internal visual ability. The schools remain locked at all times and parents; guardians and visitors enter the building through an entry system managed by each front office. The next phase of safety measures includes a crisis alert system with each employee able to identify events in the building through an individual card reader. Anticipated completion of this system is early in fiscal year 2021.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Fayette County Board of Education for its comprehensive annual financial report for the fiscal year ended June 30, 2019. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the Fayette County Board of Education for the year ended June 30, 2019. This was the sixth year that the School System received this prestigious award. This award certifies that the comprehensive annual financial report substantially conforms to the principles and standards of financial reporting as recommended and adopted by ASBO. The award is granted only after intensive reviews of financial reports by an expert panel of practicing school business officials.

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

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

Respectfully submitted,



Tom Gray
Chief Financial Officer



Laura Brock
Coordinator of Audits and Reporting



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

The Certificate of Excellence in Financial Reporting
is presented to

Fayette County Board of Education

for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2019.

The CAFR meets the criteria established for
ASBO International's Certificate of Excellence.



A handwritten signature in black ink, reading 'Claire Hertz'.

Claire Hertz, SFO
President

A handwritten signature in black ink, reading 'David J. Lewis'.

David J. Lewis
Executive Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Fayette County Board of Education
Georgia**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

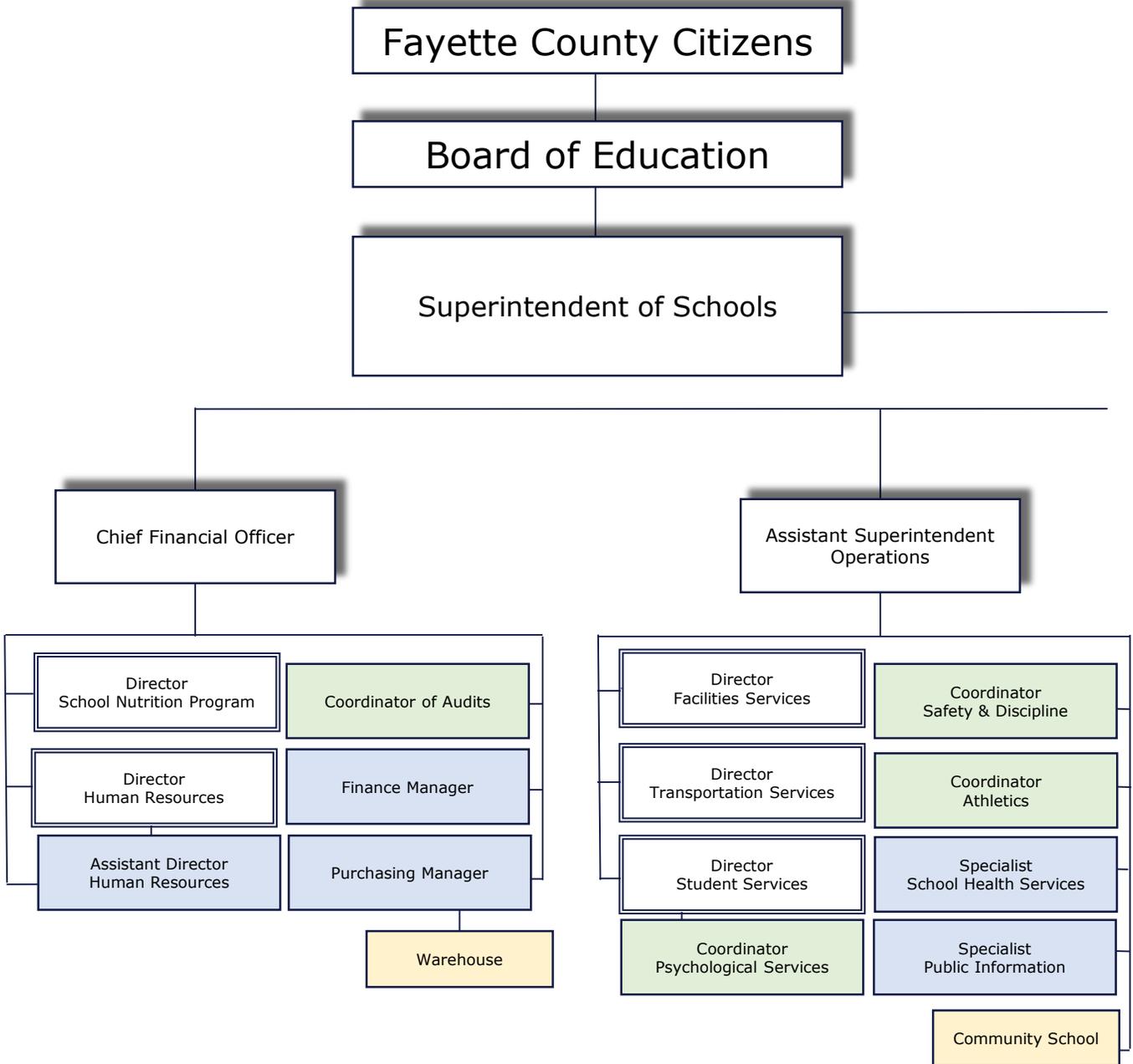
Christopher P. Morill

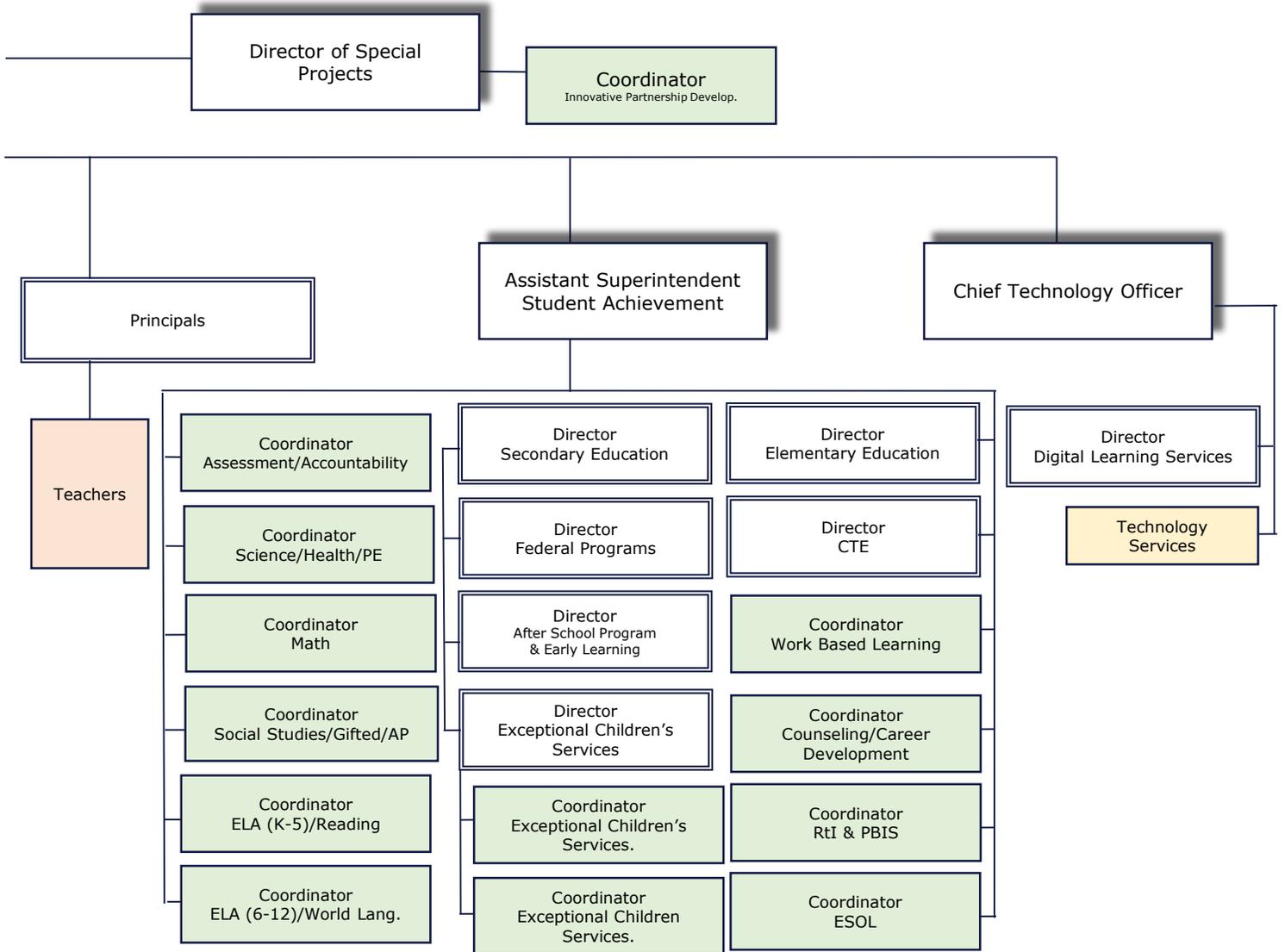
Executive Director/CEO

Fayette County Board of Education

ORGANIZATIONAL CHART

June 30, 2020





Fayette County Board of Education

LISTING OF PRINCIPAL OFFICIALS

June 30, 2020

BOARD MEMBERS

Mr. Scott Hollowell, Chair, District 3

Mr. Roy Rabold, Vice Chair, District 2

Mr. Brian Anderson, District 5

Mr. Barry Marchman, Chair, District 1

Mr. Leonard Presberg, District 4

SUPERINTENDENT'S CABINET

Dr. Joseph C. Barrow, Jr., Superintendent

Mr. Michael Sanders Assistant Superintendent of Operations

Dr. Julie Turner, Assistant Superintendent of Student Achievement

Mr. Tom Gray, Chief Financial Officer

Mr. Jim Farmer, Chief Technology Officer

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

Ms. Roxane Owen, Director of Transportation

Ms. Erin Roberson, Director of Human Resources

Ms. Rae Presley-King, Director of Secondary School Improvement and Professional Learning

Ms. Kim Herron, Director of Elementary School Improvement and Professional Learning

Ms. Lisa Collins, Director of CTE

Ms. Audrey Toney, Director of Student Services

Mr. Mike Satterfield, Director of Facility Services

Dr. Daniel Lane, High School Principal

Ms. Yolanda Briggs-Johnson, High School Principal

Dr. Marcus Broadhead, Middle School Principal

Ms. Kathy Smith, Middle School Principal

Ms. Erinn Angelo, Elementary School Principal

Ms. Lisa Moore, Elementary School Principal

Dr. Margo Wimbish, Fayette Life Academy

Ms. Melinda Berry-Dreisbach, Public Information Specialist

Sam Sweat, Special Projects

FINANCIAL SECTION



Where Excellence and Creativity Merge



Where Excellence and Creativity Merge

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the **Fayette County Board of Education** (the "School System") as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the School System's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the School System as of June 30, 2020, and the respective changes in financial position, and, where applicable, cash flows thereof and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (on pages 21 through 37) and the schedules of proportionate share of the net pension liabilities, the schedule of pension contributions, the schedule of proportionate share of the net OPEB liability, and the schedule of OPEB contributions, (on pages 88 through 102) be presented to supplement the basic financial statements. Such information, 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 auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School System's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, the Schedule of Expenditures by Object – Lottery Program, and the statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedules of Expenditures of Special Purpose Local Option Sales Tax Proceeds are presented for purposes of additional analysis as required by the Official Code of Georgia Annotated ("O.C.G.A.") § 48-8-121, and are also not a required part of the basic financial statements.

The combining and individual fund statements and schedules, the Schedule of Expenditures by Object – Lottery Program and the Schedules of Expenditures of Special Purpose Local Option Sales Tax Proceeds (collectively “the supplementary information”) are the responsibility of management and were derived from and relate 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 auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 9, 2020 on our consideration of the Fayette County Board of Education’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School System’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Fayette County Board of Education’s internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Macon, Georgia
December 9, 2020



Where Excellence and Creativity Merge

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Fayette County Board of Education
Management's Discussion and Analysis

June 30, 2020

Our discussion and analysis of the Fayette County Board of Education's (the School System) financial performance provides an overview of the School System's financial activities for the fiscal year ended June 30, 2020. The intent of this discussion and analysis is to look at the School System's financial performance as a whole. Readers should also review the notes to the basic financial statements to enhance their understanding of the School System's financial performance.

Financial Highlights

- The assets and deferred outflows of resources of the School System exceeded its liabilities and deferred inflows of resources at the close of fiscal year 2020 by \$15,197,320.
- The School System's total net position increased by \$9,940,256.
- At the end of fiscal 2020, the School System's governmental funds reported combined ending fund balances of \$63,348,891, an increase of \$3,112,018 in comparison with the prior year. Of this total, \$33,036,138 is available for spending at the School System's discretion (assigned and unassigned fund balance).
- At the end of fiscal 2020, unassigned fund balance for the General Fund was \$26,953,749 or 12.16% of total General Fund expenditures.
- Total bonded debt for the School System decreased by \$5,590,000, resulting from scheduled debt service payments on bonds issued in 2013.

Overview of the Financial Statements

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

System-wide Financial Statements

The system-wide financial statements are designed to provide readers with a broad overview of the Fayette County School System's finances in a manner similar to a private-sector business. They include the statement of net position and the statement of activities found on pages 40 and 41 of this report.

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

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

Fayette County Board of Education
Management's Discussion and Analysis

June 30, 2020

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

Fund Financial Statements

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

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

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

The Fayette County School System maintains twenty-three individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund and the Capital Projects SPLOST II and SPLOST III Funds, each of which are considered to be a major fund. Data from the other twenty governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements on pages 106-117 of this report.

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

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

Basic proprietary fund financial statements can be found on pages 47-49 of this report.

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

Fayette County Board of Education
Management's Discussion and Analysis

June 30, 2020

The basic fiduciary fund financial statements can be found on pages 50-51 of this report.

Notes to the basic financial statements – The notes provide additional information that is essential to a full understanding of the data provided in the system-wide and fund financial statements. Notes to the financial statements can be found on pages 53-86 of this report.

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

System-wide Financial Analysis

As noted earlier, changes in net position over time can be a useful indicator of a School System's financial position. At the end of the fiscal year ending June 30, 2020, the School System's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$15,197,320.

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

Fayette County School System's Net Position

	2020	2019
Current assets	\$ 92,675,445	\$ 87,963,165
Capital assets	337,724,130	326,529,725
Total assets	430,399,575	414,492,890
Deferred outflows of resources	90,674,466	76,974,940
Current liabilities	25,675,422	25,115,381
Noncurrent liabilities	429,464,155	420,881,847
Total liabilities	455,139,577	445,997,228
Deferred inflow of resources	50,737,144	40,213,538
Net position		
Net investment in capital assets	274,883,620	257,204,103
Restricted	26,513,690	22,440,593
Unrestricted	(286,199,990)	(274,387,632)
Total net position	\$ 15,197,320	\$ 5,257,064

The School System's current assets increased approximately \$4.71 million over the prior year. There was a \$2.92 million increase in balances held in bank deposits and investments resulting primarily from revenues exceeding expenditures at the fund level. Taxes receivable increased by \$1.46 million. All other components of current assets increased only \$0.33 million.

Fayette County Board of Education
Management's Discussion and Analysis

June 30, 2020

The School System's capital assets had a \$11.19 million net increase. Depreciation of \$18.95 million reduced the net book value of capital assets. The School System expended \$30.17 million in capital outlay, primarily related to the educational Special Purpose Local Option Sales Tax (SPLOST) projects. All three SPLOST funds provide funding for textbooks and instructional materials, computers, technology upgrades, transportation, security, facility improvements, and general obligation debt reduction. The School System also disposed of several assets that had a combined net book value of \$0.03 million at the time of disposal.

The School System's deferred outflows of resources increased \$13.70 million. Deferred outflows consist of three components: pensions, OPEB and loss on refunding of bonds. Actuarial assumptions are made in determining the total pension liability and total OPEB liability of each plan. As those assumptions change, changes in the liability calculation are recorded as either deferred outflows or deferred inflows of resources. The deferred outflows of resources related to pensions are created by changes in the School System's portion of the entire plan and differences between the School System's contributions and its proportionate share of contributions (\$11.07 million, a decrease of \$4.14 million over prior year balance), differences between expected and actual experience (\$12.83 million, a decrease of \$1.07 million over prior year balance) and changes in actuarial assumptions (\$21.84 million, an increase of \$18.68 million over prior year balance). Furthermore, the TRS pension liability was measured as of June 30, 2019, one year prior to the balance sheet date. As a result, the contributions that the School System made after that date are recorded on the statement of net position as deferred outflows of resources. The contributions made in 2020 were \$2.09 million higher than in 2019 due to higher salaries and a higher employer contribution rate. As a result, deferred outflows related to pensions increased \$15.56 million. The deferred outflows of resources related to OPEB are created from similar changes. The change in proportion and differences between the School System's contributions and proportionate share of contributions decreased \$4.11 million, actuarial assumptions changes grew \$4.87 million, differences between projected and actual earnings on investments increased \$0.11 million and contributions to the plan subsequent to the measurement date decreased \$2.29 million over the prior year. As a result of these changes, the deferred outflows of resources related to OPEB decreased \$1.42 million. The deferred loss on refunding of bonds that occurred in fiscal year 2014 decreased \$0.45 million as the loss is being amortized over the life of the refunding bonds.

Deferred outflows of resources related to pensions and OPEB are further discussed in Notes M and N beginning on page 73.

Current liabilities of the School System increased \$0.56 million over the prior year. Annual changes in accounts payable (increase of \$0.39 million) are affected by the timing of payments at or near year end. Retainage payable on construction projects decreased by \$0.66 million. This change is based on the timing of projects and the type of projects in progress at year end. Salaries and benefits payable increased slightly by \$0.81 million.

Non-current liabilities (which include the current portion of those liabilities) had net increase of \$8.58 million. The net pension liability increased \$17.73 million while the net OPEB liability decreased \$3.12 million. These two liabilities represent benefits that employees have earned and that the School System has a present obligation to pay in the future. The net pension and OPEB liabilities are the amount of the total pension and OPEB liabilities (the promises of benefits for work already performed) in excess of the pension and OPEB plans' net positions. This liability is actuarially determined and is further explained in Note M and N beginning on page 73. Bonds payable decreased by a net \$6.17 million based on scheduled payments on debt issued in 2013 and amortization on bond issuance premium.

Fayette County Board of Education
Management's Discussion and Analysis

June 30, 2020

The deferred inflows of resources increased \$10.52 million. As previously noted, changes in actuarial assumptions affect the calculation of deferred outflows and deferred inflows of resources. The deferred inflows related to the TRS pension plan increased by \$8.36 million. Total deferred inflows related to pensions of \$15.68 million relate to differences between expected and actual experience (\$0.07 million, a decrease of \$0.37 million), differences between projected and actual earnings on pension plan investments (\$5.42 million, a decrease of \$0.32 million), and changes in proportion and differences between the School System's contributions and proportionate share of contributions (\$10.19 million, an increase of \$9.04 million). The change in deferred inflows related to OPEB increased \$2.16 million, affected by changes in actuarial assumptions (\$19.79 million, a decrease of \$4.52 million), differences between expected and actual experience (\$15.27 million, an increase of \$12.01 million) and changes in proportion and differences between the School System's contributions and proportionate share of contributions (zero balance at year end, a decrease of \$5.32 million). These deferred inflows of resources represent an acquisition of resources that applies to future periods and will be recognized as revenue in those future periods.

Deferred inflows of resources related to pensions and OPEB are further discussed in Notes M and N beginning on page 73.

The School System's net investment in capital assets (net of outstanding related debt used to acquire those capital assets and accumulated depreciation) equals 1,809% of total net position. The School System uses these capital assets to provide services to students, and consequently, these assets are not available for future spending. Although the School System's net investment in capital assets is reported net of related debt, it should be noted that the assets themselves cannot be used to liquidate these liabilities. The investment in capital assets increased by \$17.68 million from the prior year due to an increase in capital assets, net of depreciation and disposal, of \$11.19 million, a reduction in bonds payable, net of amortization of discounts and premiums, of \$6.17 million, increases in retainage and accounts payable on construction projects of \$0.77 million and amortization of the prior year's deferred loss on the refunding of general obligation bonds of \$0.45 million.

Total restricted net position increased \$4.07 million over the prior year. Net position is restricted when limitations are imposed on its use through constitutional provisions or enabling legislation, or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

Unrestricted net position indicates the amount of liquid assets the School System has to meet the existing obligations to its creditors. For the year ended June 30, 2020, the School System reported a deficiency in its unrestricted net position of \$286.20 million. This deficiency is attributable to recording pension and OPEB liabilities and the related deferred outflows and inflows of resources on the financial statements. If the adjustments related to pension and OPEB obligations had not been recorded, the School System's unrestricted net position would be \$44.22 million. These pension and OPEB obligations are expected to be funded over time through future employer contributions to the pension and OPEB plans. The School System's most immediate long-term obligations are for long-term debt which will be repaid based on future property taxes levied specifically for the repayment of bonded indebtedness.

Fayette County Board of Education
Management's Discussion and Analysis

June 30, 2020

Fayette County School System's Changes in Net Position

	<u>2020</u>	<u>2019</u>
Revenues:		
Program revenues		
Charges for services	\$ 5,126,305	\$ 6,373,707
Operating grants and contributions	124,785,145	117,866,092
Capital grants and contributions	6,472,357	2,086,921
General revenues		
Property taxes	116,367,637	111,456,435
Sales taxes	27,740,618	26,822,956
Other taxes	3,757,991	2,819,770
Interest and investment earnings	936,159	1,643,315
Gain on sale of assets	-	221,550
Other	294,512	427,670
Total revenues	<u>285,480,724</u>	<u>269,718,416</u>
Expenses:		
Instruction	181,874,689	161,132,453
Pupil services	15,079,390	14,080,968
Improvement of instructional services	7,049,918	6,000,450
Instructional staff training	1,057,895	853,772
Educational media services	4,043,475	3,684,678
Federal grants administration	408,275	365,904
General administration	1,760,578	1,478,192
School administration	16,399,329	14,454,380
Business administration	1,478,903	1,325,334
Maintenance and operation of facilities	16,866,071	15,745,710
Student transportation services	10,284,854	10,503,034
Central support services	6,734,056	6,303,585
Other support services	205,613	232,354
Community services	2,653,079	2,595,096
Food services	7,559,725	7,850,877
Interest expense	2,084,618	2,149,912
Total expenses	<u>275,540,468</u>	<u>248,756,699</u>
Change in net position	9,940,256	20,961,717
Net position, beginning of the year	5,257,064	(15,704,653)
Net position, end of year	<u>\$ 15,197,320</u>	<u>\$ 5,257,064</u>

Total revenues of the School System increased approximately \$15.74 million, driven primarily by the following items:

- Property tax increased by \$4.91 million over prior year as property values continued to rebound.

