

**GEORGIA SHERIFFS' YOUTH HOMES, INC.**

**MADISON, GEORGIA**

**REPORT ON AUDIT OF FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2024**

GEORGIA SHERIFFS' YOUTH HOMES, INC.

TABLE OF CONTENTS

	<u>PAGE</u>
Independent Auditor's Report	1-3
Statement of Financial Position	4
Statement of Activities	5
Combined Statement of Functional Expenses	6
Statement of Cash Flows	7-8
Notes to Financial Statements	9-20
Accompanying Information:	
Schedules of Functional Expenses:	
Youth Homes	21
Boys' Ranch	22
Cherokee Estate	23
Pineland	24
Herrington Homestead	25
Mountain View	26
Youth Homes Investments	27
Schedule of Assets Received From Wills and Bequests	28
Schedule of Federal and State Contractual Assistance	29
Governmental Auditing Standards Requirements:	
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>	30-31



## **Fowler, Holley, Rambo & Stalvey, P.C.**

CERTIFIED PUBLIC ACCOUNTANTS  
BUSINESS CONSULTANTS

Curtis G. Fowler, CPA, PFS • Carlton W. Holley, CPA • C. Wayne Rambo, CPA, CVA • Richard A. Stalvey, CPA

3208 Wildwood Plantation Drive • Post Office Box 1887 • Valdosta, GA 31603-1887 • (229) 244-1559 • (800) 360-3123 • Fax (229) 245-7369

### **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors and Officers  
Georgia Sheriffs' Youth Homes, Inc.  
Madison, Georgia

#### **Report on the Audit of the Financial Statements**

##### ***Opinion***

We have audited the accompanying financial statements of Georgia Sheriffs' Youth Homes, Inc. (a Georgia nonprofit organization) which comprise the statement of financial position as of June 30, 2024, and the related statements of activities, cash flows and functional expenses for the year then ended and the related notes to the financial statements.

In our opinion, based on our audit, the financial statements referred to above present fairly, in all material respects, the financial position of Georgia Sheriffs' Youth Homes, Inc. as of June 30, 2024 and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

##### ***Basis for Opinion***

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

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

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Georgia Sheriffs' Youth Homes, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

SERVING VALDOSTA AND SOUTH GEORGIA SINCE 1956

Kelly D. Lunceford, CPA • Robert C. Wynens, CPA • Corey L. Lewis, CPA

Zachary R. Richards, CPA • Yesenia Granados, CPA

To the Board of Directors and Officers  
Georgia Sheriffs' Youth Homes, Inc.  
Madison, Georgia

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

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

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

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

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

***Report on Summarized Comparative Information***

We have previously audited Georgia Sheriffs' Youth Homes, Inc.'s June 30, 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated February 20, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental information on pages 21 through 29 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements.

The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2024 on our consideration of Georgia Sheriffs' Youth Homes, Inc.'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 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 Georgia Sheriffs' Youth Homes, Inc.'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 Georgia Sheriffs' Youth Homes, Inc.'s internal control over financial reporting and compliance.

*Fowler, Holley, Rambo & Stalvey, P.C.*

Valdosta, Georgia  
December 30, 2024

## GEORGIA SHERIFFS' YOUTH HOMES, INC.

## STATEMENT OF FINANCIAL POSITION

JUNE 30, 2024

(WITH COMPARATIVE TOTALS FOR JUNE 30, 2023)

	<u>JUNE 30,</u>	
	<u>2024</u>	<u>2023</u>
<u>ASSETS</u>		
Current Assets:		
Cash, Note 2	\$ 401,876	272,504
Investment securities, Notes 1, 3 and 12	6,940,932	6,814,819
Accrued interest receivable	56,773	47,277
Grants and other receivables, Note 7	4,066,646	3,594,434
Assets held for sale and use, at fair market value, Notes 1 and 12	13,205	100,402
Prepaid expenses	55,764	150,914
Total Current Assets	<u>11,535,196</u>	<u>10,980,350</u>
Property, plant & equipment, net of accumulated depreciation of \$12,664,611 and \$12,404,386 in 2024 and 2023, respectively, Notes 1 and 4	<u>9,156,687</u>	<u>9,717,455</u>
Other Assets:		
Cash - with donor restrictions, Notes 2 and 11	451,321	513,348
Right of Use Asset, Notes 1 and 16	1,610,350	-
Investments - cash equivalent, with donor restrictions, Notes 2, 3 and 11	6,693	10,268
Investments - with donor restrictions, Notes 3 and 11	745,758	678,805
	<u>2,814,122</u>	<u>1,202,421</u>
Total Assets	<u>\$ 23,506,005</u>	<u>21,900,226</u>