Fayette County Board of Education
Management's Discussion and Analysis

June 30, 2020

- Operating grants and contributions increased by \$6.92 million. State funding increased by \$7.42 million, primarily related to state QBE funding as discussed in more detail as it relates to the General Fund below. Federal grants revenue and contributions from other sources decreased a combined \$0.50 million.
- Capital grants and contributions increased \$4.39 million, or 210.1%. The School System received \$3.60 million more in capital outlay reimbursements from the State (GSFIC) and \$0.88 million more in safety and security grants from the State. Other contributions decreased \$0.09 million.
- Interest and investment earnings were affected by two variables, average investment balances and monthly interest rates for the Georgia Fund One. The interest rate on investments dropped from 2.4094% at June 30, 2019 to 0.2507% at June 30, 2020. This is a 90% reduction in the interest rate from June to June, and a 35% decrease in the average monthly rate. The average monthly balances held in investments decreased by \$0.87 million over prior year.

Total expenses increased by \$26.76 million over prior year. Most activity which results in annual fluctuations of expenditures at the fund level also affects the fluctuations of expenses at the system-wide level. Activity that affects the system-wide statement differently than the fund financial statements is detailed in the Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances with the System-wide Statement of Activities on page 45. Significant changes in expenses are as follows:

- Pension expense increased \$16.46 million over the prior year. Pension expense recognizes the changes in the net pension liability of the School System and the associated deferred outflows and inflows of resources. These amounts are actuarially determined each year and changes in assumptions and differences between expected and actual earnings on pension plan investments can have a significant impact on pension plan expense each year.
- OPEB expense decreased \$2.42 million over the prior year. Like pension expense, OPEB expense recognizes the changes in net OPEB liability of the School System and the associated deferred outflows and inflows of resources. These amounts are actuarially determined each year and changes in assumptions and differences between expected and actual earnings on OPEB plan investments can have a significant impact on OPEB plan expense each year.
- Total salaries increased by approximately \$8.83 million, or 6.11%, resulting from a \$3,000 pay increase for all certified staff, a step raise for staff who had earned it based on years of experience and 52.97 additional positions throughout the district.
- Depreciation of capital assets increased by \$2.20 million over prior year.
- The district experienced several significant decreases in other operating costs as a result of the COVID-19 pandemic shutdown: bus fuel (\$0.35 million), electricity and natural gas (\$0.26 million) and food for the school lunch program (\$0.54 million).

Fayette County Board of Education
Management's Discussion and Analysis

June 30, 2020

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

- Instruction costs had a net increase of \$20.74 million, or 12.9%. Instruction cost is primarily personnel driven, meaning most costs within this category are for salary and benefits of teachers and paraprofessionals. Instruction increased approximately \$7.16 million for salaries and \$14.36 million for benefits (including pension and OPEB costs). Operating costs (non-payroll) decreased \$0.78 million. The decrease in operating cost was mostly due to a decrease in textbooks purchased through SPLOST funding (\$2.02 million), offset by an increase in depreciation (\$1.87 million).
- Improvement of instructional services increased \$1.05 million, or 17.5%. Salaries and benefits increased \$0.43 million and \$0.55 million, respectively, while operating expenses also increased \$0.07 million.
- School administration expenses increased by \$1.94 million, or 13.5%. Salaries increased \$0.37 million as benefits increased \$1.31 million.
- Maintenance and operation of facilities increased by \$1.12 million, or 7.1%.

Financial Analysis of the School System's Funds

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

Governmental funds – Governmental funds provide information on near-term inflows, outflows, and balances of spendable resources. This information is useful in assessing the School System's financing requirements. Unassigned fund balance is a useful measure of the School System's net resources available for spending at the end of the fiscal year.

As of June 30, 2020, the School System's governmental funds reported combined ending fund balances of \$63,348,891, an increase of \$3,112,018 in comparison with the previous year. Approximately 42.55% (\$26,953,749) of ending fund balance is made up of unassigned fund balance of the General Fund that is available for spending at the School System's discretion. Fund balances of special revenue funds and capital project funds are classified as restricted, committed or assigned. These categories are defined based on the level of limitations imposed on their use. Note A12 on pages 59 and 60 provides a definition of the various categories of fund balance. Note I on pages 69 and 70 provides additional detail. Total fund balances for the governmental funds are as follows:

Fund Balances at June 30, 2020	
Nonspendable	\$ 571,155
Restricted	\$ 26,946,788
Committed	\$ 2,794,810
Assigned	\$ 6,082,389
Unassigned	\$ 26,953,749

The *General Fund* is the chief operating fund of the School System. Its fund balance increased \$3.11 million over the prior year. Overall, revenues for the General Fund increased approximately \$11.97

Fayette County Board of Education
Management's Discussion and Analysis

June 30, 2020

million compared to the prior year. This was a result of an increase of \$7.09 million in state funds and an increase of \$4.88 million in local funds.

- All public school systems in Georgia receive state funding based on the Quality Basic Education Act (QBE) earnings formula. The formula is based on a system's enrollment multiplied by dollar values for different cost categories. Many factors affect the total QBE earnings for a school system, including the student enrollment, the instructional program classification of those students, the experience level of teachers (training and experience or "T&E") and the relative property wealth of the school system. Overall, earnings of direct instruction increased by \$8.03 million. This increase was due to an increase number of full time equivalent (FTE) students (178 more), an increase for an additional \$3,000 to the state salary schedule, and an increase in the TRS funded rate from 20.90% to 21.14%. The School System earned \$1.51 million more in indirect costs. Other earnings categories, including media and staff development, increased \$0.25 million. The improving county tax digest has had a negative the effect on the calculation for the System's local 5 mill share portion of the formula. The increase in the tax base in fiscal year 2018 translated into an increase of local 5 mill share of \$2.25 million and a decrease in state funding by the same amount. For fiscal year 2019, the long standing amended formula adjustment (or austerity cut) was reduced to zero. While the district did not see a return of the austerity cut during the course of FY2020, at year end, a cut was announced for the coming year which impacted the amounts to be received in July and August for the funding of teachers' salaries earned in FY2020. This cut reduced revenue for the year by \$1.77 million over the prior year. Additionally, near the end of the prior year, the State issued a one-month employer health insurance contribution holiday whereby school districts did not have to pay the employer contribution to the Georgia Department of Community Health for the month of June but also received a reduction in funding for this cost of \$1.17 million. Taken together, these two events created a net reduction in revenue between years of \$0.60 million. Categorical grants under QBE for transportation costs and nursing services increased slightly (\$0.06 million). In total, QBE earnings increased \$7.00 million over last year.
- Other state revenue related to grants and on-behalf payments increased slightly by \$0.09 million.
- Property taxes increased by \$5.26 million as the gross digest values increased by 7.55% (7.94% if motor vehicle values are excluded) showing economic recovery in the county. The digest increase was the result of increases in assessed values for real property of 5.68% and growth real and personal property of 2.70%. Exemptions grew by 10.17% for the tax year. Additionally, the district decreased the maintenance and operations millage rate by 0.25 mills.
- Ad valorem for automobiles was down \$0.17 million as the state continued to transition to a sales tax based auto tag registration system and the value of motor vehicles on the tax digest decreased 18.10%. Unfortunately, the title ad valorem tax decreased \$0.22 million, demonstrating a slow-down of vehicle purchases during the year.
- Intangible and transfer taxes, both related to real estate transactions, were up \$0.88 million.
- Earnings on investments decreased \$0.44 million.

Fayette County Board of Education
Management's Discussion and Analysis

June 30, 2020

- All other local revenue sources decreased \$0.43 million.

Expenditures for the General Fund increased \$12.95 million, or 6.21%, from 2019 and fluctuations from prior year are generally caused by the same circumstances as fluctuations of expenses at the system-wide level with several exceptions. The primary exception is the effect of the pension plan and OPEB plan expense adjustments at the system-wide level as previously discussed. The only portion of pension and OPEB costs that are reflected in the General Fund are current year employer contributions. The current year contributions have been removed from the system-wide statement of activities because those costs were incurred after the measurement dates for the plans. The majority of the increase in expenditures in the General Fund is related to increases in salaries (\$8.54 million) and benefits (\$4.67 million) for the following items:

- \$3,000 pay increase for all certified staff,
- step increases for those employees who earned them based on longevity,
- health insurance was reduced in the prior year for one month as provided by the State,
- and TRS rates for all eligible employees from 20.90% to 21.14%,
- the addition of 15.5 instructional positions at schools and 2 instructional support staff positions at the department level, and
- the addition of 4.00 central office positions to support school instruction and operations.

Overall, non-payroll related operating costs decreased by \$0.26 million.

Transfers from the General Fund decreased \$4.74 million. Each year, transfers are made to special revenue funds to cover the difference between the cost of the program and the revenues received from state or federal funding. These transfers are regularly made for the Lottery fund (pre-kindergarten program) and Jr. ROTC fund. In prior year, \$6.0 million was transferred to the Local Capital Projects Fund to provide additional resources for the construction of a new middle school. This year, the transfer to the Local Capital Projects Fund was \$1.00 million. Additionally, transfers from the General Fund to the School Nutrition Service fund was made to help offset operational losses experienced due to the COVID-19 pandemic and school shut-down.

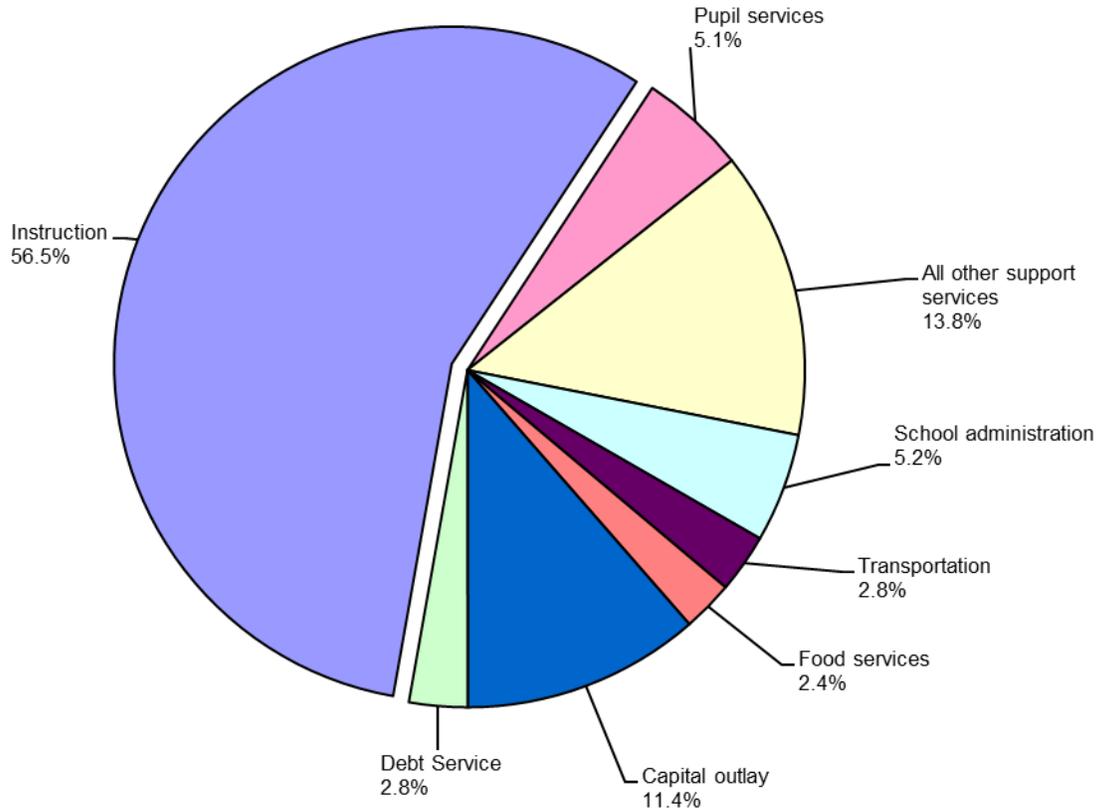
The *Capital Projects SPLOST II and SPLOST III Funds* are used to account for various projects funded through a one-cent local option sales tax for education as approved through voter referendum. During the year sales tax collections for fiscal year 2020 (recorded in the SPLOST III fund) was \$26.78 million. Both the SPLOST II and SPLOST III funds also had reimbursements from the state related to several capital projects of \$6.35 million. Approximately \$19.27 million was spent during the year from the SPLOST II Fund and \$14.64 million was spent from SPLOST III, using prior year bond proceeds for bonds that were issued to advance fund projects to be paid for from collections in the 2018 referendum (SPLOST III).

Other governmental funds consist of non-major special revenue funds, non-major capital projects funds and one non-major debt service fund. The aggregate fund balance of these funds decreased by approximately \$5.35 million compared to the prior year (based on these same funds being classified as non-major for the prior year). Most of the decrease was in the capital project funds, resulting from transfers to major capital project funds. In the special revenue funds, the School Nutrition Service had the largest decrease of fund balance of \$0.50 million. Debt service fund balance grew \$0.56 million, as tax collections exceeded required debt service payments for the year.

Fayette County Board of Education
Management's Discussion and Analysis

June 30, 2020

2020 Total Expenditures - All Governmental Funds



Proprietary funds- The School System's proprietary fund provides the same type of information found in the system-wide financial statements, but in more detail. The proprietary fund consists of an internal service fund, the Workers' Compensation Fund. At June 30, 2020, the proprietary fund has a net position of approximately \$0.61 million.

General Fund Budgetary Highlights

The School System's original budget was set based on preliminary state QBE allotments communicated by the State in May 2019. As in prior years, the State amended the QBE allotments during the year. Once the earnings sheets were finalized in April 2020, actual QBE earnings were approximately \$1.51 million more than the initial budget. The net adjustments were primarily the result of adjustments in the calculation for the number of full time equivalent (FTE) students by program used in the calculation. The Board did not amend the budget for this adjustment. The School System also received \$0.16 million more in state grants than planned.

Fayette County Board of Education
Management's Discussion and Analysis

June 30, 2020

The School System had a negative revenue budget variance of \$2.45 million. The increase in state revenue as noted above was offset by a shortfall in local revenue of \$4.13 million. The net digest increased 6.96% and the Board set the millage rate at 0.25 mills lower than the previous year. Property tax collections were \$3.54 million under budget. Both title ad valorem tax (TAVT) and automotive ad valorem came in under budget by a combined \$0.76 million. Intangible taxes were over budget \$0.71 million while transfer and other taxes were over budget \$0.01 million. Interest earnings were \$0.18 million under budget. Revenue from all other local revenue sources had a negative budget variance of \$0.37 million.

Instruction makes up 67.7% of the general fund budget (before budgeted transfers). This functional area had a positive budget variance of \$1.92 million or 1.25%. The other functional areas had positive budget variances with the exception of other support services, community service and food services. In these functional areas, a budget was not established but expenditures were allocated to them. These expenditures included miscellaneous salary cost covered by other resources like PTO donations, health insurance adjustments for employees on leave without pay, and maintenance of food service equipment covered by general fund resources.

Budget variances in salaries and benefits have the most significant impact on the budgeted expenditures, as personnel costs make up 89.41% of the General Fund budget. Overall, personnel costs (salaries and benefits) were under budget by \$1.61 million. The overall variance for personnel was 0.78% of the personnel budget. Personnel cost were slightly higher than anticipated in general administration, maintenance and operations, central support and other support services functions.

Overall, expenditures were \$5.38 million less than budget. Therefore, the net budget variance in non-payroll costs is a favorable variance of \$3.77 million. Specific notable budget variances are as follows:

- Purchased professional services, including legal fees, were \$0.83 million under budget.
- Other purchases services was \$0.50 million under budget.
- Communications was \$0.20 million under budget.
- Grounds maintenance was \$0.54 million under budget.
- Repair and maintenance of equipment was \$0.30 million over budget.
- Travel, including board member travel, was \$0.27 million under budget.
- Supply purchases were \$0.58 million less than budgeted.
- Purchases of textbooks, books and periodicals was \$0.10 million under budget.
- Expendable equipment, including purchases of computers, was \$0.37 million over budget.
- Dues and fees were \$0.12 million under budget.
- Water and sewer costs were \$0.21 million under budget.

Fayette County Board of Education
Management's Discussion and Analysis

June 30, 2020

- Electric and natural gas utilities and energy costs, including gasoline and diesel fuel were \$0.45 million under budget.
- Expenditures recorded in other support services are primarily related to salaries funded by a source other than the School System such as student groups, booster clubs and parent teacher organizations (PTOs). As such, the School System does not budget for these expenditures. Proceeds related to these costs are recorded in other local revenue and also are not budgeted.

The budget was amended prior to the end of the year to reflect transfers between functional areas that the administration felt would best serve operational adjustments needed to reach strategic goals.

Capital Assets and Debt Administration

Capital assets – The School System's balance of capital assets as of June 30, 2020 totals \$337,724,130, net of accumulated depreciation. Capital assets include land, land improvements, buildings, autos and trucks, other equipment and construction in progress. This balance reflects a net increase in capital assets of \$11.19 million. The change in capital assets is affected by additions to capital assets, disposals of capital assets and depreciation expense.

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

- The School System purchased 15 school buses and two 14-passenger micro-buses.
- Audio/video systems were installed in cafeterias, auditoriums, media centers and band/chorus rooms at five schools.
- New kitchen equipment was purchased to replace aging and non-operational equipment, as well as to provide equipment for training/demonstration purposes.
- A district-wide emergency alert system was installed.
- Two high school tracks were resurfaced.
- Radios were replaced throughout the district, including those on 290 buses.
- Major renovations for a high school were completed during the year.
- Construction of a connector hall between a school and a gymnasium constructed in 2017 was completed during the year.
- Construction of a multi-purpose building with 12 additional classrooms at a high school was completed during the year.
- The School System replaced approximately \$2.59 million of classroom computers and chromebooks.

Fayette County Board of Education
Management's Discussion and Analysis

June 30, 2020

- Security camera systems were expanded at all schools and several administrative buildings.
- Security upgrades to entryways at school facilities throughout the district were completed.
- New camera systems were installed on 84 buses.
- A film lab at one of the high schools was completed and equipped.
- Other projects still in progress at year end include the construction of a middle school, renovations to an elementary school and a middle school, and track resurfacing at three high schools.

Additional information on the School System's capital assets can be found in Note G on page 66 of this report.

Long-term debt – As of June 30, 2020, the School System had total bonded debt of \$56,684,972 (before premiums) from the 2013 and 2018 bond issuance. The 2013 issuance is payable from an ad valorem tax on all taxable property within the School District, without limit as to rate or amount. The 2018 issuance is payable from the proceeds from the SPLOST III referendum.

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

State statutes limit the amount of general obligation debt a governmental entity may issue to ten percent of its total assessed valuation. The current debt limitation for the School System is \$546,203,931 which is significantly in excess of the School System's outstanding general obligation debt.

Additional information on the School System's long-term debt can be found in Note H on pages 67 and 68 of this report.

Economic Factors and Next Year's Budgets and Rates

The pandemic outbreak of COVID-19 directly impacted the development of the fiscal year 2021, as adjustments in operations had to be considered and the approval process was delayed.

In mid-March, schools were closed through executive order from the Governor's office. As a result, the last nine weeks of the school year shifted to a virtual instruction model. While staff scrambled to make adjustments, the School System was better prepared than many districts for this monumental change. Planning for the new school year included lengthy and detailed discussions about when and how to safely re-open schools. Plans were developed to transition students from virtual learning to in-person instruction based on "real-time" COVID-19 case data from the Department of Public Health. Schools re-opened in a hybrid model, having students in the classroom on certain days of the week and learning in a virtual setting the other days. A complete virtual option was also made available to students who did not feel safe returning to the classroom.

Providing different instructional delivery models and needing to be flexible in changes to those models as community health conditions changed impacted planning for personnel allotments and the related

Fayette County Board of Education
Management's Discussion and Analysis

June 30, 2020

payroll budget for fiscal year 2021. Additionally, re-opening schools and administrative buildings required adjustments in operational processes to ensure a safe return. Purchases of personal protective equipment (PPE), additional cleaning supplies and alternate work schedules impacted the 2021 budget.

In addition to adjustments in operating plans, the budget process also had to consider how to fund revenue shortfalls while maintaining the current budget expenditure level. The State of Georgia budget process was delayed in the middle of the legislative session when it, like much of the nation, went into shutdown mode. The state eventually passed a budget that reduced K-12 education funding by 10% due to anticipated revenue declines related to the pandemic impact on the economy. This reduction was implemented through an austerity reduction in QBE earnings to local school districts. For Fayette County, the austerity reduction was \$11.5 million. Net of other adjustments such as the increase in FTEs earned and decreased revenues associated with teachers' retirement funding, total QBE earnings from the state was reduced by \$10.0 million from the 2020 funding.

Local revenues were anticipated to be relatively flat with increases in some sources offset by decline in others. The property ad valorem taxes were budgeted with an increase of \$800,000 at \$105.2 million. The tax digest has continued to see a modest increase of 3.54%. The 2020 digest reflected growth in new value of 2.26%. Reassessments increased by 3.04% reflecting a strong property tax base in the county. These increases are somewhat offset by the increase in property tax exemptions for seniors, veterans, and homestead. The increase in exemptions outpaced the digest growth at 8.11%. The digest now reflects values at more than 19% of the gross digest.

Motor vehicle, title ad valorem Tax (TAVT), intangible tax, real estate tax and earnings on investments were all budgeted for reductions combined at about \$1.5 million. The anticipated decrease in revenue is based on the projected economic conditions from the pandemic.

Overall, local revenues account for 53.6% of budgeted revenues in the General Fund for fiscal year 2021.

The administration's main 2021 budget goals were to:

- 1.) provide different instructional delivery models based on the COVID risk assessment at any point in time,
- 2.) maintain educational programs and enhance areas focused on college and career readiness,
- 3.) provide a safe learning and work environment for all students and employees,
- 4.) maintain or reduce budgeted expenditures for the coming year.

The largest part of the School System's budget is personnel. As a result of planned decreases in revenue sources, cost of living increases could not be considered. However, step increases were awarded for all employees who had earned a step based on years of experience. Step increases will cost approximately \$2.4 million. This increase is offset by a reduction of approximately \$2.4 million in contributions to the Teachers' Retirement System resulting from a rate change for employer contributions.

Fayette County Board of Education
Management's Discussion and Analysis

June 30, 2020

Changes in staffing allotments were made with the goal of maintaining the prior year's budget. High schools received 3.68 fulltime equivalent (FTE) positions, including a healthcare science teacher, and an aviation teacher for a new program, while having a target class size of 25 students. Middle schools received an allotment increase of 1.3 FTEs to maintain a target class size of 25 students and to expand virtual school offerings. Elementary schools received allotment increases of 7.48 FTEs for certified personnel and 7.0 FTEs for classified personnel. These increases reflect changes in projected enrollment while maintaining grade-level class size targets. Changes in support staff, at the schools and at the district level, were minimal.

Overall operating cost for non-payroll budget line items (including transfers to other funds) decreased \$0.68 million.

- School level operating budget remained the same as prior year.
- Travel was reduced \$0.18 million.
- Transfers to other funds decreased approximately \$0.58 million.

School System plans for increased remote learning and expansion of the virtual school were accelerated due to the pandemic requiring remote learning for all students in March 2020. The School System is shifting and placing additional resources in technology and learning management systems. The virtual program expansion includes additional staff, additional course offerings, and rebranding to the Fayette Life Academy.

The School System continues to develop and expand the Center for Innovation (COI) that focuses on career and technical education (CTE). The School System has partnered with a state level technical college to offer students opportunities to learn about the career aspects in emergency medical responder, patient care fundamentals, allied health, sports medicine, and culinary arts. Plans for an expanded COI with partnership with a state university will allow students to earn college credits through dual enrollment. This particular program will include the university offering courses on school system property that is currently a middle school. This middle school is being replaced on land nearby and the current facility will be renovated to accommodate the college level curriculum in multiple subject areas including science.

The CTE offerings have expanded also to include an aviation program in partnership with businesses at the local airport that will allow students to progress towards earning their pilots license or certification in aviation mechanics.

During 2021, the School System will continue to utilize sales tax receipts from SPLOST proceeds to fund capital projects. Current projects include interactive classroom technology, computer replacements, technology upgrades, bus equipment, maintenance equipment, flexible classroom furniture, textbooks, and facility additions/renovations. The School System is utilizing additional funding sources for some projects in conjunction with SPLOST proceeds when funds are available.

A major project currently in progress is the construction of a new middle school facility to replace an existing middle school. The existing middle school will be repurposed as a new location of the COI and to expand collaboration with state level post-secondary institutions mentioned above. The current COI location will be renovated as an elementary school. Major capital projects in the planning phase or currently in progress include renovations at three elementary schools.

Fayette County Board of Education

Management's Discussion and Analysis

June 30, 2020

The overall expectations for the local economy is tainted by the global impact of the COVID-19 pandemic. However, Georgia as a state, and Fayette as a county, seem to be doing better than most parts of the country. One indication of that trend is the continued strong collections of sales and use tax revenue. The School System experienced a decrease in sales tax collection in March and April of 2020, but revenue appears to have recovered or surpassed prior year amounts on a monthly basis. As with most areas of the country, restaurant, travel and hospitality businesses have suffered drastic declines and have affected local employment. Local restaurants have shown the flexibility in implementing drive-thru and curbside business models to continue economic activity. A large part of the growth in Fayette County has been in film and television production. This industry has seen a significant reduction in projects. However, there are indications that activity will begin to resume in the fall of 2020.

The county is experiencing a growth in residential housing that has not been slowed down by the pandemic. Both residential and commercial construction projects across the county have continued to stay on track during the otherwise economic shut down. Two cities within the county have continued their planned projects for downtown development that include new municipal facilities.

Requests for Information

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



Where Excellence and Creativity Merge

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Basic Financial Statements

Fayette County Board of Education

STATEMENT OF NET POSITION

June 30, 2020

	<u>Governmental Activities</u>
ASSETS	
Cash	\$ 9,634,957
Investments	59,658,727
Due from other governments	16,473,320
Taxes receivable	6,166,072
Due from others	171,214
Prepaid items	8,217
Inventory	562,938
Capital assets, not being depreciated:	
Land	16,505,401
Construction in progress	20,122,332
Capital assets, net of accumulated depreciation:	
Buildings	263,551,494
Trucks and autos	9,140,910
Other equipment	28,403,993
Total assets	<u>430,399,575</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pensions	74,837,682
OPEB	13,476,797
Deferred loss on refunding	2,359,987
Total deferred outflows of resources	<u>90,674,466</u>
LIABILITIES	
Accounts payable	8,280,346
Accrued interest	631,793
Salaries and benefits payable	15,247,564
Retainage payable	1,236,670
Unearned revenue	279,049
Noncurrent liabilities:	
Due within one year	7,142,871
Due in more than one year	
Accrued compensated absences	910,677
Claims payable	1,140,000
Bonds payable	52,273,220
Net pension liability	227,636,441
Net OPEB liability	140,360,946
Total liabilities	<u>455,139,577</u>
DEFERRED INFLOWS OF RESOURCES	
Pensions	15,680,873
OPEB	35,056,271
Total deferred inflows of resources	<u>50,737,144</u>
NET POSITION	
Net investment in capital assets	274,883,620
Restricted for:	
Capital projects	25,428,986
Debt service	1,059,156
Grant purposes	25,548
Unrestricted	<u>(286,199,990)</u>
TOTAL NET POSITION	<u>\$ 15,197,320</u>

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

Fayette County Board of Education

STATEMENT OF ACTIVITIES

For the year ended June 30, 2020

Functions/Program Activities	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities:					
Instruction	\$ 181,874,689	\$ 227,761	\$ 100,115,153	\$ -	\$ (81,531,775)
Support services					
Pupil services	15,079,390	-	2,296,011	-	(12,783,379)
Improvement of instructional services	7,049,918	-	518,309	-	(6,531,609)
Instructional staff training	1,057,895	-	486,024	-	(571,871)
Educational media services	4,043,475	-	2,463,813	-	(1,579,662)
Federal grants administration	408,275	-	165,267	-	(243,008)
General administration	1,760,578	-	3,366,249	-	1,605,671
School administration	16,399,329	-	4,903,411	-	(11,495,918)
Business administration	1,478,903	-	4,263	-	(1,474,640)
Maintenance and operation of facilities	16,866,071	-	5,029,202	6,472,357	(5,364,512)
Student transportation services	10,284,854	-	1,607,857	-	(8,676,997)
Central support services	6,734,056	-	255,057	-	(6,478,999)
Other support services	205,613	-	23,889	-	(181,724)
Community services	2,653,079	2,131,711	232,864	-	(288,504)
Food services	7,559,725	2,766,833	3,317,776	-	(1,475,116)
Interest expense	2,084,618	-	-	-	(2,084,618)
Total governmental activities	<u>\$ 275,540,468</u>	<u>\$ 5,126,305</u>	<u>\$ 124,785,145</u>	<u>\$ 6,472,357</u>	<u>(139,156,661)</u>
General revenues					
Taxes					
Property taxes, levied for general purposes					
Property taxes, levied for debt service					
Intangible taxes, general purposes					
Intangible taxes, debt service					
Transfer taxes, general purposes					
Transfer taxes, debt service					
Other taxes, general purposes					
Sales tax, capital outlay and debt service					
Interest and investment earnings					
Other					
Total general revenues					
Change in net position					
Net position - beginning of year					
Net position - end of year					

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

Fayette County Board of Education

BALANCE SHEET
GOVERNMENTAL FUNDS

June 30, 2020

	Major Governmental Funds				
		Capital Projects	Capital Projects	Other	Total
	General	SPLOST II Fund	SPLOST III Fund	Governmental Funds	Governmental Funds
ASSETS					
Cash	\$ 1,656,448	\$ 554,952	\$ 150,959	\$ 5,158,985	\$ 7,521,344
Investments	26,207,173	4,244,729	23,325,050	5,881,469	59,658,421
Due from other governments	14,653,035	879,620	-	940,665	16,473,320
Taxes receivable	2,765,812	-	3,255,525	144,735	6,166,072
Due from other funds	566,963	92,116	-	146,980	806,059
Due from others	49,085	-	-	96,984	146,069
Prepaid items	8,217	-	-	-	8,217
Inventory	182,940	-	-	379,998	562,938
Total assets	<u>\$ 46,089,673</u>	<u>\$ 5,771,417</u>	<u>\$ 26,731,534</u>	<u>\$ 12,749,816</u>	<u>\$ 91,342,440</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 3,155,516	\$ 2,211,622	\$ 2,782,393	\$ 13,044	\$ 8,162,575
Salaries and benefits payable	14,422,614	-	-	824,950	15,247,564
Due to other funds	146,980	-	-	659,079	806,059
Retainage payable	-	535,397	701,273	-	1,236,670
Unearned revenue	-	-	-	279,049	279,049
Total liabilities	<u>17,725,110</u>	<u>2,747,019</u>	<u>3,483,666</u>	<u>1,776,122</u>	<u>25,731,917</u>
Deferred Inflows					
Unavailable property tax revenue	1,219,657	-	-	85,571	1,305,228
Unavailable sales tax revenue	-	-	956,404	-	956,404
Total deferred inflows	<u>1,219,657</u>	<u>-</u>	<u>956,404</u>	<u>85,571</u>	<u>2,261,632</u>
Fund Balances:					
Nonspendable	191,157	-	-	379,998	571,155
Restricted	-	3,024,398	22,291,464	1,630,926	26,946,788
Committed	-	-	-	2,794,810	2,794,810
Assigned	-	-	-	6,082,389	6,082,389
Unassigned	26,953,749	-	-	-	26,953,749
Total fund balances	<u>27,144,906</u>	<u>3,024,398</u>	<u>22,291,464</u>	<u>10,888,123</u>	<u>63,348,891</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 46,089,673</u>	<u>\$ 5,771,417</u>	<u>\$ 26,731,534</u>	<u>\$ 12,749,816</u>	<u>\$ 91,342,440</u>

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

Fayette County Board of Education

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

June 30, 2020

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

Total fund balances - governmental funds		\$ 63,348,891
Capital assets used in governmental activities are not financial resources, and therefore are not reported as assets in governmental funds.		337,724,130
Property taxes receivable and sale taxes receivable not collected within sixty days of year end are not available soon enough to pay for the current period's expenditures, and therefore are reported as unavailable property tax revenue in the funds.		2,261,632
Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings and contributions subsequent to the measurement date for the postretirement benefits (pensions and OPEB) are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position.		
Deferred outflows of pension related items	74,837,682	
Deferred outflows of OPEB related items	13,476,797	
Deferred inflows of pension related items	(15,680,873)	
Deferred inflows of OPEB related items	<u>(35,056,271)</u>	
		37,577,335
Governmental funds report the effect of premiums, discounts and refundings and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.		
Unamortized premium on issuance of bonds	(2,397,781)	
Deferred loss on refunding of bonds	<u>2,359,987</u>	
		(37,794)
Internal service funds are used to charge the costs of workers' compensation claims to the individual funds. The assets and liabilities of the internal service fund are included in the statement of net position.		606,293
Long-term liabilities are not due and payable in the current period, and therefore, are not reported in the funds.		
General obligation bonds payable	(56,684,972)	
Accrued interest on long term debt	(631,793)	
Compensated absences payable	(969,015)	
Net pension liability	(227,636,441)	
Net OPEB liability	<u>(140,360,946)</u>	
		<u>(426,283,167)</u>
Net position of governmental activities		<u>\$ 15,197,320</u>

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

Fayette County Board of Education

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

For the year ended June 30, 2020

	Major Governmental Funds				Total Governmental Funds
	General	Capital Projects SPLOST II Fund	Capital Projects SPLOST III Fund	Other Governmental Funds	
Revenues					
State funds	\$ 112,617,071	\$ 2,360,776	3,993,497	\$ 1,652,761	\$ 120,624,105
Federal funds	-	-	-	9,132,211	9,132,211
Local and other funds	113,871,985	180,071	26,976,852	13,803,204	154,832,112
Total revenues	<u>226,489,056</u>	<u>2,540,847</u>	<u>30,970,349</u>	<u>24,588,176</u>	<u>284,588,428</u>
Expenditures					
Current					
Instruction	151,470,315	204,788	1,221,094	5,982,147	158,878,344
Support services					
Pupil services	12,537,180	-	-	1,822,831	14,360,011
Improvement of instructional services	6,439,200	-	-	108,473	6,547,673
Instructional staff training	543,425	-	-	502,429	1,045,854
Educational media services	3,552,750	-	-	62,648	3,615,398
Federal grants administration	222,234	-	-	165,267	387,501
General administration	1,631,213	-	-	190	1,631,403
School administration	14,458,273	-	-	250,591	14,708,864
Business administration	1,408,512	-	-	-	1,408,512
Maintenance and operation of facilities	15,311,728	-	-	62,648	15,374,376
Student transportation services	7,861,515	-	-	83,453	7,944,968
Central support services	5,931,264	-	-	22,500	5,953,764
Other support services	204,220	-	-	-	204,220
Community service	757	-	-	2,580,349	2,581,106
Food services	102,056	-	-	6,772,562	6,874,618
Capital outlay	-	19,066,620	12,105,248	940,223	32,112,091
Debt Service					
Principal retirement	-	-	-	5,590,000	5,590,000
Interest and fees	-	-	1,313,575	944,132	2,257,707
Total expenditures	<u>221,674,642</u>	<u>19,271,408</u>	<u>14,639,917</u>	<u>25,890,443</u>	<u>281,476,410</u>
Excess (deficiency) of revenues over (under) expenditures	4,814,414	(16,730,561)	16,330,432	(1,302,267)	3,112,018
Other financing sources (uses)					
Transfers in	-	5,759,248	-	1,715,585	7,474,833
Transfers out	<u>(1,715,585)</u>	<u>-</u>	<u>-</u>	<u>(5,759,248)</u>	<u>(7,474,833)</u>
Total other financing sources (uses)	<u>(1,715,585)</u>	<u>5,759,248</u>	<u>-</u>	<u>(4,043,663)</u>	<u>-</u>
Net change in fund balances	3,098,829	(10,971,313)	16,330,432	(5,345,930)	3,112,018
Fund balances, beginning of year	<u>24,046,077</u>	<u>13,995,711</u>	<u>5,961,032</u>	<u>16,234,053</u>	<u>60,236,873</u>
Fund balances, end of year	<u>\$ 27,144,906</u>	<u>\$ 3,024,398</u>	<u>\$ 22,291,464</u>	<u>\$ 10,888,123</u>	<u>\$ 63,348,891</u>

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

Fayette County Board of Education

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

For the year ended June 30, 2020

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

Net change in fund balances - total governmental funds		\$ 3,112,018
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay (\$30,173,195) exceeds depreciation (\$18,951,815).		11,221,380
Governmental funds report proceeds from the sale of capital assets. In the statement of activities, proceeds are netted against the net depreciated value of those assets and a gain or loss is recorded.		(26,975)
Issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, deferred losses on refundings, and similar items when debt is first issued, where these amounts are deferred and amortized in the statement of activities. The details of this difference are as follows:		
Repayment of bond principal	5,590,000	
Amortization on bond discounts and premiums	575,467	
Amortization on deferred loss on bond refunding	<u>(449,521)</u>	
		5,715,946
Because some property and sales taxes will not be collected for several months after the School System's fiscal year ends, they are not considered "available" revenues and are deferred in the governmental funds. Unavailable tax revenues increased by this amount.		1,097,170
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.		
Accrued interest on long-term debt	47,143	
Compensated absences	(131,616)	
Changes in pension liabilities and related deferred outflows and inflows of resources	(10,529,396)	
Changes in OPEB liabilities and related deferred outflows and inflows of resources	<u>(461,322)</u>	
		(11,075,191)
Internal service funds are used to charge the costs of workers' compensation claims to the individual funds. Net change in position of the internal service fund is reported in the governmental activities.		<u>(104,092)</u>
Change in net position of governmental activities		<u><u>\$ 9,940,256</u></u>

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

Fayette County Board of Education

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

For the year ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual (Budget basis)</u>	<u>Variance</u>
Revenues				
State funds	\$ 111,454,060	\$ 111,454,060	\$ 113,128,327	\$ 1,674,267
Local and other funds	118,000,000	118,000,000	113,871,985	(4,128,015)
Total revenues	<u>229,454,060</u>	<u>229,454,060</u>	<u>227,000,312</u>	<u>(2,453,748)</u>
Expenditures				
Current				
Instruction	153,457,421	153,389,896	151,470,315	1,919,581
Support services				
Pupil services	13,178,056	13,189,291	12,537,180	652,111
Improvement of instructional services	7,047,276	7,050,189	6,439,200	610,989
Instructional staff training	763,571	815,984	543,425	272,559
Educational media services	3,617,148	3,616,924	3,552,750	64,174
Federal grant administration	222,910	222,910	222,234	676
General administration	1,863,844	1,856,344	1,631,213	225,131
School administration	14,753,534	14,760,522	14,458,273	302,249
Business administration	1,426,710	1,426,710	1,399,787	26,923
Maintenance and operation of facilities	15,453,895	15,851,595	15,139,244	712,351
Student transportation services	8,514,470	8,204,470	7,732,357	472,113
Central support services	6,355,225	6,269,225	5,907,816	361,409
Other support services	-	-	201,377	(201,377)
Community service	-	-	757	(757)
Food services	-	-	38,098	(38,098)
Total expenditures	<u>226,654,060</u>	<u>226,654,060</u>	<u>221,274,026</u>	<u>5,380,034</u>
Excess of revenues over expenditures	2,800,000	2,800,000	5,726,286	2,926,286
Other financing uses				
Transfers out	(2,800,000)	(2,800,000)	(1,715,585)	1,084,415
Total other financing uses	<u>(2,800,000)</u>	<u>(2,800,000)</u>	<u>(1,715,585)</u>	<u>1,084,415</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,010,701</u>	<u>\$ 4,010,701</u>

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

Fayette County Board of Education

STATEMENT OF NET POSITION
PROPRIETARY FUNDS

June 30, 2020

	Governmental Activities-- Internal Service Workers' Compensation Fund
ASSETS	
Current Assets:	
Cash	\$ 2,113,613
Investments	306
Accounts receivable	<u>25,145</u>
Total assets	<u>2,139,064</u>
LIABILITIES	
Current Liabilities:	
Accounts payable	117,771
Claims payable	<u>275,000</u>
Total current liabilities	<u>392,771</u>
Noncurrent Liabilities:	
Claims payable	<u>1,140,000</u>
Total noncurrent liabilities	<u>1,140,000</u>
Total liabilities	<u>1,532,771</u>
NET POSITION	
Unrestricted	<u>606,293</u>
Total net position	<u>\$ 606,293</u>

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

**Fayette County Board of Education
Proprietary Funds**

**STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION**

For the year ended June 30, 2020

	<u>Governmental Activities-- Internal Service Workers' Compensation Fund</u>
Operating revenues	
Local and other funds	\$ 793,291
Total operating revenues	<u>793,291</u>
Operating expenses	
Administration	294,295
Claims	<u>603,093</u>
Total operating expenses	<u>897,388</u>
Operating loss	(104,097)
Nonoperating revenues	
Interest	<u>5</u>
Change in net position	(104,092)
Net position, beginning of year	<u>710,385</u>
Net position, end of year	<u>\$ 606,293</u>

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

**Fayette County Board of Education
Proprietary Funds**

STATEMENT OF CASH FLOWS

For the year ended June 30, 2020

	Governmental Activities-- Internal Service Workers' Compensation Fund
Cash flows from operating activities:	
Cash received from interfund services	\$ 793,291
Cash paid to suppliers	<u>(936,689)</u>
Net cash used by operating activities	<u>(143,398)</u>
Net decrease in cash	(143,398)
Cash at beginning of year	<u>2,257,011</u>
Cash at end of year	<u><u>\$ 2,113,613</u></u>
Reconciliation of operating loss to net cash used by operating activities:	
Operating loss	\$ (104,097)
Adjustments to reconcile operating loss to net cash used by operating activities:	
Change in assets and liabilities:	
Accounts receivable	(25,145)
Accounts payable	<u>(14,156)</u>
Net cash used by operating activities	<u><u>\$ (143,398)</u></u>

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

**Fayette County Board of Education
Fiduciary Funds**

**STATEMENT OF FIDUCIARY NET POSITION
June 30, 2020**

	David Phillips Memorial Private-Purpose Trust Fund	<u>Agency Fund</u> Club and Class Funds
ASSETS		
Cash	\$ -	\$ 1,802,994
Investments	6,984	-
Total assets	<u>6,984</u>	<u>1,802,994</u>
LIABILITIES		
Due to student groups	-	<u>1,802,994</u>
Total liabilities	<u>-</u>	<u>1,802,994</u>
NET POSITION		
Restricted for scholarships	<u>\$ 6,984</u>	<u>\$ -</u>

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

**Fayette County Board of Education
Fiduciary Funds**

**STATEMENT OF CHANGES IN FIDUCIARY
NET POSITION**

For the year ended June 30, 2020

	David Phillips Memorial Private-Purpose Trust Fund
	<u> </u>
ADDITIONS	
Interest	\$ 118
Total additions	<u>118</u>
DEDUCTIONS	
Other support services	<u>1,000</u>
Total deletions	<u>1,000</u>
Change in net position	(882)
NET POSITION, beginning of year	<u>7,866</u>
NET POSITION, end of year	<u><u>\$ 6,984</u></u>

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



Where Excellence and Creativity Merge

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Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2020

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

1. Description of System-wide Financial Statements

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

2. Reporting Entity

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

3. Basis of Presentation – System-wide Financial Statements

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

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

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2020

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

4. Basis of Presentation – Fund Financial Statements

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

The School System reports the following major governmental funds:

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

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

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

The School System does not report any enterprise funds.

Additionally, the School System reports the following fund types:

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

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

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

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2020

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

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

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

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

The *agency fund* accounts for student club and class accounts.

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

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

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

5. **Measurement Focus and Basis of Accounting**

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

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

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2020

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

5. Measurement Focus and Basis of Accounting - continued

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

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

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

The proprietary and private-purpose trust funds are reported using the economic resources measurement focus and the accrual basis of accounting. The agency fund has no measurement focus but utilizes the accrual basis of accounting for reporting its assets and liabilities.

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2020

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

6. Cash and Cash Equivalents

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

7. Investments

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

8. Inventories and Prepaid Items

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

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

9. Capital Assets

Capital assets, which include property and equipment, are reported in the system-wide financial statements. Capital assets are defined by the School System as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of 3 years. Additionally, the School System capitalizes certain bulk purchases of items, like computers, with an individual cost of less than \$5,000 and an estimated useful life in excess of 3 years, which are deemed significant by management. Assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets’ lives are not capitalized.

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2020

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

9. Capital Assets- continued

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

Buildings and improvements	25 to 50 years
Computers	3 to 5 years
Machinery and equipment	5 to 20 years
Kitchen equipment	15 to 20 years
Vehicles	10 years

10. Compensated Absences

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

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

11. Deferred Outflows/Inflows of Resources

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

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

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2020

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

11. Deferred Outflows/Inflows of Resources - continued

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

12. Fund Balance Policy and Flow Assumptions

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

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

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

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2020

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

12. Fund Balance Policy and Flow Assumptions -continued

Other categories of fund balance are:

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

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

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

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

13. Net Position Flow Assumptions

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

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

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2020

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

14. **Program Revenues**

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

15. **Pensions**

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

16. **Postemployment Benefits Other Than Pensions (OPEB)**

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

17. **Proprietary Funds Operating and Nonoperating Revenues and Expenses**

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

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2020

NOTE B – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

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

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

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

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

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

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

USGAAP Basis Net Change in Fund Balances	\$ 3,098,829
Adjustments for:	
State QBE revenue	911,872
State paid employee benefit revenue	(400,616)
State paid employee benefit expenditures	400,616
Budget Basis Net Change in Fund Balances	\$ <u>4,010,701</u>

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2020

NOTE C – DEPOSTS AND INVESTMENTS

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

At June 30, 2020, the School System had the following investments:

Investment Type	Maturities	Rating	Fair Value
Georgia Fund 1	38 day weighted average	AAAf	\$ 59,665,711

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

Fair Value Measurements. The School System categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are significant other observable inputs, and Level 3 inputs are significant observable inputs. At year end, the School System does not have recurring fair value measurements.