**Note: The accompanying notes to financial statements are an integral part of this statement.**

## GEORGIA SHERIFFS' YOUTH HOMES, INC.

## STATEMENT OF FINANCIAL POSITION

JUNE 30, 2024

(WITH COMPARATIVE TOTALS FOR JUNE 30, 2023)

	JUNE 30,	
	2024	2023
<b><u>LIABILITIES AND NET ASSETS</u></b>		
Current Liabilities:		
Accounts payable, Note 7	\$ 281,176	522,560
Deferred revenue	80,870	18,402
Accrued compensated absences, Note 1	307,977	330,505
Current portion of lease liability, Notes 1 and 16	106,338	-
Current portion of liability for split interest agreements, Note 9	1,817	8,146
Total Current Liabilities	<u>778,178</u>	<u>879,613</u>
Other Liabilities:		
Lease Liability, less current portion, Notes 1 and 16	1,504,012	-
Liability for split interest agreements, less current portion, Note 9	<u>67,878</u>	<u>69,695</u>
	<u>1,571,890</u>	<u>69,695</u>
Net Assets:		
Without donor restrictions:		
Operating	10,790,865	10,027,444
Land, building & equipment	<u>9,156,687</u>	<u>9,717,455</u>
	19,947,552	19,744,899
With donor restrictions, Notes 10 and 11	<u>1,208,385</u>	<u>1,206,019</u>
Total Net Assets	<u>21,155,937</u>	<u>20,950,918</u>
 Total Liabilities & Net Assets	 <u>\$ 23,506,005</u>	 <u>21,900,226</u>

**Note: The accompanying notes to financial statements are an integral part of this statement.**

## GEORGIA SHERIFFS' YOUTH HOMES, INC.

**STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2024**  
**(WITH COMPARATIVE TOTALS FOR YEAR ENDED JUNE 30, 2023)**

	YEAR ENDED JUNE 30, 2024				
	WITHOUT DONOR RESTRICTIONS				
	YOUTH HOMES	BOYS' RANCH	CHEROKEE ESTATES	PINELAND	HERRINGTON HOMESTEAD
Public Support and Revenue:					
Public Support:					
Contributions - Cash	\$ 1,207,946	10	100	25	-
Contributions - Noncash	6,104	12,277	-	1,500	-
Social Security & AFDC payments	-	525,707	209,730	94,185	287,605
Private Grants	40,925	4,500	6,085	2,558	4,532
Bequests	473,952	400	400	-	-
Contribution from Ga. Sheriffs' Youth Homes Foundation, Inc., Note 7	715,514	-	-	-	-
Total Public Support	2,444,441	542,894	216,315	98,268	292,137
Revenues:					
Investment income	-	-	-	-	-
Unrealized gain (loss) - investments	-	-	-	-	-
Special events	553,919	-	-	-	-
Gain (Loss) on sale of investments	-	-	-	-	-
Net change in value of split-interest agreements	-	-	-	-	-
Gain (Loss) on sale of property	376,254	-	1,500	1,683	(2,083)
Other income	124,390	-	160	117,797	1,800
Total Revenue	1,054,563	-	1,660	119,480	(283)
Net Assets Released From Restriction	25	203,292	5,944	135,110	59,601
Total Support and Revenue	3,499,029	746,186	223,919	352,858	351,455
Expenses:					
Program services:					
Child care, Note 7	214,445	842,722	419,688	393,786	490,642
Food service	-	156,672	18,914	29,336	23,110
Maintenance - Homes	-	360,449	213,029	325,691	206,007
Total Program Services	214,445	1,359,843	651,631	748,813	719,759
Supporting services:					
Management and general	804,629	5,329	654	1,509	575
Fund raising	299,825	-	-	-	-
Maintenance - Other	32,777	-	-	-	-
Farm	-	-	-	-	-
Total Supporting Services	1,137,231	5,329	654	1,509	575
Total Expenses	1,351,676	1,365,172	652,285	750,322	720,334
Increase (Decrease) in Net Assets	\$ 2,147,353	(618,986)	(428,366)	(397,464)	(368,879)
Net Assets, Beginning of Year					
Net Assets, End of Year					

**Note: The accompanying notes to financial statements are an integral part of this statement.**



## GEORGIA SHERIFFS' YOUTH HOMES, INC.

**STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2024**  
**(WITH COMPARATIVE TOTALS FOR YEAR ENDED JUNE 30, 2023)**

YEAR ENDED JUNE 30, 2024						
WITHOUT DONOR RESTRICTIONS				WITH	TOTALS	
MOUNTAIN	GSYH	BUILDING,	TOTAL	DONOR	YEAR ENDED JUNE 30,	
VIEW	INVESTMENTS	LAND & EQUIP		RESTRICTIONS	2024	2023
100	-	-	1,208,181	171,797	1,379,978	1,527,254
-	30,820	-	50,701	-	50,701	61,008
73,484	-	-	1,190,711	-	1,190,711	1,519,402
3,750	-	-	62,350	10,000	72,350	547,545
-	-	-	474,752	-	474,752	50,591
-	-	-	715,514	-	715,514	724,379
77,334	30,820	-	3,702,209	181,797	3,884,006	4,430,179
-	271,193	-	271,193	16,651	287,844	227,864
-	282,357	-	282,357	37,402	319,759	345,044
-	-	-	553,919	162,203	716,122	726,888
-	122,433	-	122,433	13,089	135,522	(32,962)
-	(7,322)	-	(7,322)	-	(7,322)	(7,363)
19,716	-	-	397,070	-	397,070	16,927
-	-	-	244,147	-	244,147	465,393
19,716	668,661	-	1,863,797	229,345	2,093,142	1,741,791
4,804	-	-	408,776	(408,776)	-	-
101,854	699,481	-	5,974,782	2,366	5,977,148	6,171,970
206,443	-	478,983	3,046,709	-	3,046,709	2,920,214
10,206	-	21,851	260,089	-	260,089	278,148
90,459	-	77,746	1,273,381	-	1,273,381	1,271,301
307,108	-	578,580	4,580,179	-	4,580,179	4,469,663
-	41,735	2,084	856,515	-	856,515	665,028
-	-	-	299,825	-	299,825	288,978
-	-	-	32,777	-	32,777	20,475
-	-	2,833	2,833	-	2,833	2,833
-	41,735	4,917	1,191,950	-	1,191,950	977,314
307,108	41,735	583,497	5,772,129	-	5,772,129	5,446,977
(205,254)	657,746	(583,497)	202,653	2,366	205,019	724,993
			19,744,899	1,206,019	20,950,918	20,225,925
			\$ 19,947,552	1,208,385	21,155,937	20,950,918

**Note: The accompanying notes to financial statements are an integral part of this statement.**

## GEORGIA SHERIFFS' YOUTH HOMES, INC.

**COMBINED STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED JUNE 30, 2024**  
**(WITH COMPARATIVE TOTALS FOR YEAR ENDED JUNE 30, 2023)**