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

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2020

NOTE C – DEPOSITS AND INVESTMENTS – continued

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

Custodial Credit Risk. Custodial credit risk is the risk that, in the event of failure of a depository financial institution or of counterparties to investment transactions, the School System will not be able to recover deposits, investments or collateral securities that are in the possession of an outside party. The School System follows Georgia state law which requires bank balances to be covered by federal deposit insurance or by collateral held by the School System's agent in the School System's name. As of June 30, 2020, the School System was not exposed to custodial credit risk for investments. The School System does not have a policy for custodial credit risk beyond the requirements of Georgia state law.

NOTE D – DUE FROM OTHER GOVERNMENTS

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

NOTE E – TAXES RECEIVABLE

Property taxes were levied on September 15, 2019, based on property values assessed as of January 1, 2019, and were considered past due if not paid on or before November 15, 2019, at which time the applicable property is subject to lien, and penalties and interest may be assessed. State law limits the School System's tax levy for operations to 20 mills (one mill equals \$1 per thousand dollars of assessed value). Taxes levied in calendar year 2019 were levied at 19.250 mills for operations and 1.271 mills for school bonds.

Tax revenues, at the fund reporting level, amounted to \$112,927,284 for maintenance and operations and \$7,057,578 for school bonds.

A one percent Special Purpose Local Option Sales Tax (SPLOST) is to be used for capital outlay for educational purposes and for debt service. The State of Georgia collects the tax on behalf of the School System. Collection on the tax authorized under the 2008 referendum (SPLOST I) terminated on March 31, 2014. Collection of the tax authorized under the 2012 referendum (SPLOST II) terminated on March 31, 2019. Collection of the tax authorized under the 2017 referendum (SPLOST III) began upon termination of SPLOST II and will terminate once a total of \$145,000,000 has been collected or after twenty calendar quarters, whichever occurs first.

SPLOST tax revenues, at the fund reporting level, amounted to \$26,784,214 for the year ended June 30, 2020.

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2020

NOTE E – TAXES RECEIVABLE - continued

At June 30, 2020, taxes receivable, at the fund reporting level, consisted of the following:

- \$1,305,228 (net of \$672,390 in allowances for doubtful accounts) in delinquent property taxes receivable was recognized as receivable and as deferred inflows,
- \$1,194,290 of property tax was recognized as receivable and as revenue because it was considered susceptible for accrual based on collections within 60 days of year end,
- \$2,299,121 of SPLOST receipts recognized as receivables and as revenue because it was considered susceptible for accrual based on the underlying date of the transactions and collections by the School System within the period of availability,
- \$956,404 of SPLOST receipts recognized as receivable and as deferred inflows because it was considered unavailable based on collections by the School System outside the period of availability,
- \$387,407 of intangible recording and real estate transfer taxes,
- and \$23,622 of railroad equipment taxes.

Approximately \$675,000 of the delinquent property taxes receivable is not expected to be collected within the next year.

NOTE F – INTERFUND RECEIVABLES AND PAYABLES

At June 30, 2020, interfund receivables and payables consisted of the following:

	RECEIVABLE FUNDS			Total
	Major Funds		Non-major Funds	
	General Fund	SPLOST II	School Nutrition	
<u>PAYABLE FUNDS</u>				
General Fund	\$ -	\$ -	\$ 146,980	\$ 146,980
Nonmajor Funds:				
Title I	144,432	-	-	144,432
IDEA	298,684	-	-	298,684
Title II	51,996	-	-	51,996
Title III	11,037	-	-	11,037
Title IV	24,297	-	-	24,297
CARES	36,517	-	-	36,517
SPLOST I		92,116	-	92,116
	\$ 566,963	\$ 92,116	\$ 146,980	\$ 806,059

Interfund balances resulted from the time lag between receiving and recognizing certain revenues and meeting temporary cash flow requirements. The amount owed to the SPLOST II fund from the SPLOST I relates to a budget amendment for transfer of fund balance account for funding from a combination of SPLOST I and SPLOST II proceeds related to projects where expenditures have been accounted for in the SPLOST II fund.

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2020

NOTE G – CAPITAL ASSETS

The following is a summary of capital asset activity for the fiscal year ending June 30, 2020:

	Beginning Balance	Increases	Decreases	Reclassification	Ending Balance
Capital assets, not being depreciated					
Land	\$ 16,505,401	\$ -	\$ -	\$ -	\$ 16,505,401
Construction in progress	24,518,607	22,012,764	-	(26,409,039)	20,122,332
Total capital assets, not being depreciated	<u>41,024,008</u>	<u>22,012,764</u>	<u>-</u>	<u>(26,409,039)</u>	<u>36,627,733</u>
Capital asset, being depreciated					
Buildings and improvements	408,711,082	439,670	(248,997)	26,409,039	435,310,794
Autos and trucks	22,515,916	1,577,364	(59,098)	-	24,034,182
Other equipment	64,639,939	6,143,397	-	-	70,783,336
Total capital assets, being depreciated	<u>495,866,937</u>	<u>8,160,431</u>	<u>(308,095)</u>	<u>26,409,039</u>	<u>530,128,312</u>
Less accumulated depreciation for:					
Buildings and improvements	(161,930,557)	(10,050,765)	222,022	-	(171,759,300)
Autos and trucks	(12,864,153)	(2,088,217)	59,098	-	(14,893,272)
Other equipment	(35,566,510)	(6,812,833)	-	-	(42,379,343)
Total accumulated depreciation	<u>(210,361,220)</u>	<u>(18,951,815)</u>	<u>281,120</u>	<u>-</u>	<u>(229,031,915)</u>
Total capital assets being depreciated, net	<u>285,505,717</u>	<u>(10,791,384)</u>	<u>(26,975)</u>	<u>26,409,039</u>	<u>301,096,397</u>
Governmental activities capital assets, net	<u>\$ 326,529,725</u>	<u>\$ 11,221,380</u>	<u>\$ (26,975)</u>	<u>\$ -</u>	<u>\$ 337,724,130</u>

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

Instruction	\$ 14,070,882
Support services	
Pupil services	3,261
Improvement of instructional services	188,510
Educational media services	254,465
General administration	38,454
School administration	867,001
Business administration	6,917
Maintenance and operations of facilities	122,375
Student transportation services	2,307,373
Central support services	555,680
Community service	10,788
Food services	526,209
Total depreciation	<u>\$ 18,951,815</u>

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2020

NOTE H – LONG-TERM DEBT

General Obligation Bonds

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

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

As of June 30, 2019, all of the Series 2007 and Series 2005 bonds which were defeased had been called and paid.

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

General obligation bonds consist of the following as of June 30, 2020:

Series	Coupon Rate	Maturities	Balance
2013	2.53%	2014 to 2026	\$ 31,684,972
2018	5.25%	2021 to 2025	\$ 25,000,000

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

	Principal	Interest	Total
2021	\$ 5,785,000	\$ 801,630	\$ 6,586,630
2022	6,005,000	655,269	6,660,269
2023	6,210,000	503,343	6,713,343
2024	6,430,000	346,230	6,776,230
2025	6,655,000	183,551	6,838,551
2026	599,972	15,179	615,151
Total	\$ 31,684,972	\$ 2,505,202	\$ 34,190,174

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2020

NOTE H – LONG-TERM DEBT – continued

General Obligation Bonds - continued

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

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 1,600,000	\$ 1,270,500	\$ 2,870,500
2022	2,300,000	1,168,125	3,468,125
2023	6,695,000	932,006	7,627,006
2024	7,025,000	571,856	7,596,856
2025	7,380,000	193,725	7,573,725
Total	<u>\$ 25,000,000</u>	<u>\$ 4,136,212</u>	<u>\$ 29,136,212</u>

Changes in Long-Term Liabilities

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Direct placement bonds	\$ 37,274,972	\$ -	\$ (5,590,000)	\$ 31,684,972	\$ 5,785,000
General obligation bonds	25,000,000	-	-	25,000,000	1,600,000
Plus premium on issuance of bonds	2,973,248	-	(575,467)	2,397,781	-
Total bonds payable	65,248,220	-	(6,165,467)	59,082,753	7,385,000
Claims payable	1,415,000	603,093	(603,093)	1,415,000	275,000
Accrued compensated absences payable	837,399	1,148,938	(1,017,322)	969,015	58,338
Net pension liability	209,901,630	58,614,792	(40,879,981)	227,636,441	-
Net OPEB liability	143,479,598	15,047,370	(18,166,022)	140,360,946	-
	<u>\$ 420,881,847</u>	<u>\$ 75,414,193</u>	<u>\$ (66,831,885)</u>	<u>\$ 429,464,155</u>	<u>\$ 7,718,338</u>

Claims payable, compensated absences payable, net pension liability and net OPEB liability are generally liquidated by the General Fund.

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2020

NOTE I - FUND BALANCES

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

General Fund:	
Prepaid items	\$ 8,217
Inventory	182,940
Nonmajor Special Revenue Funds:	
School Nutrition Service Fund inventory	<u>379,998</u>
Total Nonspendable Fund Balance	<u>\$ 571,155</u>

Restricted – The following balances are restricted for:

Capital Projects-SPLOST II Fund: used to account for sales tax proceeds collected under the 2012 SPLOST referendum and the cost of capital projects financed with those SPLOST proceeds	\$ 3,024,398
Capital Projects-SPLOST III Fund: used to account for sales tax proceeds collected under the 2017 SPLOST referendum and the cost of capital projects financed with those SPLOST proceeds	22,291,464
Nonmajor Debt Service Fund: used to account for tax proceeds and debt service payments on general obligation debt	1,605,378
Nonmajor Special Revenue Funds:	
School Nutrition Services Fund – used to account for activity of the school lunch program	1,833
Friends Mentoring Program Fund– used to account for proceeds of grant from Department of Human Resources	18,313
Other Grants Fund– used to account for various grant awards	<u>5,402</u>
Total Restricted Fund Balance	<u>\$ 26,946,788</u>

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2020

NOTE I - FUND BALANCES – continued

Committed - The following fund balances are committed to:

Nonmajor Special Revenue Funds:	
Community Education Fund – used to account for the activities of community school programs	\$ 367,840
After School Program Fund – used to account for the activities of after school programs	960,025
Donations Fund – used to account for resources provided by donations	86,930
Auditorium Rentals Fund – used to account for resources generated by auditorium facility rentals	77,939
Principals’ Fund – used to account for resources generated by schools for various school activities and needs	<u>1,302,076</u>
Total Committed Fund Balance	<u>\$ 2,794,810</u>

Assigned – The following fund balances are assigned to:

Regular Capital Project Fund – to account for amounts intended to be spent on capital outlay	<u>\$ 6,082,389</u>
Total Assigned Fund Balance	<u>\$ 6,082,389</u>

NOTE J – INTERFUND TRANSFERS

Interfund transfers for the year ended June 30, 2020 consisted of the following amounts:

	TRANSFERS OUT			
	General Fund	Regular Capital Projects	SPLOST I	Total
<u>TRANSFERS IN</u>				
Regular Capital Projects	\$ 1,000,000	\$ -	\$ -	\$ 1,000,000
SPLOST II		5,315,000	444,248	5,759,248
Nonmajor Funds:				
Special Revenue				
School Nutrition	222,142	-	-	222,142
JR ROTC	260,215	-	-	260,215
Lottery	<u>233,228</u>	-	-	<u>233,228</u>
	<u>\$ 1,715,585</u>	<u>\$ 5,315,000</u>	<u>\$ 444,248</u>	<u>\$ 7,474,833</u>

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

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2020

NOTE K – RISK MANAGEMENT

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

Risk Pool

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

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

Workers’ Compensation Claims

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

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

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2020

NOTE K – RISK MANAGEMENT – continued

Workers’ Compensation Claims- continued

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

<u>Year Ended June 30,</u>	<u>Beginning of Year Liability</u>	<u>Current Year Claims Accrual</u>	<u>Claims Paid</u>	<u>End of Year Liability</u>
2020	\$ 1,415,000	\$ 603,093	\$ 603,093	\$ 1,415,000
2019	\$ 1,415,000	\$ 524,390	\$ 524,390	\$ 1,415,000

Unemployment Claims

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

<u>Year Ended June 30,</u>	<u>Beginning of Year Liability</u>	<u>Current Year Unemployment Accrual</u>	<u>Unemployment Paid</u>	<u>End of Year Liability</u>
2020	\$ -	\$ -	\$ -	\$ -
2019	\$ -	\$ 7,040	\$ 7,040	\$ -

NOTE L – ON-BEHALF PAYMENTS FOR FRINGE BENEFITS

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

Georgia Department of Education	
Paid to Teachers’ Retirement System (TRS)	\$ 64,004
Office of Treasury and Fiscal Services	
Paid to the Public School Employees’ Retirement System (PSERS)	<u>336,612</u>
	<u>\$ 400,616</u>

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2020

NOTE M – RETIREMENT PLANS

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

Teachers Retirement System (TRS)

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

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

Contributions. Per Title 47 of O.C.G.A, contribution requirements of active employees and participating employers, as actuarially determined, are established and may be amended by the TRS Board. Pursuant to O.C.G.A. 47-3-63, the employer contributions for certain full-time public school support personnel are funded on behalf of the employer by the State of Georgia. Contributions are expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Employees were required to contribute 6% of their annual pay during fiscal year 2020.

The School System’s contractually required contribution rate for the year ended June 30, 2020 was 21.14% of annual School System payroll (excluding payroll attributable to those personnel funded on behalf of the School System by the State). Employer contributions for the current fiscal year and the two preceding years are as follows:

<u>Fiscal Year</u>	<u>Percentage Contributed</u>	<u>Required Contribution</u>
2020	100%	\$ 29,089,649
2019	100%	\$ 27,001,644
2018	100%	\$ 22,635,757

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2020

NOTE M – RETIREMENT PLANS – continued

Public School Employees' Retirement System (PSERS)

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

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

Upon retirement, the member will receive a monthly benefit of \$15.25, multiplied by the number of years of creditable service. Death and disability benefits are also available through PSERS. Additionally, PSERS may make periodic cost-of-living adjustments to the monthly benefits. Upon termination of employment, member contributions with accumulated interest are refundable upon request of the member. However, if an otherwise vested member terminates and withdraws his/her member contribution, the member forfeits all rights to retirement benefits.

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

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

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2020

NOTE M – RETIREMENT PLANS – continued

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

At June 30, 2020, the School System reported a liability for its proportionate share of the net pension liability for Teachers Retirement System (TRS) that reflected a reduction for support attributable to those personnel funded on behalf of the School System by the State of Georgia. The amount recognized by the School System as its proportionate share of the net pension liability, the related State of Georgia funding, and the total portion of the net pension liability that was associated with the School System were as follows:

School System’s proportionate share of the net pension liability	\$ 227,636,441
State of Georgia’s proportionate share of the net pension liability associated with the System	\$ <u>537,138</u>
Total	\$ <u>228,173,579</u>

The TRS net pension liability was measured as of June 30, 2019. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of June 30, 2018. An expected total pension liability as of June 30, 2019 was determined using standard roll-forward techniques. The School System’s proportion of the net pension liability was based on contributions to TRS during the fiscal year ended June 30, 2019.

At June 30, 2019, the School System’s TRS proportion is 1.058641%, which was a decrease of 0.072164% from its proportion measured as of June 30, 2018.

At June 30, 2020, the School System did not have a PSERS liability for a proportionate share of the net pension liability because of the related State of Georgia support. The amount of the State’s proportionate share of the net pension liability associated with the School System is \$1,813,358.

The PSERS net pension liability was measured as of June 30, 2019. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of June 30, 2018. An expected total pension liability as of June 30, 2018 was determined using standard roll-forward techniques. The State’s proportion of the net pension liability associated with the School System was based on actuarially determined contributions paid by the State during the fiscal year ended June 30, 2019.

For the year ended June 30, 2020, the School System recognized pension expense of \$39,619,708 for the changes in the TRS net pension liability and the associated deferred outflows and inflows of resources. Additionally, the School System recognized pension expense and revenue of (\$363,480) for TRS and of \$559,217 for PSERS for support provided by the State of Georgia for certain support personnel.

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2020

NOTE M – RETIREMENT PLANS – continued

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

At June 30, 2020, the School System reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflow of Resources</u>
Difference between expected and actual experience	\$ 12,830,750	\$ 67,488
Changes in assumptions	21,844,687	-
Net difference between projected and actual earnings on pension plan investments	-	5,420,718
Changes in proportion and differences between School System contributions and proportionate share of contributions	11,072,596	10,192,667
School System contributions subsequent to the measurement date	<u>29,089,649</u>	<u>-</u>
Total	<u>\$ 74,837,682</u>	<u>\$ 15,680,873</u>

School System contributions subsequent to the measurement date of June 30, 2019 for TRS are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended <u>June 30</u>	<u>TRS</u>
2021	\$ 13,987,831
2022	3,133,124
2023	7,704,360
2024	5,241,845
2025	-
Thereafter	-

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2020

NOTE M – RETIREMENT PLANS – continued

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

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation as of June 30, 2018, using the following actuarial assumptions, applied to all periods included in the measurement:

Teachers Retirement System:

Inflation	2.50%
Salary increase	3.00 – 8.75%, average, including inflation
Investment rate of return	7.25%, net of pension plan investment expense, including inflation
Post-retirement benefit increases	1.50% semi-annually

Post-retirement mortality rates were based on the 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) for service requirements and dependent beneficiaries. The RP-2000 Disabled Mortality table with future mortality improvement projected to 2025 with Society of Actuaries’ projection scale BB (set forward two years for males and four years for females) was used for the death after disability retirement. Rates of mortality in active service were based on the RP-2000 Employee Mortality Table projected to 2025 with projection scale BB.

The actuarial assumptions used in the June 30, 2018 valuations were based on the results of an actuarial experience study for the period July 1, 2009 – June 30, 2014, with the exception of the long-term assumed rate of return.

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

Asset class	Target allocation	Long-term expected real rate of return*
Fixed income	30.00 %	(0.10) %
Domestic large equities	51.00	8.90
Domestic small equities	1.50	13.20
International developed market equities	12.40	8.90
International emerging market equities	5.10	10.90
Total	100.00 %	

*Rates shown are net of inflation.

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2020

NOTE M – RETIREMENT PLANS – continued

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

Public School Employees’ Retirement System:

Inflation	2.75%
Salary increase	N/A
Investment rate of return	7.30%, net of pension plan investment expense, including inflation
Postretirement benefit increases	1.5% semi-annually

Post-retirement mortality rates were based on 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) for the period after service retirements and for dependent beneficiaries. The RP-2000 Disabled Mortality Table projected to 2025 with projection scale BB (set forward 5 years for both males and females) was used for death after disability retirement. There is a margin for future mortality improvement in the tables used by the System. Based on the results of the most recent experience study adopted by the Board on December 17, 2015, the numbers of expected future deaths are 9-11% less than the actual number of deaths that occurred during the study period for healthy retirees and 9-11% less than expected under the selected table for disabled retirees. Rates of mortality in active service were based on the RP-2000 Employee Mortality Table projected to 2025 with projection scale BB.

The actuarial assumptions used in the June 30, 2018 valuations were based on the results of an actuarial experience study for the period July 1, 2009 – June 30, 2014, with the exception of the assumed investment rate of return.

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

Asset class	Target allocation	Long-term expected real rate of return*
Fixed income	30.00 %	(0.10) %
Domestic large equities	46.20	8.90
Domestic small equities	1.30	13.20
International developed market equities	12.40	8.90
International emerging market equities	5.10	10.90
Alternative	5.00	12.00
Total	100.00 %	

*Rates shown are net of inflation.

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2020

NOTE M – RETIREMENT PLANS – continued

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

Discount rate. The discount rates used to measure the total TRS and PSERS pension liabilities were 7.25% and 7.30%, respectively. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer and State of Georgia contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the TRS and PSERS pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expect rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the School System’s proportionate share of the TRS net pension liability to changes in the discount rate. The following represents the School Systems proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what the School System’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point higher (8.25%) and 1-percentage-point lower (6.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount rate (7.25%)	1% Increase (8.25%)
System’s proportionate share of the net pension liability	\$369,520,568	\$227,636,441	\$110,957,275

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

Fayette County School System Supplemental Retirement Plan

Plan Description. The Fayette County School System Supplemental Retirement Plan (the “Plan”) is a single employer defined contribution plan established and administered by the Fayette County Board of Education for those employees covered by PSERS who did not elect coverage under Social Security in 2002. The Plan provides retirement benefits to plan participants and beneficiaries. Plan provisions and contribution requirements are established and may be amended by the Board. At June 30, 2020, there were 629 plan participants.

Contributions. Under the Plan, the School System contributes 7.5% of each participant’s base compensation. Participants may not make contributions to the Plan. For the fiscal year ending June 30, 2020, the School System’s contribution to the Plan was approximately \$57,000.

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2020

NOTE N – POSTEMPLOYMENT BENEFITS (OPEB)

School OPEB Fund

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

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

Contributions. As established by the Board, the School OPEB Fund is substantially funded on a pay-as-you-go basis; that is, annual cost of providing benefits will be financed in the same year as claims occur. Contributions to the School OPEB fund from the School System were \$3,866,215 for the year ended June 30, 2020. Active employees are not required to contribute to the School OPEB Fund.

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

At June 30, 2020, the School System reported a liability of \$140,360,946 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2019. The total OPEB liability used to calculate the net OPEB liability was based on an actuarial valuation as of June 30, 2018. An expected total OPEB liability as of June 30, 2019 was determined using standard roll-forward techniques. The School System’s proportion of the net OPEB liability was actuarially determined based on employer contributions during the fiscal year ended June 30, 2019. At June 30, 2019, the School System’s proportion was 1.143736%, which was an increase of 0.014837% from its proportion measured as of June 30, 2018.

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2020

NOTE N – POSTEMPLOYMENT BENEFITS (OPEB) –continued

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

For the year ended June 30, 2020, the School System recognized OPEB expense of \$4,327,537. At June 30, 2020, the School System reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflow of Resources
	<u> </u>	<u> </u>
Difference between expected and actual experience	\$ -	\$ 15,269,810
Changes in assumptions	4,874,461	19,786,461
Net difference between projected and actual earnings on OPEB plan investments	305,663	-
Changes in proportion and differences between School System contributions and proportionate share of contributions	4,430,458	-
School System contributions subsequent to the measurement date	<u>3,866,215</u>	<u>-</u>
Total	<u>\$ 13,476,797</u>	<u>\$ 35,056,271</u>

School System contributions subsequent to the measurement date of June 30, 2019 for \$3,866,215 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, 2021. 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 <u>June 30</u>	<u> </u>
2021	\$ (5,715,993)
2022	(5,715,993)
2023	(5,727,743)
2024	(5,058,695)
2025	(2,720,310)
2026	(506,955)
Thereafter	-

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2020

NOTE N – POSTEMPLOYMENT BENEFITS (OPEB) –continued

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

Actuarial Assumptions. The total OPEB liability as of June 30, 2019 was determined by an actuarial valuation as of June 30, 2018, 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, 2019:

Inflation	2.75%
Salary increases	3.25 – 8.75%, including inflation
Long-term expected rate of return	7.30%, compounded annually, net of investment expense, and including inflation
Healthcare cost trend rate	
Pre-Medicare Eligible	7.250%
Medicare Eligible	5.375%
Ultimate trend rate	
Pre-Medicare Eligible	4.75%
Medicare Eligible	4.75%
Year of Ultimate Trend	
Pre-Medicare Eligible	2028
Medicare Eligible	2022

Mortality rates were based on the RP-2000 Combined Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale BB as follows:

- For TRS members: The RP-2000 White Collar Mortality Table projected to 2025 with projection scale BB (set forward one year for males) is used for death after service retirement and beneficiaries. The RP-2000 Disability Mortality Table projected to 2025 with projection scale BB (set forward two years for males and four years for females) is used for death after disability retirement.
- For PSERS members: The RP-2000 Blue Collar Mortality Table projected to 2025 with projection scale BB (set forward three years for males and two years for females) is used for the period after service retirement and for beneficiaries of deceased members. The RP-2000 Disability Mortality Table projected to 2025 with projection scale BB (set forward five years for both males and females) is used for the period after disability retirement.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the pension systems, which covered the five-year period ending June 30, 2014, and adopted by the pension Board on December 17, 2015. The next experience study for TRS will be for the period ending June 30, 2018.