YEAR ENDED JUNE 30, 2024												
	PROGRAM SERVICES				SUPPORTING SERVICES					TOTALS		
	CHILD	FOOD	HOME &	TOTAL	MANAGEMENT	FUND	MAINTENANCE	FARM	TOTAL	YEAR ENDED JUNE 30,		
	CARE	SERVICE	MAINTENANCE		AND GENERAL	RAISING				2024	2023	
(1) Salaries	\$ 1,424,983	61,453	108,985	1,595,421	336,176	166,086	-	-	502,262	2,097,683	1,945,519	(1)
(2) Payroll taxes and retirement	216,645	12,331	12,654	241,630	67,693	33,766	-	-	101,459	343,089	335,023	(2)
(3) Insurance	363,757	28,258	272,178	664,193	118,623	38,811	-	-	157,434	821,627	717,672	(3)
(4) Postage	19,372	-	-	19,372	3,462	23,146	-	-	26,608	45,980	41,184	(4)
(5) Telephone	50,552	-	40	50,592	8,718	41	-	-	8,759	59,351	128,644	(5)
(6) Travel	13,717	-	-	13,717	472	-	-	-	472	14,189	15,753	(6)
(7) Public relations	28,809	-	-	28,809	17,457	-	-	-	17,457	46,266	35,002	(7)
(8) Dues and subscriptions	1,942	-	-	1,942	244	-	-	-	244	2,186	3,810	(8)
(9) Professional services	37,199	-	-	37,199	906	36,675	-	-	37,581	74,780	82,940	(9)
(10) Allowances	17,047	-	-	17,047	-	-	-	-	-	17,047	19,652	(10)
(11) Personnel screening costs	6,111	-	-	6,111	23	-	-	-	23	6,134	7,418	(11)
(12) Hospital, drugs and medical	17,570	-	-	17,570	150	-	-	-	150	17,720	18,105	(12)
(13) Haircuts	5,109	-	-	5,109	-	-	-	-	-	5,109	5,931	(13)
(14) Recreation	29,614	-	-	29,614	101	-	-	-	101	29,715	25,059	(14)
(15) Special occasions	22,022	-	-	22,022	-	-	-	-	-	22,022	22,696	(15)
(16) Clothing	33,473	-	-	33,473	-	-	-	-	-	33,473	42,135	(16)
(17) Utilities	52	-	286,105	286,157	-	-	12,188	-	12,188	298,345	281,655	(17)
(18) Repairs and maintenance	-	-	64,769	64,769	-	-	6,637	-	6,637	71,406	28,580	(18)
(19) Vehicle operating costs	-	-	93,314	93,314	25	-	10,084	-	10,109	103,423	112,729	(19)
(20) Fees, taxes and licenses	1,847	-	-	1,847	-	-	-	-	-	1,847	948	(20)
(21) Food	4,537	130,656	-	135,193	867	-	-	-	867	136,060	166,832	(21)
(22) Household items and fixtures	-	-	28,542	28,542	-	-	-	-	-	28,542	20,009	(22)
(23) Kitchen supplies	81	5,131	-	5,212	-	-	-	-	-	5,212	6,828	(23)
(24) Bank charges	191	-	-	191	104	-	-	-	104	295	3,422	(24)
(25) School fees and supplies	13,849	-	-	13,849	-	-	-	-	-	13,849	9,432	(25)
(26) Advertising	2,124	-	-	2,124	-	-	-	-	-	2,124	4,565	(26)
(27) Awards	1,914	-	-	1,914	620	-	-	-	620	2,534	1,617	(27)
(28) Home maintenance	-	-	200,249	200,249	2,845	-	-	-	2,845	203,094	228,493	(28)
(29) Personal care	3,129	-	-	3,129	-	-	-	-	-	3,129	1,327	(29)
(30) Lawn care expense	-	-	127,867	127,867	-	-	3,868	-	3,868	131,735	108,686	(30)
(31) Payroll services expense	11,162	409	932	12,503	2,555	1,172	-	-	3,727	16,230	14,406	(31)
(32) Legal and accounting	642	-	-	642	58,508	-	-	-	58,508	59,150	46,660	(32)
(33) Office supplies	9,270	-	-	9,270	2,301	128	-	-	2,429	11,699	19,018	(33)
(34) Printing	2,693	-	-	2,693	365	-	-	-	365	3,058	3,615	(34)
(35) Property taxes	-	-	-	-	-	-	-	-	-	-	5,617	(35)
(36) Rent on equipment	3,636	-	-	3,636	422	-	-	-	422	4,058	22,516	(36)
(37) Training and conferences	15,348	-	-	15,348	-	-	-	-	-	15,348	8,971	(37)
(38) Computer expense	106,694	-	-	106,694	4,546	-	-	-	4,546	111,240	112,229	(38)
(39) Special events	93,161	-	-	93,161	22,998	-	-	-	22,998	116,159	121,373	(39)
(40) Investment fees	-	-	-	-	56,273	-	-	-	56,273	55,060	-	(40)
(41) Rent-occupancy	-	-	-	-	147,530	-	-	-	147,530	147,530	38,419	(41)
(42) Credit card processing fees	6,323	-	-	6,323	196	-	-	-	196	6,519	5,395	(42)
(43) Meetings	2,850	-	-	2,850	251	-	-	-	251	3,101	2,228	(43)
(44) Donations to other non-profits	300	-	-	300	-	-	-	-	-	300	-	(44)
Total Expenses Before Depreciation	2,567,725	238,238	1,195,635	4,001,598	854,431	299,825	32,777	-	1,187,033	5,188,631	4,877,173	
Depreciation, Notes 1 and 4	478,984	21,851	77,746	578,581	2,084	-	-	2,833	4,917	583,498	569,804	
	\$ 3,046,709	260,089	1,273,381	4,580,179	856,515	299,825	32,777	2,833	1,191,950	5,772,129	5,446,977	