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2020

NOTE N – POSTEMPLOYMENT BENEFITS (OPEB) –continued

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

The remaining actuarial assumptions (e.g., initial capital costs, health care cost trends, rate of plan participation, rates of plan election, etc.) used in the June 30, 2017 valuation were based on a review of recent plan experience done concurrently with the June 30, 2018 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. During the fiscal year 2018, the School OPEB fund updated its investment strategy to a more long-term approach. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized as follows:

Asset class	Target allocation	Long-term expected real rate of return *
Fixed Income	30.00 %	(0.10) %
Domestic Stocks – Large Cap	46.20	8.90 %
Domestic Stocks – Small Cap	1.30	13.20 %
International Stocks – Developed Mkt	12.40	8.90 %
International Stocks – Emerging Mkt	5.10	10.90 %
Alternatives	5.00	12.00 %
	100.00 %	

*net of inflation

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2020

NOTE N – POSTEMPLOYMENT BENEFITS (OPEB) –continued

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

Discount rate. The discount rate has changed since the prior measurement date from 3.87% to 3.58%. In order to measure the total OPEB liability for the School OPEB Fund, a single equivalent interest rate of 3.58% was used as the discount rate. This is comprised mainly of the yield or index rate for 20-year tax-exempt general obligation municipal bonds with an average rating of AA or higher (3.50% per the Bond Buyers Index). The projection of cash flows used to determine the discount rate assumed that contributions from members and from the employer 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 2119. Based on these assumptions, the OPEB plan’s fiduciary net position was projected to be available to make OPEB payments for inactive employees through year 2026. Therefore, the calculated discount rate of 3.58% was applied to all periods of projected benefit payments to determine the total OPEB liability.

Sensitivity of the School System’s proportionate share of the net OPEB liability to changes in the discount rate. The following represents the School Systems proportionate share of the net OPEB liability calculated using the discount rate of 3.58%, as well as what the School System’s proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point higher (4.58%) and 1-percentage-point lower (2.58%) than the current rate:

	1% Decrease (2.58%)	Current Discount rate (3.58%)	1% Increase (4.58%)
System’s proportionate share of the net OPEB liability	\$163,145,747	\$140,360,946	\$121,826,533

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

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
System’s proportionate share of the net OPEB liability	\$118,239,225	\$140,360,946	\$168,457,209

OPEB plan fiduciary net position. Detailed information about the OPEB plan’s fiduciary net position is available in the State of Georgia Comprehensive Annual Financial Report which is publicly available and can be obtained at <https://sao.georgia.gov/comprehensive-annual-financial-reports>.

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2020

NOTE O – NON-MONETARY TRANSACTIONS

The School System received from the United States Department of Agriculture through the Georgia Department of Education approximately \$492,000 in donated food commodities for its lunchroom programs. The federally assigned value of these commodities is reflected as revenues when received and as expenditures when used.

NOTE P – TAX ABATEMENTS

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

For the fiscal year ended June 30, 2020, Fayette County abated property taxes due to the School System that were levied on September 15, 2019 and due on November 15, 2019 totaling approximately \$1,073,000. Included in that amount abated, the following are individual tax abatement agreements that each exceeded 10 percent of the total amount abated:

- A 64 percent property tax abatement to a film studio. The abatement amounted to approximately \$701,000.
- A 40 percent property tax abatement to a chemical processing company. The abatement amounted to approximately \$157,000.

NOTE Q – COMMITMENTS AND CONTINGENCIES

Contracts

The School System has entered into various construction and renovation contracts that are in progress at year end. At year end, approximately \$51,086,000 remains to be paid on these contracts.

Grant Programs

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

Fayette County Board of Education

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2020

NOTE Q – COMMITMENTS AND CONTINGENCIES - continued

Litigation

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

Required Supplementary Information

Fayette County Board of Education

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

	<u>2020</u>	<u>2019</u>
System's proportion of the net pension liability	1.058641%	1.130805%
System's proportionate share of the net pension liability	\$ 227,636,441	\$ 209,901,630
State of Georgia's proportionate share of the net pension liability associated with the School System	<u>537,138</u>	<u>588,420</u>
Total	<u>\$ 228,173,579</u>	<u>\$ 210,490,050</u>
School System's covered payroll	\$ 129,194,469	\$ 134,656,496
School System's proportionate share of the net pension liability as a percentage of its covered payroll	176.20%	155.88%
Plan fiduciary net position as a percentage of the total pension liability	78.56%	80.27%

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

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
1.044771%	1.030252%	1.009596%	1.014565%
\$ 194,173,908	\$ 212,552,475	\$ 153,700,966	\$ 128,176,906
<u>1,777,871</u>	<u>3,443,539</u>	<u>2,502,827</u>	<u>1,956,073</u>
<u>\$ 195,951,779</u>	<u>\$ 215,996,014</u>	<u>\$ 156,203,793</u>	<u>\$ 130,132,979</u>
\$ 120,017,546	\$ 112,998,480	\$ 106,562,244	\$ 106,658,720
161.79%	188.10%	144.24%	120.17%
79.33%	76.06%	81.44%	84.03%

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

	2020	2019
Contractually required contribution	\$ 29,089,649	\$ 27,001,643
Contributions in relation to the contractually required contribution	\$ 29,089,649	\$ 27,001,643
Contribution deficiency (excess)	\$ -	\$ -
School System's covered payroll	\$ 137,604,773	\$ 129,194,469
Contributions as a percentage of covered payroll	21.14%	20.90%

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

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
\$	22,635,757	\$ 17,126,504	\$ 16,124,883	\$ 14,012,935
\$	22,635,757	\$ 17,126,504	\$ 16,124,883	\$ 14,012,935
\$	-	\$ -	\$ -	\$ -
\$	134,656,496	\$ 120,017,546	\$ 112,998,480	\$ 106,562,244
	16.81%	14.27%	14.27%	13.15%



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Fayette County Board of Education

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
TEACHERS RETIREMENT SYSTEM OF GEORGIA**

For the Year Ended June 30, 2020

Changes of assumptions. In 2010 and later, the expectation of retired life mortality was changed to the RP-2000 Mortality Tables rather than the 1994 group Annuity Mortality Table, which was used prior to 2010. In 2010, rates of withdrawal, retirement, disability and mortality were adjusted to more closely reflect actual experience. In 2010, assumed rates of salary increase were adjusted to more closely reflect actual and anticipated experience.

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

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

Fayette County Board of Education

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

	2020	2019
System's proportion of the net pension liability	0.00%	0.00%
System's proportionate share of the net pension liability	\$ -	\$ -
State of Georgia's proportionate share of the net pension liability associated with the School System	1,813,358	1,776,803
Total	\$ 1,813,358	\$ 1,776,803
School System's covered-employee payroll	\$ 6,782,761	\$ 6,602,026
School System's proportionate share of the net pension liability as a percentage of its covered-employee payroll	N/A	N/A
Plan fiduciary net position as a percentage of the total pension liability	85.02%	85.26%

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

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
0.00%	0.00%	0.00%	0.00%
\$ -	\$ -	\$ -	\$ -
<u>1,666,389</u>	<u>2,151,946</u>	<u>1,414,807</u>	<u>1,282,001</u>
<u>\$ 1,666,389</u>	<u>\$ 2,151,946</u>	<u>\$ 1,414,807</u>	<u>\$ 1,282,001</u>
\$ 6,495,827	\$ 6,227,365	\$ 6,096,868	\$ 5,984,514
N/A	N/A	N/A	N/A
85.69%	81.00%	87.00%	88.29%



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Fayette County Board of Education

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
PUBLIC SCHOOL EMPLOYEES RETIREMENT SYSTEM OF GEORGIA
For the Year Ended June 30, 2020**

Changes of assumptions. In 2010 and later, the expectation of retired life mortality was changed to the RP-2000 Mortality Table rather than the 1994 Group Annuity Mortality Table, which was used prior to 2010. In 2010, rates of withdrawal, retirement, disability and mortality were adjusted to more closely reflect actual experience.

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

On March 15, 2018, the PSERS Board adopted a new funding policy. Because of this new funding policy, the assumed investment rate of return was reduced from 7.50% to 7.40% for June 30, 2017 actuarial valuation. In addition, based on the PSERS Board's new funding policy, the assumed investment rate of return was further reduced by 0.10% from 7.40% to 7.30% as of the June 30, 2018 measurement date.

Fayette County Board of Education

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

	2020	2019
System's proportion of the net OPEB liability	1.143736%	1.128899%
System's proportionate share of the net OPEB liability	\$ 140,360,946	\$ 143,479,598
School System's covered-employee payroll *	\$ 105,311,108	\$ 101,246,120
School System's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll	133%	142%
Plan fiduciary net position as a percentage of the total OPEB liability	4.63%	2.93%

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

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

2018

1.124738%

\$ 158,025,236

\$ 96,065,102

164%

1.61%

Fayette County Board of Education

Required Supplementary Information

Schedule of Contributions

School OPEB Fund

For the Year Ended June 30

	2020	2019	2018
Contractually required contribution	\$ 3,866,215	\$ 6,159,808	\$ 5,850,975
Contributions in relation to the contractually required contribution	\$ 3,866,215	\$ 6,159,808	\$ 5,850,975
Contribution deficiency (excess)	\$ -	\$ -	\$ -
School System's covered-employee payroll *	\$ 114,006,320	\$ 105,311,108	\$ 101,246,120
Contributions as a percentage of covered-employee payroll	3.39%	5.85%	5.78%

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

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

2017

\$ 5,864,472

\$ 5,864,472

\$ -

\$ 96,065,102

6.10%

Fayette County Board of Education

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

For the Year Ended June 30, 2020

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

Changes of assumptions.

June 30, 2017 valuation: The June 30, 2017 actuarial valuation was revised for various factors, including the methodology used to determine how employees and retirees were assigned to each of the OPEB Funds and anticipated participation percentages. Current and former employees of State organizations (including technical colleges, community service boards and public health departments) are now assigned to the State OPEB fund based on their last employer payroll location, irrespective of retirement affiliation.

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, and back to 3.58% as of June 30, 2019.

Combining Statements and Schedules

Fayette County Board of Education
NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

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

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

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

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

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

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

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

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

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

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

Lottery Fund was established to account for state lottery funds.

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

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

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

Fayette County Board of Education

NON-MAJOR GOVERNMENTAL FUNDS - CONTINUED

SPECIAL REVENUE FUNDS - continued

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

Donations Fund was established to account for donations by various businesses and individuals for various specified purposes.

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

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

CAPITAL PROJECTS FUNDS

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

Local Capital Projects Fund – This fund accounts for locally funded construction and renovation projects.

SPLOST I Fund – This fund accounts for various projects funded by an educational special purpose local option sales tax approved by voter referendum in 2008.

DEBT SERVICE FUND

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

Fayette County Board of Education

COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS

June 30, 2020

	Special Revenue Funds	Capital Project Funds	Debt Service Fund	Total Non-Major Funds
ASSETS				
Cash	\$ 3,387,289	\$ 1,535,565	\$ 236,131	\$ 5,158,985
Investments	24,562	4,546,824	1,310,083	5,881,469
Due from other governments	940,665	-	-	940,665
Taxes receivable	-	-	144,735	144,735
Due from other funds	146,980	-	-	146,980
Due from others	4,868	92,116	-	96,984
Inventory	379,998	-	-	379,998
Total assets	<u>\$ 4,884,362</u>	<u>\$ 6,174,505</u>	<u>\$ 1,690,949</u>	<u>\$ 12,749,816</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 13,044	\$ -	\$ -	\$ 13,044
Unearned revenue	279,049	-	-	279,049
Salaries payable	824,950	-	-	824,950
Due to other funds	566,963	92,116	-	659,079
Total liabilities	1,684,006	92,116	-	1,776,122
Deferred Inflows				
Unavailable property tax revenue	-	-	85,571	85,571
Total deferred inflows	-	-	85,571	85,571
Fund balances				
Nonspendable	379,998	-	-	379,998
Restricted	25,548	-	1,605,378	1,630,926
Committed	2,794,810	-	-	2,794,810
Assigned	-	6,082,389	-	6,082,389
Total fund balances	3,200,356	6,082,389	1,605,378	10,888,123
Total liabilities, deferred inflows and fund balances	<u>\$ 4,884,362</u>	<u>\$ 6,174,505</u>	<u>\$ 1,690,949</u>	<u>\$ 12,749,816</u>

Fayette County Board of Education

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

For the year ended June 30, 2020

	Special Revenue Funds	Capital Project Funds	Debt Service Fund	Total Non-Major Funds
Revenues				
State funds	\$ 1,652,761	\$ -	\$ -	\$ 1,652,761
Federal funds	9,132,211	-	-	9,132,211
Local and other funds	6,242,925	468,529	7,091,750	13,803,204
Total revenues	<u>17,027,897</u>	<u>468,529</u>	<u>7,091,750</u>	<u>24,588,176</u>
Expenditures				
Current				
Instruction	5,982,147	-	-	5,982,147
Support services				
Pupil services	1,822,831	-	-	1,822,831
Improvement of instructional services	108,473	-	-	108,473
Instructional staff training	502,429	-	-	502,429
Educational media services	62,648	-	-	62,648
Federal grants administration	165,267	-	-	165,267
General administration	190	-	-	190
School administration	250,591	-	-	250,591
Maintenance and operation of facilities	62,648	-	-	62,648
Student transportation services	83,453	-	-	83,453
Central support services	22,500	-	-	22,500
Community service	2,580,349	-	-	2,580,349
Food services	6,772,562	-	-	6,772,562
Capital outlay	-	940,223	-	940,223
Debt service				
Principal retirement	-	-	5,590,000	5,590,000
Interest and fees	-	-	944,132	944,132
Total expenditures	<u>18,416,088</u>	<u>940,223</u>	<u>6,534,132</u>	<u>25,890,443</u>
Excess (deficiency) of revenues over (under) expenditures	(1,388,191)	(471,694)	557,618	(1,302,267)
Other financing sources (uses)				
Transfers in	715,585	1,000,000	-	1,715,585
Transfers out	-	(5,759,248)	-	(5,759,248)
Total other financing sources	<u>715,585</u>	<u>(4,759,248)</u>	<u>-</u>	<u>(4,043,663)</u>
Net change in fund balances	(672,606)	(5,230,942)	557,618	(5,345,930)
Fund balances, beginning of year	<u>3,872,962</u>	<u>11,313,331</u>	<u>1,047,760</u>	<u>16,234,053</u>
Fund balances, end of year	<u>\$ 3,200,356</u>	<u>\$ 6,082,389</u>	<u>\$ 1,605,378</u>	<u>\$ 10,888,123</u>

Fayette County Board of Education

COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
Special Revenue Funds

June 30, 2020

	School Nutrition Service	Title I	IDEA	Vocational Grants
ASSETS				
Cash	\$ 307,989	\$ -	\$ -	\$ -
Investments	-	-	-	-
Due from other governments	70,931	193,794	507,220	-
Due from other funds	146,980	-	-	-
Due from others	-	-	-	-
Inventory	379,998	-	-	-
Total assets	<u>\$ 905,898</u>	<u>\$ 193,794</u>	<u>\$ 507,220</u>	<u>\$ -</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ -	\$ 1,879	\$ 1,186	\$ -
Unearned revenue	279,049	-	-	-
Salaries payable	245,018	47,483	207,350	-
Due to other funds	-	144,432	298,684	-
Total liabilities	<u>524,067</u>	<u>193,794</u>	<u>507,220</u>	<u>-</u>
Fund balances				
Nonspendable	379,998	-	-	-
Restricted	1,833	-	-	-
Committed	-	-	-	-
Total fund balances	<u>381,831</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 905,898</u>	<u>\$ 193,794</u>	<u>\$ 507,220</u>	<u>\$ -</u>

Title II	Title III	Title IV	CARES Act	JR ROTC	Lottery
\$ -	\$ -	\$ -	\$ -	\$ 41,033	\$ 138,400
-	-	-	-	-	-
92,439	15,623	20,946	36,517	3,195	-
-	-	-	-	-	-
-	-	3,850	-	-	-
-	-	-	-	-	-
<u>92,439</u>	<u>15,623</u>	<u>24,796</u>	<u>36,517</u>	<u>44,228</u>	<u>138,400</u>

\$ -	\$ -	\$ 499	\$ -	\$ 8,353	\$ -
-	-	-	-	-	-
40,443	4,586	-	-	35,875	138,400
<u>51,996</u>	<u>11,037</u>	<u>24,297</u>	<u>36,517</u>	<u>-</u>	<u>-</u>
<u>92,439</u>	<u>15,623</u>	<u>24,796</u>	<u>36,517</u>	<u>44,228</u>	<u>138,400</u>

-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-

<u>92,439</u>	<u>15,623</u>	<u>24,796</u>	<u>36,517</u>	<u>44,228</u>	<u>138,400</u>
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continued

Fayette County Board of Education

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

June 30, 2020

	Friends Mentoring Program	Other Grants	Community Education	After School Program
ASSETS				
Cash	\$ 18,313	\$ 5,402	\$ 368,056	\$ 1,064,802
Investments	-	-	-	-
Due from other governments	-	-	-	-
Due from other funds	-	-	-	-
Due from others	-	-	-	1,018
Inventory	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 18,313</u>	<u>\$ 5,402</u>	<u>\$ 368,056</u>	<u>\$ 1,065,820</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ -	\$ -	\$ 216	\$ -
Unearned revenue	-	-	-	-
Salaries payable	-	-	-	105,795
Due to other funds	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>-</u>	<u>-</u>	<u>216</u>	<u>105,795</u>
Fund balances				
Nonspendable	-	-	-	-
Restricted	18,313	5,402	-	-
Committed	-	-	367,840	960,025
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total fund balances	<u>18,313</u>	<u>5,402</u>	<u>367,840</u>	<u>960,025</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities and fund balances	<u>\$ 18,313</u>	<u>\$ 5,402</u>	<u>\$ 368,056</u>	<u>\$ 1,065,820</u>

Donation Funds	Auditorium Rentals	Principals' Fund	Total
\$ 63,130	\$ 78,088	\$ 1,302,076	\$ 3,387,289
24,562	-	-	24,562
-	-	-	940,665
-	-	-	146,980
			4,868
-	-	-	379,998
<u>87,692</u>	<u>78,088</u>	<u>1,302,076</u>	<u>4,884,362</u>
\$ 762	\$ 149	\$ -	\$ 13,044
-	-	-	279,049
-	-	-	824,950
-	-	-	566,963
<u>762</u>	<u>149</u>	<u>-</u>	<u>1,684,006</u>
-	-	-	379,998
-	-	-	25,548
<u>86,930</u>	<u>77,939</u>	<u>1,302,076</u>	<u>2,794,810</u>
<u>86,930</u>	<u>77,939</u>	<u>1,302,076</u>	<u>3,200,356</u>
<u>\$ 87,692</u>	<u>\$ 78,088</u>	<u>\$ 1,302,076</u>	<u>\$ 4,884,362</u>

Fayette County Board of Education

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES

NON-MAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

For the year ended June 30, 2020

	School Nutrition Service	Title I	IDEA	Vocational Grants
Revenues				
State funds	\$ 173,318	\$ -	\$ -	\$ -
Federal funds	3,113,209	1,452,294	3,621,651	124,343
Local and other funds	2,766,833	-	-	-
Total revenues	<u>6,053,360</u>	<u>1,452,294</u>	<u>3,621,651</u>	<u>124,343</u>
Expenditures				
Current				
Instruction	-	1,039,275	1,971,748	124,343
Support services				
Pupil services	-	327,163	1,456,753	-
Improvement of instructional services	-	2,915	-	-
Instructional staff training	-	27,793	65,062	-
Educational media services	-	-	-	-
Federal grants administration	-	47,433	117,834	-
General administration	-	-	190	-
School administration	-	-	-	-
Maintenance and operation of facilities	-	-	-	-
Student transportation services	-	7,715	10,064	-
Central support services	-	-	-	-
Community service	-	-	-	-
Food services	6,772,562	-	-	-
Total expenditures	<u>6,772,562</u>	<u>1,452,294</u>	<u>3,621,651</u>	<u>124,343</u>
Excess (deficiency) of revenues over (under) expenditures	(719,202)	-	-	-
Other financing sources				
Transfers in	222,142	-	-	-
Total other financing sources	<u>222,142</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(497,060)	-	-	-
Fund balances, beginning of year	<u>878,891</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ 381,831</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Title II	Title III	Title IV	CARES Act	JR ROTC	Lottery
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,479,443
385,923	112,521	138,991	36,517	146,762	-
-	-	-	-	-	-
<u>385,923</u>	<u>112,521</u>	<u>138,991</u>	<u>36,517</u>	<u>146,762</u>	<u>1,479,443</u>
-	18,874	67,764	14,017	406,977	1,712,671
-	38,915	-	-	-	-
-	44,460	54,822	-	-	-
385,923	7,246	16,405	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	3,026	-	-	-	-
-	-	-	22,500	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>385,923</u>	<u>112,521</u>	<u>138,991</u>	<u>36,517</u>	<u>406,977</u>	<u>1,712,671</u>
-	-	-	-	(260,215)	(233,228)
-	-	-	-	260,215	233,228
-	-	-	-	260,215	233,228
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

continued

Fayette County Board of Education

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES

NON-MAJOR GOVERNMENTAL FUNDS - CONTINUED

Special Revenue Funds

For the year ended June 30, 2020

	Friends Mentoring Program	Other Grants	Community Education	After School Program
Revenues				
State funds	\$ -	\$ -	\$ -	\$ -
Federal funds	-	-	-	-
Local and other funds	1,400	633	335,430	1,760,860
Total revenues	1,400	633	335,430	1,760,860
Expenditures				
Current				
Instruction	-	-	-	-
Support services				
Pupil services	-	-	-	-
Improvement of instructional services	-	-	-	-
Instructional staff training	-	-	-	-
Educational media services	-	-	-	-
Federal grants administration	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Maintenance and operation of facilities	-	-	-	-
Student transportation services	-	-	-	-
Central support services	-	-	-	-
Community service	1,475	583	285,726	2,027,510
Food services	-	-	-	-
Total expenditures	1,475	583	285,726	2,027,510
Excess (deficiency) of revenues over (under) expenditures	(75)	50	49,704	(266,650)
Other financing sources				
Transfers in	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balances	(75)	50	49,704	(266,650)
Fund balances, beginning of year	18,388	5,352	318,136	1,226,675
Fund balances, end of year	\$ 18,313	\$ 5,402	\$ 367,840	\$ 960,025

Donation Funds	Auditorium Rentals	Principals' Fund	Total
\$ -	\$ -	\$ -	\$ 1,652,761
-	-	-	9,132,211
<u>42,064</u>	<u>35,421</u>	<u>1,300,284</u>	<u>6,242,925</u>
<u>42,064</u>	<u>35,421</u>	<u>1,300,284</u>	<u>17,027,897</u>
-	-	626,478	5,982,147
-	-	-	1,822,831
6,276	-	-	108,473
-	-	-	502,429
-	-	62,648	62,648
-	-	-	165,267
-	-	-	190
-	-	250,591	250,591
-	-	62,648	62,648
-	-	62,648	83,453
-	-	-	22,500
36,114	40,998	187,943	2,580,349
<u>-</u>	<u>-</u>	<u>-</u>	<u>6,772,562</u>
<u>42,390</u>	<u>40,998</u>	<u>1,252,956</u>	<u>18,416,088</u>
(326)	(5,577)	47,328	(1,388,191)
<u>-</u>	<u>-</u>	<u>-</u>	<u>715,585</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>715,585</u>
(326)	(5,577)	47,328	(672,606)
<u>87,256</u>	<u>83,516</u>	<u>1,254,748</u>	<u>3,872,962</u>
<u>\$ 86,930</u>	<u>\$ 77,939</u>	<u>\$ 1,302,076</u>	<u>\$ 3,200,356</u>

Fayette County Board of Education

COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
Capital Project Funds

June 30, 2020

	Local Capital Projects	SPLOST I	Total
ASSETS			
Cash	\$ 1,535,565	\$ -	\$ 1,535,565
Investments	4,546,824	-	4,546,824
Due from others	-	92,116	92,116
	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 6,082,389</u>	<u>\$ 92,116</u>	<u>\$ 6,174,505</u>
 FUND BALANCES			
Liabilities			
Due to other funds	\$ -	\$ 92,116	\$ 92,116
Total liabilities	-	92,116	92,116
	<u> </u>	<u> </u>	<u> </u>
 Fund balances			
Restricted	-	-	-
Assigned	6,082,389	-	6,082,389
Total fund balances	6,082,389	-	6,082,389
	<u> </u>	<u> </u>	<u> </u>
Total fund balances	<u>\$ 6,082,389</u>	<u>\$ 92,116</u>	<u>\$ 6,174,505</u>

Fayette County Board of Education

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

For the year ended June 30, 2020

	Local Capital Projects	SPLOST I	Total
Revenues			
Local and other funds	\$ 365,773	\$ 102,756	\$ 468,529
Total revenues	<u>365,773</u>	<u>102,756</u>	<u>468,529</u>
Expenditures			
Capital outlay	<u>147,997</u>	<u>792,226</u>	<u>940,223</u>
Total expenditures	<u>147,997</u>	<u>792,226</u>	<u>940,223</u>
Deficiency of revenues under expenditures	217,776	(689,470)	(471,694)
Other financing sources (uses)			
Transfers in	1,000,000	-	1,000,000
Transfers out	<u>(5,315,000)</u>	<u>(444,248)</u>	<u>(5,759,248)</u>
Total other financing sources (uses)	<u>(4,315,000)</u>	<u>(444,248)</u>	<u>(4,759,248)</u>
Net change in fund balances	(4,097,224)	(1,133,718)	(5,230,942)
Fund balances, beginning of year	<u>10,179,613</u>	<u>1,133,718</u>	<u>11,313,331</u>
Fund balances, end of year	<u>\$ 6,082,389</u>	<u>\$ -</u>	<u>\$ 6,082,389</u>

Fayette County Board of Education

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

For the year ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance
Revenues				
State funds	\$ 160,000	\$ 160,000	\$ 173,318	\$ 13,318
Federal funds	3,155,000	3,155,000	3,113,209	(41,791)
Local and other funds	3,350,000	3,350,000	2,766,833	(583,167)
Total revenues	6,665,000	6,665,000	6,053,360	(611,640)
Expenditures				
Current				
Food services	7,441,500	7,441,500	6,772,562	668,938
Total expenditures	7,441,500	7,441,500	6,772,562	668,938
Deficiency of revenues under expenditures	(776,500)	(776,500)	(719,202)	57,298
Other financing sources				
Transfers in	776,500	776,500	222,142	(554,358)
Total other financing sources	776,500	776,500	222,142	(554,358)
Net change in fund balances	\$ -	\$ -	\$ (497,060)	\$ (497,060)

Fayette County Board of Education

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

For the year ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues				
Federal funds	\$ 1,693,605	\$ 1,539,708	\$ 1,452,294	\$ (87,414)
Total revenues	<u>1,693,605</u>	<u>1,539,708</u>	<u>1,452,294</u>	<u>(87,414)</u>
Expenditures				
Current				
Instruction	992,505	1,087,230	1,039,275	47,955
Support services				
Pupil services	399,552	345,942	327,163	18,779
Improvement of instructional services	5,884	3,175	2,915	260
Instructional staff training	49,878	34,884	27,793	7,091
Federal grant administration	222,397	52,989	47,433	5,556
Student transportation services	<u>23,389</u>	<u>15,488</u>	<u>7,715</u>	<u>7,773</u>
Total expenditures	<u>1,693,605</u>	<u>1,539,708</u>	<u>1,452,294</u>	<u>87,414</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Fayette County Board of Education

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

For the year ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues				
Federal funds	\$ 4,421,621	\$ 4,564,541	\$ 3,621,651	\$ (942,890)
Total revenues	<u>4,421,621</u>	<u>4,564,541</u>	<u>3,621,651</u>	<u>(942,890)</u>
Expenditures				
Current				
Instruction	2,469,550	2,667,351	1,971,748	695,603
Support services				
Pupil services	1,712,591	1,620,510	1,456,753	163,757
Instructional staff training	51,000	116,000	65,062	50,938
Federal grant administration	172,780	139,080	117,834	21,246
General administration	700	600	190	410
Student transportation services	15,000	21,000	10,064	10,936
Total expenditures	<u>4,421,621</u>	<u>4,564,541</u>	<u>3,621,651</u>	<u>942,890</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Fayette County Board of Education

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

For the year ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance
Revenues				
Federal funds	\$ 119,539	\$ 130,388	\$ 124,343	\$ (6,045)
Total revenues	119,539	130,388	124,343	(6,045)
Expenditures				
Current				
Instruction	119,539	130,388	124,343	6,045
Total expenditures	119,539	130,388	124,343	6,045
Net change in fund balances	\$ -	\$ -	\$ -	\$ -

Fayette County Board of Education

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

For the year ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues				
Federal funds	\$ 338,630	\$ 375,760	\$ 385,923	\$ 10,163
Total revenues	<u>338,630</u>	<u>375,760</u>	<u>385,923</u>	<u>10,163</u>
Expenditures				
Current				
Support services				
Instructional staff training	338,330	375,760	385,923	(10,163)
Federal grant administration	<u>300</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>338,630</u>	<u>375,760</u>	<u>385,923</u>	<u>(10,163)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Fayette County Board of Education

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

For the year ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance
Revenues				
Federal funds	\$ 99,785	\$ 114,864	\$ 112,521	\$ (2,343)
Total revenues	99,785	114,864	112,521	(2,343)
Expenditures				
Current				
Instruction	25,985	19,159	18,874	285
Support services				
Pupil services	23,872	38,390	38,915	(525)
Improvement of instructional services	37,335	44,814	44,460	354
Instructional staff training	12,593	7,909	7,246	663
Student transportation services	-	4,592	3,026	1,566
Total expenditures	99,785	114,864	112,521	2,343
Net change in fund balances	\$ -	\$ -	\$ -	\$ -

Fayette County Board of Education

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

For the year ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues				
Federal funds	\$ 105,516	\$ 141,535	\$ 138,991	\$ (2,544)
Total revenues	<u>105,516</u>	<u>141,535</u>	<u>138,991</u>	<u>(2,544)</u>
Expenditures				
Current				
Instruction	74,900	66,543	67,764	(1,221)
Support services				
Improvement of instructional services	30,616	58,600	54,822	3,778
Instructional staff training	<u>-</u>	<u>16,392</u>	<u>16,405</u>	<u>(13)</u>
Total expenditures	<u>105,516</u>	<u>141,535</u>	<u>138,991</u>	<u>2,544</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Fayette County Board of Education

CARES
 Special Revenue Fund
 SCHEDULE OF REVENUES AND EXPENDITURES -
 BUDGET AND ACTUAL

For the year ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues				
Federal funds	\$ -	\$ 36,517	\$ 36,517	\$ -
Total revenues	<u>-</u>	<u>36,517</u>	<u>36,517</u>	<u>-</u>
Expenditures				
Current				
Instruction	-	14,017	14,017	-
Support services				
Central support services	-	22,500	22,500	-
Total expenditures	<u>-</u>	<u>36,517</u>	<u>36,517</u>	<u>-</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Fayette County Board of Education

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

For the year ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues				
Federal funds	\$ 140,000	\$ 140,000	\$ 146,762	\$ 6,762
Total revenues	<u>140,000</u>	<u>140,000</u>	<u>146,762</u>	<u>6,762</u>
Expenditures				
Current				
Instruction	<u>383,908</u>	<u>383,908</u>	<u>406,977</u>	<u>(23,069)</u>
Total expenditures	<u>383,908</u>	<u>383,908</u>	<u>406,977</u>	<u>(23,069)</u>
Deficiency of revenues under expenditures	(243,908)	(243,908)	(260,215)	(16,307)
Other financing sources				
Transfers in	<u>243,908</u>	<u>243,908</u>	<u>260,215</u>	<u>16,307</u>
Total other financing sources	<u>243,908</u>	<u>243,908</u>	<u>260,215</u>	<u>16,307</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Fayette County Board of Education

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

For the year ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues				
State funds	\$ 1,332,000	\$ 1,332,000	\$ 1,479,443	\$ 147,443
Total revenues	<u>1,332,000</u>	<u>1,332,000</u>	<u>1,479,443</u>	<u>147,443</u>
Expenditures				
Current				
Instruction	<u>1,733,088</u>	<u>1,733,088</u>	<u>1,712,671</u>	<u>20,417</u>
Total expenditures	<u>1,733,088</u>	<u>1,733,088</u>	<u>1,712,671</u>	<u>20,417</u>
Deficiency of revenues under expenditures	(401,088)	(401,088)	(233,228)	167,860
Other financing sources				
Transfers in	<u>401,088</u>	<u>401,088</u>	<u>233,228</u>	<u>(167,860)</u>
Total other financing sources	<u>401,088</u>	<u>401,088</u>	<u>233,228</u>	<u>(167,860)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Fayette County Board of Education

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

For the year ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance
Revenues				
Local and other funds	\$ 1,000	\$ 1,000	\$ 1,400	\$ 400
Total revenues	1,000	1,000	1,400	400
Expenditures				
Current				
Community service	5,000	5,000	1,475	3,525
Total expenditures	5,000	5,000	1,475	3,525
Net change in fund balances	\$ (4,000)	\$ (4,000)	\$ (75)	\$ 3,925

Fayette County Board of Education

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

For the year ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues				
Local and other funds	\$ 1,000	\$ 1,000	\$ 633	\$ (367)
Total revenues	<u>1,000</u>	<u>1,000</u>	<u>633</u>	<u>(367)</u>
Expenditures				
Current				
Community service	<u>1,000</u>	<u>1,000</u>	<u>583</u>	<u>417</u>
Total expenditures	<u>1,000</u>	<u>1,000</u>	<u>583</u>	<u>417</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 50</u>	<u>\$ 50</u>

Fayette County Board of Education

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

For the year ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues				
Local and other funds	\$ 225,000	\$ 225,000	\$ 335,430	\$ 110,430
Total revenues	<u>225,000</u>	<u>225,000</u>	<u>335,430</u>	<u>110,430</u>
Expenditures				
Current				
Community service	<u>436,709</u>	<u>436,709</u>	<u>285,726</u>	<u>150,983</u>
Total expenditures	<u>436,709</u>	<u>436,709</u>	<u>285,726</u>	<u>150,983</u>
Net change in fund balances	<u>\$ (211,709)</u>	<u>\$ (211,709)</u>	<u>\$ 49,704</u>	<u>\$ 261,413</u>

Fayette County Board of Education

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

For the year ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues				
Local and other funds	<u>\$ 2,245,027</u>	<u>\$ 2,245,027</u>	<u>\$ 1,760,860</u>	<u>\$ (484,167)</u>
Total revenues	<u>2,245,027</u>	<u>2,245,027</u>	<u>1,760,860</u>	<u>(484,167)</u>
Expenditures				
Current				
Community service	<u>2,245,027</u>	<u>2,245,027</u>	<u>2,027,510</u>	<u>217,517</u>
Total expenditures	<u>2,245,027</u>	<u>2,245,027</u>	<u>2,027,510</u>	<u>217,517</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (266,650)</u>	<u>\$ (266,650)</u>

Fayette County Board of Education

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

For the year ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance
Revenues				
Local and other funds	\$ 50,000	\$ 50,000	\$ 42,064	\$ (7,936)
Total revenues	50,000	50,000	42,064	(7,936)
Expenditures				
Current				
Improvement of instructional services	-	-	6,276	(6,276)
Community service	50,000	50,000	36,114	13,886
Total expenditures	50,000	50,000	42,390	7,610
Net change in fund balances	\$ -	\$ -	\$ (326)	\$ (326)

Fayette County Board of Education

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

For the year ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues				
Local and other funds	\$ 45,000	\$ 45,000	\$ 35,421	\$ (9,579)
Total revenues	<u>45,000</u>	<u>45,000</u>	<u>35,421</u>	<u>(9,579)</u>
Expenditures				
Current				
Community service	<u>45,000</u>	<u>45,000</u>	<u>40,998</u>	<u>4,002</u>
Total expenditures	<u>45,000</u>	<u>45,000</u>	<u>40,998</u>	<u>4,002</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (5,577)</u>	<u>\$ (5,577)</u>

Fayette County Board of Education

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

For the year ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues				
Local and other funds	\$ 1,600,000	\$ 1,600,000	\$ 1,300,284	\$ (299,716)
Total revenues	<u>1,600,000</u>	<u>1,600,000</u>	<u>1,300,284</u>	<u>(299,716)</u>
Expenditures				
Current				
Instruction	800,000	800,000	626,478	173,522
Support services				
Educational media services	80,000	80,000	62,648	17,352
School administration	320,000	320,000	250,591	69,409
Maintenance and operation of facilities	80,000	80,000	62,648	17,352
Student transportation services	80,000	80,000	62,648	17,352
Community service	<u>240,000</u>	<u>240,000</u>	<u>187,943</u>	<u>52,057</u>
Total expenditures	<u>1,600,000</u>	<u>1,600,000</u>	<u>1,252,956</u>	<u>347,044</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 47,328</u>	<u>\$ 47,328</u>

Fayette County Board of Education

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

For the year ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues				
Local and other funds	\$ 6,430,000	\$ 6,430,000	\$ 7,091,750	\$ 661,750
Total revenues	<u>6,430,000</u>	<u>6,430,000</u>	<u>7,091,750</u>	<u>661,750</u>
Expenditures				
Debt services				
Principal retirement	5,590,000	5,590,000	5,590,000	-
Interest and fees	<u>2,260,557</u>	<u>948,057</u>	<u>944,132</u>	<u>3,925</u>
Total expenditures	<u>7,850,557</u>	<u>6,538,057</u>	<u>6,534,132</u>	<u>3,925</u>
Excess (deficiency) of revenues over (under) expenditures	(1,420,557)	(108,057)	557,618	665,675
Other financing sources				
Transfers in	<u>1,312,500</u>	-	-	-
Total other financing sources	<u>1,312,500</u>	-	-	-
Net change in fund balances	<u>\$ (108,057)</u>	<u>\$ (108,057)</u>	<u>\$ 557,618</u>	<u>\$ 665,675</u>

Fayette County Board of Education

AGENCY FUNDS

Agency funds are used to accumulate assets held by the School System in a trustee capacity.

Club and Class Funds – To account for monies collected at the schools in connection with student athletic, class and club activities.

Fayette County Board of Education

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND

For the year ended June 30, 2020

	<u>Balance Beginning of Year</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance End of Year</u>
ASSETS				
Cash	\$ <u>1,757,673</u>	\$ <u>4,109,310</u>	\$ <u>4,063,989</u>	\$ <u>1,802,994</u>
LIABILITIES				
Due to student groups	\$ <u>1,757,673</u>	\$ <u>4,109,310</u>	\$ <u>4,063,989</u>	\$ <u>1,802,994</u>



Where Excellence and Creativity Merge

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ADDITIONAL FINANCIAL INFORMATION

FAYETTE COUNTY BOARD OF EDUCATION

SCHEDULE OF EXPENDITURES OF
SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS - 2008 ISSUE
FOR THE YEAR ENDED JUNE 30, 2020

<u>Project</u>	<u>Original Estimated Cost</u>	<u>Current Estimated Cost</u>	<u>Prior Years' Expenditures</u>	<u>Current Year's Expenditures</u>
Debt service payments on bonded debt (Series 1999, 2001 and 2005)	\$ 38,000,000	\$ 25,461,911	\$ 25,461,911	\$ -
Additions, renovations, repairs, improvements and equipment for existing school buildings and school system facilities	17,000,000	32,719,952	32,358,387	361,565
Acquisition of miscellaneous new equipment, fixtures and furnishings the school system, including technology infrastructure, equipment and software, safety and security equipment	47,500,000	46,937,447	46,506,786	430,661
Acquisition of textbooks	2,500,000	6,111,906	6,111,906	-
Acquisition of school buses and transportation and maintenance equipment	<u>10,000,000</u>	<u>11,797,132</u>	<u>11,797,132</u>	<u>-</u>
	<u>\$ 115,000,000</u>	<u>\$ 123,028,348</u>	<u>\$ 122,236,122</u>	<u>\$ 792,226</u>

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

FAYETTE COUNTY BOARD OF EDUCATION

**SCHEDULE OF EXPENDITURES OF
SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS - 2012 ISSUE
FOR THE YEAR ENDED JUNE 30, 2020**

<u>Project</u>	<u>Original Estimated Cost</u>	<u>Current Estimated Cost</u>	<u>Prior Years' Expenditures</u>	<u>Current Year's Expenditures</u>
Debt service payments on previously issued bonded debt	\$ 10,000,000	\$ -	\$ -	\$ -
Additions, renovations, repairs, improvements and equipment for existing school buildings and school system facilities	35,000,000	90,000,000	68,464,020	11,170,919
Acquisition of miscellaneous new equipment, fixtures and furnishings for the school system, including technology infrastructure, equipment and software, safety and security equipment	42,000,000	37,700,000	31,047,914	5,982,653
Acquisition of textbooks and instructional materials	10,000,000	10,000,000	8,725,080	204,788
Acquisition of school buses and transportation and maintenance equipment	<u>10,000,000</u>	<u>10,000,000</u>	<u>6,975,669</u>	<u>1,913,048</u>
	<u>\$ 107,000,000</u>	<u>\$ 147,700,000</u>	<u>\$ 115,212,683</u>	<u>\$ 19,271,408</u>

NOTE: \$2,500,000 was transferred out of the 2012 Issue (SPLOST II) into the 2008 Issue (SPLOST I) and the 2017 Issue (SPLOST III) for like approved projects. Expenditures related to the transfer are reported in the SPLOST I and SPLOST III schedules.

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

FAYETTE COUNTY BOARD OF EDUCATION

**SCHEDULE OF EXPENDITURES OF
SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS - 2017 ISSUE
FOR THE YEAR ENDED JUNE 30, 2020**

<u>Project</u>	<u>Original Estimated Cost</u>	<u>Current Estimated Cost</u>	<u>Prior Years' Expenditures</u>	<u>Current Year's Expenditures</u>
Debt service payments on previously issued bonded debt	\$ 5,000,000	\$ 5,000,000	\$ -	\$ -
Additions, renovations, repairs, improvements and equipment for existing school buildings and school system facilities, and acquisition, construction and equipping new school buildings and school system facilities	74,000,000	84,000,000	30,758,633	12,105,248
Acquisition of miscellaneous new equipment, fixtures and furnishings for the school system, including technology infrastructure, equipment and software, safety and security equipment	50,000,000	50,000,000	-	-
Acquisition of textbooks and instructional materials	8,000,000	8,000,000	862,172	1,221,094
Acquisition of school buses and transportation and maintenance equipment	8,000,000	8,000,000	-	-
Payment of interest on general obligation debt issued related to the SPLOST referendum.	<u>-</u>	<u>31,593,504</u>	<u>1,145,568</u>	<u>1,313,575</u>
	<u>\$ 145,000,000</u>	<u>\$ 186,593,504</u>	<u>\$ 32,766,373</u>	<u>\$ 14,639,917</u>

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

FAYETTE COUNTY BOARD OF EDUCATION

SCHEDULE OF EXPENDITURES BY OBJECT
LOTTERY PROGRAM
FOR THE YEAR ENDED JUNE 30, 2020

Expenditures

Operating costs	
Salaries	\$ 1,161,993
Employee benefits	529,827
Web based subscriptions	495
Supplies and materials	3,881
Supplies and materials related to technology	1,332
Expendable equipment	14,722
Expendable computer equipment	150
Books and periodicals	<u>271</u>
Total expenditures	<u>\$ 1,712,671</u>



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STATISTICAL SECTION

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

Contents	Page
Financial Trends <i>These schedules contain trend information to help the reader understand how the School System’s financial performance and well-being have changed over time.</i>	146
Revenue Capacity <i>These schedules contain information to help the reader assess the School System’s most significant local revenue source, the property tax.</i>	155
Debt Capacity <i>These schedules present information to help the reader assess the affordability of the School System’s current level of outstanding debt and the School System’s ability to issue additional debt in the future.</i>	163
Operating Information <i>These schedules contain service and infrastructure data to help the reader understand how the information in the School System’s financial report relates to the services the School System provides and the activities it performs.</i>	168
Demographic and Economic Information <i>These schedules offer demographic and economic indications to help the reader understand the environment within which the School System’s financial activities take place.</i>	180



Where Excellence and Creativity Merge

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

	Fiscal Year			
	2020	2019	2018 (a)	2017
Governmental Activities				
Net investment in capital assets	\$ 274,883,620	\$ 257,204,103	\$ 241,976,851	\$ 228,529,060
Restricted	26,513,690	22,440,593	38,634,281	31,851,204
Unrestricted	<u>(286,199,990)</u>	<u>(274,387,632)</u>	<u>(296,315,785)</u>	<u>(132,765,628)</u>
Total governmental activities net position	<u>\$ 15,197,320</u>	<u>\$ 5,257,064</u>	<u>\$ (15,704,653)</u>	<u>\$ 127,614,636</u>

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

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

2016	2015 (b)	2014	2013	2012	2011
\$ 207,779,562	\$ 186,432,779	\$ 168,187,655	\$ 178,523,433	\$ 175,064,622	\$ 172,653,135
32,124,998	41,198,421	41,020,287	37,659,348	31,257,451	26,335,635
<u>(122,077,469)</u>	<u>(134,974,173)</u>	<u>33,633,101</u>	<u>13,941,511</u>	<u>13,339,704</u>	<u>20,608,820</u>
<u>\$ 117,827,091</u>	<u>\$ 92,657,027</u>	<u>\$ 242,841,043</u>	<u>\$ 230,124,292</u>	<u>\$ 219,661,777</u>	<u>\$ 219,597,590</u>

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

Expenses	Fiscal Year			
	2020	2019	2018	2017
Governmental Activities				
Instruction	\$ 181,874,689	\$ 161,132,453	\$ 163,610,768	\$ 153,170,007
Support Services				
Pupil services	15,079,390	14,080,968	13,114,016	12,928,329
Improvement of instructional services	7,049,918	6,000,450	5,290,805	5,391,077
Instructional staff training	1,057,895	853,772	616,771	-
Educational media services	4,043,475	3,684,678	3,633,729	3,643,719
Federal administration	408,275	365,904	348,877	207,276
General administration	1,760,578	1,478,192	1,445,888	1,367,169
School administration	16,399,329	14,454,380	14,401,931	14,197,794
Business administration	1,478,903	1,325,334	1,369,710	1,376,557
Maintenance and operation of facilities	16,866,071	15,745,710	15,148,633	14,347,021
Student transportation services	10,284,854	10,503,034	10,386,171	10,052,045
Central support services	6,734,056	6,303,585	6,324,444	5,734,947
Other support services	205,613	232,354	244,308	318,883
Community services	2,653,079	2,595,096	2,653,207	2,577,257
Food services	7,559,725	7,850,877	7,870,165	7,897,792
Interest expense	2,084,618	2,149,912	2,024,416	1,719,075
Total governmental activities expenses	\$ 275,540,468	\$ 248,756,699	\$ 248,483,839	\$ 234,928,948
Program Revenues				
Charges for services				
Instruction	\$ 227,761	\$ 525,915	\$ 604,556	\$ 648,477
Support services	2,131,711	2,592,617	2,318,595	2,507,129
Food services	2,766,833	3,255,175	3,098,054	3,185,169
Operating grants and contributions	124,785,145	117,866,092	113,434,586	108,175,326
Capital grants and contributions	6,472,357	2,086,921	5,322,847	5,281,541
Total governmental activities program revenues	\$ 136,383,807	\$ 126,326,720	\$ 124,778,638	\$ 119,797,642
NET EXPENSE	\$ (139,156,661)	\$ (122,429,979)	\$ (123,705,201)	\$ (115,131,306)
General Revenues				
Governmental Activities				
Taxes:				
Property taxes	\$ 116,367,637	\$ 111,456,435	\$ 105,841,173	\$ 97,124,554
Intangible taxes	2,889,830	2,005,048	1,864,957	2,025,242
Transfer taxes	844,539	791,752	710,710	709,199
Other taxes	23,622	22,970	19,884	34,822
Sales tax, capital outlay and debt service	27,740,618	26,822,957	26,050,684	24,266,584
Interest and investment earnings	936,159	1,643,314	851,458	411,070
Gain on sale of assets	-	221,550	1,722,271	29,564
Other	294,512	427,670	289,004	317,816
Extraordinary items	-	-	-	-
Total governmental activities general revenues	\$ 149,096,917	\$ 143,391,696	\$ 137,350,141	\$ 124,918,851
Change in Net Position	\$ 9,940,256	\$ 20,961,717	\$ 13,644,940	\$ 9,787,545

	2016	2015	2014	2013	2012	2011
\$	133,734,324	\$ 126,035,930	\$ 123,283,652	\$ 126,989,501	\$ 138,166,002	\$ 140,677,264
	9,528,601	8,982,470	8,940,118	9,446,688	9,361,037	9,331,883
	4,887,298	4,233,092	3,919,268	4,059,005	4,396,525	4,229,846
	-	-	-	-	-	-
	3,717,116	3,031,063	3,078,138	3,435,491	3,714,750	3,757,201
	194,211	-	-	-	-	-
	1,609,711	1,664,955	1,778,299	1,676,637	1,328,258	1,192,086
	12,895,687	11,092,787	11,570,184	12,982,540	13,925,349	13,192,469
	986,533	865,120	872,724	1,067,217	937,222	1,139,105
	13,786,812	13,133,822	12,683,045	13,854,947	16,157,767	16,161,495
	9,112,882	8,620,521	8,820,745	8,687,580	9,031,403	8,073,549
	4,489,646	3,658,754	2,830,478	2,700,778	3,402,613	4,140,542
	434,780	225,350	491,443	276,311	303,373	290,337
	2,352,200	2,292,410	2,137,412	2,311,865	2,385,232	2,194,891
	7,386,296	7,090,152	7,495,355	7,534,165	8,078,108	7,925,808
	1,920,806	2,242,423	3,154,736	3,466,114	3,898,053	4,557,031
\$	<u>207,036,903</u>	<u>193,340,443</u>	<u>191,055,597</u>	<u>198,488,839</u>	<u>215,085,692</u>	<u>216,863,507</u>
\$	398,758	\$ 390,482	\$ 391,846	\$ 365,145	\$ 455,409	\$ 335,649
	2,518,716	2,399,442	2,238,940	2,141,197	2,220,197	2,181,465
	3,122,497	3,204,349	3,565,762	3,624,379	3,911,898	3,943,587
	103,718,783	98,522,267	96,557,210	94,197,669	91,800,116	102,475,842
	4,141,350	4,805,599	132,000	1,270,878	228,659	1,213,372
\$	<u>113,900,104</u>	<u>109,322,139</u>	<u>102,885,758</u>	<u>101,599,268</u>	<u>98,616,279</u>	<u>110,149,915</u>
\$	(93,136,799)	\$ (84,018,304)	\$ (88,169,839)	\$ (96,889,571)	\$ (116,469,413)	\$ (106,713,592)
\$	92,982,798	\$ 87,023,400	\$ 84,458,044	\$ 84,722,620	\$ 94,275,592	\$ 99,163,635
	1,819,958	1,533,959	1,288,192	1,813,025	1,392,564	1,331,459
	711,559	518,915	427,724	346,278	288,711	266,814
	16,965	15,647	15,611	-	-	-
	22,010,037	21,094,300	20,241,186	19,968,392	20,009,700	18,259,865
	265,945	125,297	85,588	93,786	78,268	108,504
	-	-	-	-	-	-
	499,601	485,388	420,342	671,912	488,765	486,970
	-	-	(6,050,097)	-	-	-
\$	<u>118,306,863</u>	<u>110,796,906</u>	<u>100,886,590</u>	<u>107,616,013</u>	<u>116,533,600</u>	<u>119,617,247</u>
\$	<u>25,170,064</u>	<u>26,778,602</u>	<u>12,716,751</u>	<u>10,726,442</u>	<u>64,187</u>	<u>12,903,655</u>

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

	Fiscal Year			
	2020	2019	2018	2017
General Fund				
Nonspendable	\$ 191,157	\$ 214,009	\$ 134,250	\$ 224,118
Committed	-	-	-	-
Assigned	-	-	1,162,743	-
Unassigned	26,953,749	23,832,068	23,187,383	20,381,367
Unreserved	-	-	-	-
Total General Fund	<u>\$ 27,144,906</u>	<u>\$ 24,046,077</u>	<u>\$ 24,484,376</u>	<u>\$ 20,605,485</u>
All other governmental funds				
Nonspendable	\$ 379,998	\$ 239,938	\$ 229,048	\$ 137,351
Restricted	26,946,788	22,800,924	39,145,345	32,163,566
Committed	2,794,810	2,970,331	2,684,688	2,670,041
Assigned	6,082,389	10,179,613	6,360,212	7,104,275
Total all other governmental funds	<u>\$ 36,203,985</u>	<u>\$ 36,190,806</u>	<u>\$ 48,419,293</u>	<u>\$ 42,075,233</u>

Note: Includes all governmental fund types.

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$ 140,206	\$ 4,788	\$ 4,788	\$ 4,788	\$ 30,575	\$ 38,475
-	989,886	791,710	580,481	399,052	230,102
-	-	-	-	14,197,281	16,435,948
23,171,077	26,378,632	22,751,211	14,505,398	2,190,268	9,632,929
-	-	-	-	-	-
<u>\$ 23,311,283</u>	<u>\$ 27,373,306</u>	<u>\$ 23,547,709</u>	<u>\$ 15,090,667</u>	<u>\$ 16,817,176</u>	<u>\$ 26,337,454</u>
\$ 381,893	\$ 193,570	\$ 180,376	\$ 192,252	\$ 491,954	\$ 259,836
32,473,696	42,088,724	47,746,430	41,646,462	35,325,484	30,318,985
2,446,594	3,879,580	3,620,207	3,223,019	2,630,664	2,442,754
10,637,994	1,061,510	1,062,101	1,106,021	1,523,608	1,625,873
<u>\$ 45,940,177</u>	<u>\$ 47,223,384</u>	<u>\$ 52,609,114</u>	<u>\$ 46,167,754</u>	<u>\$ 39,971,710</u>	<u>\$ 34,647,448</u>

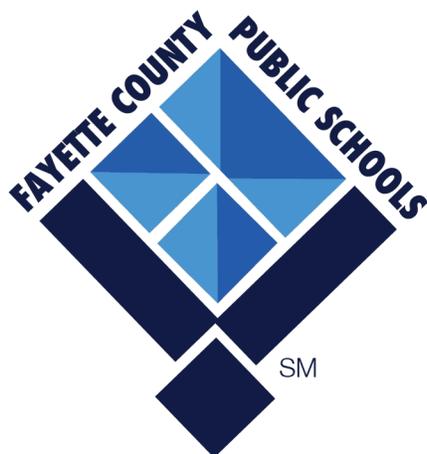
Fayette County Board of Education
Changes in Fund Balances of Governmental Funds
Last Ten Years
(modified accrual basis of accounting)
(unaudited)

	Fiscal Year			
	2020	2019	2018	2017
Revenues				
State funds	\$ 120,624,105	\$ 108,867,070	\$ 107,770,068	\$ 101,955,190
Federal funds	9,132,211	9,537,584	8,844,154	8,883,979
Local and other funds	<u>154,832,112</u>	<u>151,305,061</u>	<u>143,907,959</u>	<u>134,024,331</u>
Total revenues	<u>284,588,428</u>	<u>269,709,715</u>	<u>260,522,181</u>	<u>244,863,500</u>
Expenditures				
Current				
Instruction	158,878,344	150,618,898	143,669,255	136,608,003
Support services				
Pupil services	14,360,011	14,238,355	12,856,592	12,318,614
Improvement of instructional services	6,547,673	5,871,893	5,123,315	5,118,563
Instructional staff training	1,045,854	857,759	616,771	-
Educational media services	3,615,398	3,581,681	3,383,542	3,174,174
Federal grants administration	387,501	369,537	345,363	199,122
General administration	1,631,403	1,475,381	1,422,399	1,313,145
School administration	14,708,864	14,148,506	13,897,843	13,318,954
Business administration	1,408,512	1,358,046	1,402,529	1,341,217
Maintenance and operation of facilities	15,374,376	14,916,288	14,933,616	14,267,062
Student transportation services	7,944,968	8,332,088	8,059,463	7,857,490
Central support services	5,953,764	5,408,329	4,875,470	4,788,118
Other support services	204,220	231,027	218,711	316,797
Community service	2,581,106	2,663,613	2,608,831	2,543,418
Food services	6,874,618	7,408,398	7,108,972	7,181,540
Capital outlay	32,112,091	43,600,120	54,872,825	34,823,453
Debt Service				
Principal retirement	5,590,000	5,390,000	5,205,000	4,995,000
Interest and fees	2,257,707	2,228,142	1,467,337	1,363,572
Bond issuance cost	-	-	-	-
Total expenditures	<u>281,476,410</u>	<u>282,698,061</u>	<u>282,067,834</u>	<u>251,528,242</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,112,018</u>	<u>(12,988,346)</u>	<u>(21,545,653)</u>	<u>(6,664,742)</u>
Other financing sources (uses)				
Sale of assets	-	221,550	3,282,300	94,000
Transfers in	7,474,833	8,954,222	3,515,156	6,456,363
Transfers out	(7,473,833)	(8,954,222)	(3,515,156)	(6,456,363)
Premium (discount) on issuance of bonds	-	-	3,668,604	-
Capital lease	-	-	-	-
Issuance of bonds/ refunding bonds	-	-	25,000,000	-
Payment to refunded bond escrow agent	-	-	-	-
Total other financing sources (uses)	<u>1,000</u>	<u>221,550</u>	<u>31,950,904</u>	<u>94,000</u>
Net change in fund balances	3,113,018	(12,766,796)	10,405,251 ¹	(6,570,742)
Debt service as a percentage of noncapital expenditures	3.1%	3.2%	2.8%	2.9%

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

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

2016	2015	2014	2013	2012	2011
\$ 97,281,667	\$ 90,599,947	\$ 85,914,380	\$ 84,529,941	\$ 80,886,999	\$ 86,636,341
9,333,571	11,102,101	8,535,870	8,743,298	8,884,415	14,515,896
<u>125,892,498</u>	<u>119,121,400</u>	<u>115,419,650</u>	<u>116,232,262</u>	<u>125,728,896</u>	<u>130,272,481</u>
<u>232,507,736</u>	<u>220,823,448</u>	<u>209,869,900</u>	<u>209,505,501</u>	<u>215,500,310</u>	<u>231,424,718</u>
128,658,329	122,793,512	115,453,676	119,740,956	129,513,425	126,536,594
9,974,713	9,541,931	8,941,466	9,450,764	9,378,670	9,305,224
4,844,095	4,296,463	3,740,483	3,969,031	4,220,893	4,132,770
-	-	-	-	-	-
2,907,278	2,997,463	2,870,088	3,219,739	3,497,711	3,540,744
194,211	-	-	-	-	-
1,650,868	1,702,605	1,707,173	1,646,537	1,299,766	1,155,654
12,661,688	11,260,039	10,909,670	12,555,692	13,384,943	12,772,049
1,036,771	956,902	861,971	1,070,562	944,784	1,112,059
13,726,106	13,150,553	12,393,833	12,356,626	13,733,068	13,790,653
7,298,564	7,306,948	7,441,448	7,495,887	7,886,610	7,153,794
4,001,455	3,316,811	2,570,756	2,374,312	2,614,046	3,181,093
438,951	229,642	491,443	276,311	303,373	297,832
2,433,128	2,359,127	2,137,436	2,299,935	2,376,826	2,177,702
6,740,655	6,427,196	6,707,814	6,658,939	7,207,059	7,030,245
34,966,996	24,978,776	6,318,135	7,758,864	9,151,831	12,914,799
4,189,955	8,585,520	9,206,900	9,815,716	9,496,943	11,062,504
2,129,203	2,480,093	3,264,945	4,346,095	4,686,378	4,042,368
-	-	323,414	-	-	-
<u>237,852,966</u>	<u>222,383,581</u>	<u>195,340,651</u>	<u>205,035,966</u>	<u>219,696,326</u>	<u>220,206,084</u>
<u>(5,345,230)</u>	<u>(1,560,133)</u>	<u>14,529,249</u>	<u>4,469,535</u>	<u>(4,196,016)</u>	<u>11,218,634</u>
-	-	5,170,000	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	3,311,428
-	-	53,240,000	-	-	-
-	-	<u>(58,040,847)</u>	-	-	-
-	-	<u>369,153</u>	-	-	<u>3,311,428</u>
(5,345,230)	(1,560,133)	14,898,402	4,469,535	(4,196,016)	14,530,062
3.0%	5.5%	6.5%	7.1%	6.6%	6.9%



Where Excellence and Creativity Merge

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

MAINTENANCE AND OPERATIONS

Fiscal Year	Assessed Valued			Less:	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Values as a Percentage of Actual Value
	Real Property	Personal Property	Privately-Owned Public Utilities	Freeport Homestead Exemption				
2020	6,518,336	76,126	78,970	1,246,721	5,426,711	19.250	16,683,580	40%
2019	6,034,277	92,942	77,951	1,131,602	5,073,568	19.500	15,512,925	40%
2018	5,712,341	122,973	76,918	1,033,520	4,878,712	19.500	14,780,580	40%
2017	5,086,160	166,111	75,650	918,934	4,408,987	19.750	13,319,803	40%
2016	4,761,779	218,903	74,640	842,707	4,212,615	20.000	12,638,305	40%
2015	4,311,654	296,890	74,580	748,672	3,934,452	20.000	11,707,810	40%
2014	4,210,089	354,671	74,510	736,562	3,902,708	20.000	11,598,175	40%
2013	4,190,197	333,992	72,396	684,150	3,912,435	20.000	11,491,463	40%
2012	4,685,363	320,053	72,841	720,582	4,357,675	20.000	12,695,643	40%
2011	4,889,256	320,137	73,325	704,898	4,577,820	20.000	13,206,795	40%

DEBT SERVICE

Fiscal Year	Assessed Valued			Less:	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Values as a Percentage of Actual Value
	Real Property	Personal Property	Privately-Owned Public Utilities	Freeport Homestead Exemption				
2020	6,518,337	76,126	78,970	1,211,394	5,462,039	1.271	16,683,583	40%
2019	6,034,277	92,942	77,951	1,096,526	5,108,644	1.350	15,512,925	40%
2018	5,712,341	122,973	76,918	997,280	4,914,952	1.350	14,780,580	40%
2017	5,086,160	166,111	75,650	882,872	4,445,049	1.350	13,319,803	40%
2016	4,761,779	218,903	74,640	805,577	4,249,745	1.350	12,638,305	40%
2015	4,311,654	296,890	74,580	711,210	3,971,914	1.450	11,707,810	40%
2014	4,210,089	354,671	74,510	696,952	3,942,318	1.450	11,598,175	40%
2013	4,190,197	333,992	72,396	642,828	3,953,757	1.450	11,491,463	40%
2012	4,685,363	320,053	72,841	677,754	4,400,503	1.650	12,695,643	40%
2011	4,889,256	320,137	73,325	660,854	4,621,864	1.650	13,206,795	40%

Source: Georgia Department of Revenue

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

	School System			County			
	Operating Millage	Debt Service Millage	Total Millage	Unincorporated Operating Millage	Incorporated Operating Millage	Fire (1) District Millage	EMS (2) District Millage
2020	19.250	1.271	20.521	4.392	4.392	3.070	0.456
2019	19.500	1.350	20.850	4.392	4.392	3.070	0.456
2018	19.500	1.350	20.850	4.509	4.509	3.070	0.456
2017	19.750	1.350	21.100	4.917	4.917	3.070	0.456
2016	20.000	1.350	21.350	5.171	5.171	3.070	0.456
2015	20.000	1.450	21.450	5.602	5.602	3.070	0.456
2014	20.000	1.450	21.450	5.714	5.714	3.070	0.456
2013	20.000	1.450	21.450	5.645	5.645	3.030	0.450
2012	20.000	1.650	21.650	5.645	5.645	2.500	0.450
2011	20.000	1.650	21.650	7.391	5.400	1.991	0.548

Source: Georgia Department of Revenue

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

Overlapping Governments

E911 (3) District Millage	City of Fayetteville Millage	City of Tyrone Millage	City of Brooks Millage	City of Peachtree City Millage	City of Peachtree City Debt Service	State Millage
0.210	5.646	2.889	0.627	6.232	-	-
0.210	5.646	2.889	0.680	6.232	0.176	-
0.210	3.874	2.889	0.723	6.232	0.027	-
0.210	3.874	2.889	0.799	6.756	0.309	-
0.210	3.874	2.889	0.840	6.756	0.314	0.050
0.210	3.874	2.889	0.899	6.756	0.332	0.100
0.210	3.926	2.889	0.940	6.756	0.332	0.150
0.207	3.882	2.889	0.929	6.756	0.422	0.200
0.207	3.441	2.889	0.816	6.384	0.399	0.250
-	3.240	2.889	0.789	6.384	0.399	0.250

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

Fiscal Year	M&O Tax Levy	Debt Service Tax Levy	Total Tax Levy for the Fiscal Year	Collected within the Fiscal Year of the Levy	
				Amount	Percentage of Levy
2020	\$ 104,464,193	\$ 6,942,252	\$ 111,406,445	\$ 107,806,827	96.8%
2019	98,934,582	6,896,670	105,831,252	103,295,147	97.6%
2018	95,134,893	6,635,186	101,770,079	98,521,451	96.8%
2017	87,077,498	6,000,817	93,078,315	91,457,612	98.3%
2016	84,252,308	5,737,156	89,989,464	87,682,320	97.4%
2015	78,689,039	5,759,275	84,448,314	83,020,297	98.3%
2014	78,054,155	5,716,361	83,770,516	82,759,692	98.8%
2013	78,248,691	5,732,947	83,981,638	82,879,529	98.7%
2012	87,153,494	7,260,829	94,414,323	91,614,015	97.0%
2011	89,949,880	7,493,511	97,443,391	95,253,547	97.8%

Source: As reported by the Fayette County Tax Commissioner

Note Tax levy includes levy on motor vehicles.

Collections in Subsequent Years	Total Collections to Date	
	Amount	Percentage of Levy
-	107,806,827	96.8%
552,985	103,848,132	98.1%
667,000	99,188,451	97.5%
621,515	92,079,127	98.9%
839,435	88,521,755	98.4%
789,835	83,810,132	99.2%
1,010,824	83,770,516	100.0%
1,102,109	83,981,638	100.0%
2,730,202	94,344,217	99.9%
2,090,640	97,344,187	99.9%

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

Fiscal Year	Property Tax	Auto Title/ Ad Valorem	Intangible Tax	Transfer Tax	Special Purpose Local Option Sales Tax
2020	\$ 107,729,523	\$ 8,638,114	\$ 2,889,831	\$ 844,539	\$ 26,784,214
2019	102,409,517	9,046,918	2,005,048	791,752	26,822,957
2018	97,054,882	8,786,291	1,864,957	710,710	26,050,684
2017	88,579,167	8,545,387	2,025,242	709,199	24,266,584
2016	84,025,850	8,956,949	1,819,958	711,558	22,010,037
2015	77,946,865	9,076,535	1,533,959	518,915	21,094,300
2014	75,056,047	9,401,997	1,288,192	427,724	20,241,186
2013	76,450,608	8,272,012	1,813,025	346,278	19,968,392
2012	86,806,456	7,469,136	1,392,564	273,132	20,009,700
2011	91,741,352	7,422,283	1,331,459	266,814	18,259,865

Other Taxes	Total
\$ 23,622	\$ 146,909,843
22,970	141,099,162
19,884	134,487,408
34,822	124,160,401
16,965	117,541,317
15,647	110,186,221
15,611	106,430,757
-	106,850,315
15,579	115,966,567
-	119,021,773

**Fayette County Board of Education
Principal Taxpayers (Top Ten)
June 30, 2020 and Nine Years Ago**

Taxpayer	FY 2020 Assessed Valuation	Rank	Percentage of Total Assessed Valuation	FY 2011 Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Wencor LLC	\$ 32,395,476	1	0.49%			
Sany America Inc.	23,767,434	2	0.36%			
Walmart Stores Inc.	21,131,864	3	0.32%			
Brent Scarbrough & Co. Inc.	20,948,846	4	0.31%			
Georgia Power Company	19,254,082	5	0.29%	10,710,014	8	0.22%
Pinewood Atlanta LLC	18,522,253	6	0.28%			
GlaxoSmithKline LLC	17,119,356	7	0.26%			
Hoshizaki America Inc.	16,490,173	8	0.25%	11,742,161	7	0.24%
Coweta Fayette EMC	16,462,716	9	0.25%	25,541,145	3	0.52%
Camden Summit Parntership LP	14,918,880	10	0.22%			
NCR Corporation				34,221,404	1	0.70%
DDRTC Fayette Pavilion I & II				28,788,204	2	0.59%
DDRTC Fayette Pavilion III & IV				17,259,208	4	0.35%
BellSouth				12,856,188	5	0.26%
Atlanta Gas Light				11,925,199	6	0.24%
Summit Properties Partnerships				9,865,200	9	0.20%
CP Venture Five -APC LLC				8,863,560	10	0.18%
Other Taxpayers	<u>6,472,421,842</u>		<u>96.99%</u>	<u>4,717,483,717</u>		<u>96.49%</u>
	<u>\$ 6,673,432,922</u>		<u>100.00%</u>	<u>\$ 4,889,256,000</u>		<u>100.00%</u>

Source: Fayette County Tax Commissioner

Note: Amounts for FY 2020 relate to tax year 2019.

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

	Governmental Activities			Total Primary Government	Percentage of Personal Income (2)	Per Capita (3)
	General Obligation Bonds (1)	Certificates of Participation	Capital Leases			
2020	\$ 59,082,753	\$ -	\$ -	\$ 59,082,753	NA	NA
2019	65,248,220	-	-	65,248,220	0.85%	570.25
2018	71,213,687	-	-	71,213,687	0.96%	629.20
2017	47,869,972	-	-	47,869,972	0.70%	425.31
2016	52,908,467	-	-	52,908,467	0.81%	475.72
2015	57,160,274	-	-	57,160,274	0.93%	518.97
2014	65,805,944	-	-	65,805,944	1.14%	602.62
2013	66,463,730	455,000	763,755	67,682,485	1.25%	626.38
2012	74,031,558	890,000	2,860,622	77,782,180	1.45%	724.80
2011	81,352,277	1,300,000	4,910,785	87,563,062	1.71%	817.16

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

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

(2) Personal income data can be found in the Schedule of Demographic and Economic Statistics on page 180.

(3) Population data can be found in the Schedule of Demographic and Economic Statistics on page 180.

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

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

Fiscal Year	General Obligation Bonds (1)	Less: Amounts Available in Debt Service Fund (2)	Total	Percentage of Estimated Actual Taxable Value of Property (3)	Per Capita (4)
2020	\$ 59,082,753	\$ 1,059,156	\$ 58,023,597	0.35%	NA
2019	65,248,220	447,501	64,800,719	0.42%	566.34
2018	71,213,687	-	71,213,687	0.48%	629.20
2017	47,869,972	-	47,869,972	0.36%	425.31
2016	52,908,467	56,038	52,852,429	0.42%	475.21
2015	57,160,274	-	57,160,274	0.49%	518.97
2014	65,805,944	2,001,775	63,804,169	0.55%	584.29
2013	66,463,730	-	66,463,730	0.58%	615.10
2012	74,031,558	-	74,031,558	0.58%	689.85
2011	81,352,277	-	81,352,277	0.62%	759.19

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

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

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

(3) See the Schedule of Assessed and Estimated Actual Value of Taxable Property on page 155 for property tax data.

(4) Population data can be found in the Schedule of Demographic and Economic Statistics on page 180.

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

**Fayette County Board of Education
Direct and Overlapping Governmental Activities Debt
As of June 30, 2020**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable (1)</u>	<u>Estimated Share of Overlapping Debt</u>
Peachtree City	\$ 2,499,510	100%	\$ 2,499,510
Fayette County	26,569,310	100%	<u>26,569,309</u>
Total Overlapping Debt			29,068,819
Fayette County Board of Education, direct debt			<u>59,082,753</u>
Total Direct and Overlapping Debt			<u><u>\$ 88,151,572</u></u>

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

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

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

Legal Debt Margin Calculation for Fiscal Year 2020

Assessed value 2019 tax digest	\$ 5,462,039,312
Limit of bonded indebtedness, 10% of net assessed taxable property value	546,203,931
Amount of debt applicable to the debt limit General obligation bonds, net of original issuance discounts and premiums	<u>59,082,753</u>
Legal Debt Margin	<u><u>\$ 487,121,178</u></u>

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Debt limit	\$ 546,203,931	\$ 510,864,430	\$ 491,495,247
Total debt applicable to limit	<u>59,082,753</u>	<u>65,248,220</u>	<u>71,213,687</u>
Legal debt margin	<u><u>\$ 487,121,178</u></u>	<u><u>\$ 445,616,210</u></u>	<u><u>\$ 420,281,569</u></u>

Total debt applicable as a percentage of debt limit	10.8%	12.8%	14.5%
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Note: Under the Constitution of the State of Georgia, the School System may not incur long-term debt in excess of ten percent of the assessed value of all taxable property within the district.

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$ 444,504,926	\$ 424,974,542	\$ 397,191,396	\$ 394,231,773	\$ 395,375,655	\$ 440,050,269	\$ 462,186,375
<u>47,869,972</u>	<u>52,908,467</u>	<u>57,160,274</u>	<u>65,805,944</u>	<u>66,918,730</u>	<u>74,921,558</u>	<u>82,652,277</u>
<u>\$ 396,634,954</u>	<u>\$ 372,066,075</u>	<u>\$ 340,031,122</u>	<u>\$ 328,425,829</u>	<u>\$ 328,456,925</u>	<u>\$ 365,128,711</u>	<u>\$ 379,534,098</u>
10.8%	12.4%	14.4%	16.7%	16.9%	17.0%	17.9%

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

<u>Fiscal Year</u>	<u>General Fund Expenditures</u>	<u>Student Enrollment</u>	<u>Cost Per Pupil</u>	<u>Percentage Change</u>	<u>Teaching Staff</u>	<u>Pupil/Teacher Ratio</u>
2020	\$ 221,675,895	20,613	\$ 10,754.18	5.0%	1,513	13.47
2019	208,723,090	20,377	10,243.07	4.0%	1,484	13.60
2018	198,752,997	20,177	9,850.47	4.1%	1,454	13.83
2017	190,150,915	20,104	9,458.36	7.3%	1,438	14.07
2016	178,395,251	20,238	8,814.87	6.6%	1,410	14.36
2015	167,402,295	20,242	8,270.05	6.0%	1,327	15.25
2014	158,003,155	20,243	7,805.32	-5.4%	1,304	15.58
2013	167,709,003	20,318	8,254.21	-5.6%	1,423	14.41
2012	179,379,327	20,506	8,747.65	5.7%	1,483	14.24
2011	174,862,115	21,120	8,279.46	3.3%	1,483	14.62

Source: School System records

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

<u>Fiscal Year</u>	<u>Minimum Salary</u>	<u>Maximum Salary</u>	<u>Statewide Base</u>
2020	\$ 41,147	\$ 91,308	\$ 37,092
2019	38,147	88,308	34,092
2018	38,147	88,308	34,092
2017	37,399	86,576	33,424
2016	36,309	84,054	33,424
2015	35,597	82,405	33,424
2014	34,723	80,383	33,424
2013	(a) 33,809	78,267	33,424
2012	34,723	80,383	33,424
2011	34,723	80,383	33,424

Source: School System records

(a) Reflects a reduced work year of 185 days

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

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Elementary				
Braclinn (1989)				
Square feet	73,986	73,986	73,986	73,986
Capacity	675	675	675	675
Enrollment	551	529	552	529
Brooks (1962) ⁽¹⁾				
Square feet	60,413	60,413	60,413	60,413
Capacity	-	-	-	-
Enrollment	-	-	-	-
Robert J. Burch (1989)				
Square feet	73,146	73,146	73,146	73,146
Capacity	675	675	675	675
Enrollment	605	586	568	530
Crabapple Lane (2004)				
Square feet	94,179	94,179	94,179	94,816
Capacity	800	800	800	800
Enrollment	653	614	621	619
Fayetteville Intermediate (1974) ⁽¹⁾				
Square feet	67,482	67,482	67,482	67,482
Capacity	-	-	-	-
Enrollment	-	-	-	-
Fayetteville/Hood Avenue (1970) ⁽²⁾				
Square feet	73,176	73,176	73,176	73,176
Capacity	575	575	575	575
Enrollment	484	468	466	482
Huddleston (1979)				
Square feet	79,694	79,694	79,694	79,694
Capacity	625	625	625	625
Enrollment	624	612	601	627
Inman (2009)				
Square feet	86,172	86,172	86,172	86,172
Capacity	663	663	663	663
Enrollment	659	690	648	652

Note (1): School facility closed as of school year 2013-2014.

Note (2): As of school year 2013-2014, Hood Avenue transitioned from a K-2 school to a K-5 school and the Board of Education renamed the building to Fayetteville Elementary School

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

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

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
73,986	73,986	73,986	73,986	73,986	73,986
675	675	675	675	675	675
547	549	542	443	471	493
60,413	60,413	60,413	60,413	60,413	60,413
-	-	-	525	525	525
-	-	-	243	298	307
73,146	73,146	73,146	73,146	73,146	73,146
675	675	675	675	675	675
548	583	531	557	576	634
94,816	94,816	94,816	94,816	94,816	94,816
800	800	800	800	800	800
652	637	637	536	508	535
67,482	67,482	67,482	67,482	67,482	67,482
-	-	-	550	550	550
-	-	-	395	389	421
73,176	73,176	73,176	73,176	73,176	73,176
575	575	575	575	575	575
465	483	590	370	365	394
79,694	79,694	79,694	79,694	79,694	79,694
625	625	625	625	625	625
627	634	645	590	562	565
86,172	86,172	86,172	86,172	86,172	86,172
663	663	663	663	663	663
626	585	512	467	490	507

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

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Elementary - continued				
Kedron (1995)				
Square feet	87,734	87,734	87,734	87,734
Capacity	725	725	725	725
Enrollment	681	679	627	597
Cleveland (2003)				
Square feet	94,179	94,179	94,179	94,179
Capacity	800	800	800	800
Enrollment	488	507	450	487
S. H. Minter (2003)				
Square feet	94,179	94,179	94,179	94,179
Capacity	800	800	800	800
Enrollment	780	779	742	726
North Fayette (1980)				
Square feet	78,174	78,174	78,174	78,174
Capacity	750	750	750	750
Enrollment	660	638	625	618
Oak Grove (1986)				
Square feet	71,040	71,040	71,040	71,040
Capacity	725	725	725	725
Enrollment	544	529	534	501
Peachtree City (1968)				
Square feet	80,945	80,945	80,945	80,945
Capacity	625	625	625	625
Enrollment	503	490	486	511
Peoples (1998)				
Square feet	94,655	94,655	94,655	94,655
Capacity	800	800	800	800
Enrollment	779	756	725	721
Spring Hill (1996)				
Square feet	94,655	94,655	94,655	94,655
Capacity	800	800	800	800
Enrollment	713	712	718	700
Tyrone (1980) ⁽¹⁾				
Square feet	59,580	59,580	59,580	59,580
Capacity	-	-	-	-
Enrollment	-	-	-	-
Middle				
Fayette (1986) ⁽¹⁾				
Square feet	135,649	135,649	135,649	135,649
Capacity	-	-	-	-
Enrollment	-	-	-	-

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
87,734	87,734	87,734	87,734	87,734	87,734
725	725	725	725	725	725
593	573	582	518	560	586
94,179	94,179	94,179	94,179	94,179	94,179
800	800	800	800	800	800
502	545	538	547	523	542
94,179	94,179	94,179	94,179	94,179	94,179
800	800	800	800	800	800
743	765	772	599	593	593
75,785	75,785	75,785	75,785	75,785	75,785
750	750	750	750	750	750
628	597	574	478	478	458
71,040	71,040	71,040	71,040	71,040	71,040
725	725	725	725	725	725
464	464	497	556	521	514
62,732	62,732	62,732	62,732	62,732	62,732
525	525	525	525	525	525
494	526	523	509	509	490
94,655	94,655	94,655	94,655	94,655	94,655
800	800	800	800	800	800
682	648	657	589	618	669
94,655	94,655	94,655	94,655	94,655	94,655
800	800	800	800	800	800
741	712	598	497	512	518
59,580	59,580	59,580	59,580	59,580	59,580
-	-	-	450	450	450
-	-	-	337	344	346
135,649	135,649	135,649	135,649	135,649	135,649
-	-	-	1,125	1,125	1,125
-	-	-	696	720	751

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

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Middle continued				
Bennett's Mill (2008)				
Square feet	158,653	158,653	158,653	158,653
Capacity	1,475	1,475	1,475	1,475
Enrollment	985	980	1,000	929
J. C. Booth (1979)				
Square feet	139,581	139,581	139,581	139,581
Capacity	1,175	1,175	1,175	1,175
Enrollment	1,190	1,194	1,205	1,191
Flat Rock (1989)				
Square feet	137,879	137,879	137,879	137,879
Capacity	1,012	1,012	1,012	1,012
Enrollment	805	803	791	783
Rising Starr (1996)				
Square feet	156,846	156,846	156,846	156,846
Capacity	1,175	1,175	1,175	1,175
Enrollment	986	966	906	933
Whitewater (1989)				
Square feet	137,879	137,879	137,879	137,879
Capacity	1,050	1,050	1,050	1,050
Enrollment	916	871	897	906
High				
Fayette County (1998)				
Square feet	293,238	293,238	293,238	259,536
Capacity	1,725	1,725	1,725	1,725
Enrollment	1,288	1,299	1,297	1,271
McIntosh (1981)				
Square feet	301,328	273,809	273,809	273,809
Capacity	1,900	1,625	1,625	1,625
Enrollment	1,658	1,674	1,654	1,618
Sandy Creek (1990)				
Square feet	248,280	248,280	248,280	248,280
Capacity	1,475	1,475	1,475	1,475
Enrollment	1,143	1,099	1,093	1,163
Starr's Mill (1998)				
Square feet	231,796	231,796	231,796	231,796
Capacity	1,650	1,650	1,650	1,650
Enrollment	1,357	1,376	1,382	1,416
Whitewater (2004)				
Square feet	279,822	279,822	279,822	279,822
Capacity	1,475	1,475	1,475	1,475
Enrollment	1,386	1,382	1,428	1,412

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
158,653	158,653	158,653	158,653	158,653	158,653
1,475	1,475	1,475	1,475	1,475	1,475
970	984	984	594	598	607
139,581	139,581	139,581	139,581	139,581	139,581
1,175	1,175	1,175	1,175	1,175	1,175
1,216	1,209	1,201	1,052	1,025	1,021
137,879	137,879	137,879	137,879	137,879	137,879
1,012	1,012	1,012	1,012	1,012	1,012
721	753	820	854	824	839
156,846	156,846	156,846	156,846	156,846	156,846
1,175	1,175	1,175	1,175	1,175	1,175
973	976	965	1,035	1,039	1,039
137,879	137,879	137,879	137,879	137,879	137,879
1,050	1,050	1,050	1,050	1,050	1,050
938	955	981	739	817	818
259,536	259,536	259,536	259,536	259,536	259,536
1,725	1,725	1,725	1,725	1,725	1,725
1,288	1,302	1,236	1,255	1,280	1,360
273,809	273,809	270,793	270,793	270,793	270,793
1,625	1,625	1,625	1,625	1,625	1,625
1,630	1,600	1,640	1,587	1,578	1,636
248,280	248,280	248,280	248,280	248,280	248,280
1,475	1,475	1,475	1,475	1,475	1,475
1,175	1,149	1,160	1,167	1,157	1,178
231,796	231,796	231,796	231,796	231,796	231,796
1,650	1,650	1,650	1,650	1,650	1,650
1,387	1,385	1,472	1,500	1,480	1,555
279,822	279,822	279,822	279,822	279,822	279,822
1,475	1,475	1,475	1,475	1,475	1,475
1,404	1,415	1,369	1,380	1,453	1,533

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

Position	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Administrators	106	107	104	101
Teachers	1,513	1,484	1,454	1,438
Media	24	24	24	24
Counselors	53	53	50	50
Clerical	130	128	134	132
Paraprofessionals	357	340	323	322
Custodians	132	131	131	131
Lunchroom	110	116	122	122
Other Areas*	<u>353</u>	<u>355</u>	<u>347</u>	<u>363</u>
 Total employees	 <u><u>2,778</u></u>	 <u><u>2,738</u></u>	 <u><u>2,689</u></u>	 <u><u>2,683</u></u>

Source: School System records

Note: Employee data does not include substitute teachers and is based on fulltime equivalent employment.

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
105	92	91	103	101	100
1,410	1,327	1,304	1,423	1,483	1,483
24	24	24	28	28	28
49	48	47	57	58	58
132	133	128	152	156	157
307	270	211	303	296	320
131	130	132	152	171	171
122	157	157	157	178	178
<u>327</u>	<u>386</u>	<u>395</u>	<u>419</u>	<u>432</u>	<u>420</u>
<u><u>2,607</u></u>	<u><u>2,567</u></u>	<u><u>2,489</u></u>	<u><u>2,794</u></u>	<u><u>2,903</u></u>	<u><u>2,915</u></u>

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

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Lunch Meals Served				
Free	438,854	518,405	517,218	536,863
Reduced	104,358	123,609	111,098	118,922
Paid	617,928	785,270	723,689	769,069
Total	<u>1,161,140</u>	<u>1,427,284</u>	<u>1,352,005</u>	<u>1,424,854</u>
Daily Average	8,258	8,052	7,889	7,976
Student Price	\$2.75 - \$2.90	\$2.75 - \$2.90	\$2.75 - \$2.90	\$2.65 - \$2.75
Breakfast Meals Served				
Free	174,063	151,444	144,544	147,136
Reduced	24,847	26,594	22,247	23,274
Paid	51,174	57,169	47,849	51,415
Total	<u>250,084</u>	<u>235,207</u>	<u>214,640</u>	<u>221,825</u>
Daily Average	1,394	1,343	1,264	1,247
Student Price	\$1.60	\$1.60	\$1.60	\$1.45 - \$1.50
Total Meals Served				
Free	612,917	669,849	661,762	683,999
Reduced	129,205	150,203	133,345	142,196
Paid	669,102	842,439	771,538	820,484
Total	<u>1,411,224</u>	<u>1,662,491</u>	<u>1,566,645</u>	<u>1,646,679</u>
Daily Average	9,652	9,395	9,153	9,223

Source: School System records

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
592,273	582,919	551,946	541,183	561,152	544,183
120,370	116,582	111,599	112,478	116,127	102,357
<u>775,991</u>	<u>824,822</u>	<u>755,131</u>	<u>802,143</u>	<u>920,006</u>	<u>975,988</u>
<u><u>1,488,634</u></u>	<u><u>1,524,323</u></u>	<u><u>1,418,676</u></u>	<u><u>1,455,804</u></u>	<u><u>1,597,285</u></u>	<u><u>1,622,528</u></u>
8,325	8,544	8,260	8,262	8,899	9,150
\$2.55 - \$2.65	\$2.45 - \$2.55	\$2.35 - \$2.45	\$2.25 - \$2.35	\$2.15 - \$2.35	\$2.10 - \$2.25
167,262	157,122	148,968	133,860	116,773	112,236
21,664	19,523	17,617	18,599	15,550	14,370
<u>48,388</u>	<u>44,331</u>	<u>40,650</u>	<u>36,800</u>	<u>29,779</u>	<u>33,602</u>
<u><u>237,314</u></u>	<u><u>220,976</u></u>	<u><u>207,235</u></u>	<u><u>189,259</u></u>	<u><u>162,102</u></u>	<u><u>160,208</u></u>
1,345	1,260	1,231	1,101	923	932
\$1.45 - \$1.50	\$1.45 - \$1.50	\$1.45 - \$1.50	\$1.45 - \$1.50	\$1.35 - \$1.45	\$1.35 - \$1.45
759,535	740,041	700,914	675,043	677,925	656,419
142,034	136,105	129,216	131,077	131,677	116,727
<u>824,379</u>	<u>869,153</u>	<u>795,781</u>	<u>838,943</u>	<u>949,785</u>	<u>1,009,590</u>
<u><u>1,725,948</u></u>	<u><u>1,745,299</u></u>	<u><u>1,625,911</u></u>	<u><u>1,645,063</u></u>	<u><u>1,759,387</u></u>	<u><u>1,782,736</u></u>
9,670	9,804	9,491	9,363	9,822	10,082

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

<u>Fiscal Year</u>	<u>Estimated Population ⁽¹⁾</u>	<u>Personal Income (in \$1,000) ⁽¹⁾</u>	<u>Per Capita Personal Income ⁽¹⁾</u>	<u>School Enrollment</u>	<u>Unemployment Rate ⁽²⁾</u>
2020	NA	NA	NA	20,613	7.1%
2019	114,421	7,719,618	67,467	20,377	3.4%
2018	113,181	7,416,262	65,526	20,177	3.9%
2017	112,553	6,878,529	61,114	20,104	4.4%
2016	111,218	6,510,129	58,535	20,238	5.2%
2015	110,141	6,152,211	55,858	20,242	5.7%
2014	109,199	5,796,456	53,082	20,243	6.6%
2013	108,054	5,415,793	50,121	20,318	7.5%
2012	107,315	5,360,984	49,956	20,506	8.2%
2011	107,156	5,121,968	47,799	21,120	8.6%

Source ⁽¹⁾ Bureau of Economic Analysis, U.S. Department of Commerce, Table CAINC 1, updated November 17, 2020, with new statistics for 2019 and revised statistics for years 2011-2018.

⁽²⁾ Bureau of Labor Statistics, U.S. Department of Labor, for June of each year, updated with data extracted from BLS website on November 18, 2020.

NA Data not available.

**Fayette County Board of Education
Major Employers
June 30, 2019 and Nine Years Ago**

<u>Employer</u>	<u>2020</u>			<u>2011</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of County Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of County Employment</u>
Piedmont Fayette Hospital	2,000	1	3.45%	1,435	1	3.14%
Panasonic Automotive Systems	800	2	1.38%	460	5	1.01%
Cooper Lighting	650	3	1.12%	550	3	1.20%
Hoshizaki America Inc	570	4	0.98%	500	4	1.09%
Walmart SuperCenter	427	5	0.74%			
Walmart	400	5	0.69%			
Cornerstone Building Brands Inc.	250	7	0.43%			
Gerresheimer Peachtree City LP	250	7	0.43%			
Condor Health Lafayette	210	9	0.36%			
Publix	200	10	0.35%			
NCR				850	2	1.86%
World Airways				275	6	0.60%
APAC -Georgia				200	7	0.44%
FAA Tracon				190	8	0.42%
Alenco, Inc				181	9	0.40%
Avery Dennison				180	10	0.39%
Total	<u>5,757</u>		<u>9.93%</u>	<u>4,821</u>		<u>10.55%</u>

Source: Fayette County



Where Excellence and Creativity Merge

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