**Note: The accompanying notes to financial statements are an integral part of this statement.**

## GEORGIA SHERIFFS' YOUTH HOMES, INC.

**STATEMENT OF CASH FLOWS**  
**YEAR ENDED JUNE 30, 2024**  
**(WITH COMPARATIVE TOTALS FOR YEAR ENDED JUNE 30, 2023)**

	<b>YEAR ENDED JUNE 30,</b>	
	<b>2024</b>	<b>2023</b>
Cash Flows From Operating Activities:		
Increase (Decrease) in net assets	\$ 205,019	724,993
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
(Gain) loss on sales of investments	(135,522)	32,962
(Gain) loss on sale of assets	(314,473)	(16,927)
Depreciation	583,497	569,804
Non-cash contributions and bequests	(50,702)	(51,658)
Non-cash expenses	22,658	4,999
Unrealized (gains) losses on investments	(319,759)	(345,044)
Change in assets and liabilities:		
(Increase) Decrease in interest receivable	(9,496)	3,109
(Increase) Decrease in prepaid expenses	95,150	1,415
(Increase) Decrease in grant and other receivables	(472,212)	(97,764)
Increase (Decrease) in accounts payable	(241,384)	190,456
Increase (Decrease) in deferred revenue	62,468	1,445
Increase (Decrease) in accrued compensated absences	(22,528)	(19,842)
Increase (Decrease) in liability for split interest agreements	(8,146)	(8,099)
Net Cash Provided (Used) By Operating Activities	<u>(605,430)</u>	<u>989,849</u>
Cash Flows From Investing Activities:		
Capital expenditures	(509,732)	(1,310,604)
Purchase of investments	(1,544,032)	(2,399,090)
Proceeds from sale of investments	1,837,032	2,718,298
Proceeds from sale of assets	<u>885,932</u>	<u>78,727</u>
Net Cash Provided (Used) by Investing Activities	<u>669,200</u>	<u>(912,669)</u>
Cash Flows From Financing Activities:		
Net Cash Provided (Used) By Financing Activities	<u>-</u>	<u>-</u>
Net Increase (Decrease) In Cash	63,770	77,180
Cash at Beginning of Year	<u>796,120</u>	<u>718,940</u>
Cash at End of Year	<u><u>\$ 859,890</u></u>	<u><u>796,120</u></u>

**Note: The accompanying notes to financial statements are an integral part of this statement.**

GEORGIA SHERIFFS' YOUTH HOMES, INC.

STATEMENT OF CASH FLOWS (CONTINUED)

YEAR ENDED JUNE 30, 2024

(WITH COMPARATIVE TOTALS FOR YEAR ENDED JUNE 30, 2023)

	YEAR ENDED JUNE 30,	
	2024	2023
Reconciliation of ending cash to Statement of Financial Position:		
Cash	\$ 401,876	272,504
Cash - with donor restrictions	451,321	513,348
Investments - cash equivalent, with donor restrictions	6,693	10,268
	<u>\$ 859,890</u>	<u>796,120</u>
<u>Supplemental Disclosures of Cash Flow Information</u>		
Cash paid during the year for:		
Interest	\$ -	-
<u>Disclosure of Non-Cash Investing and Financing Activities</u>		
Non-cash contributions of land, securities and other assets, net of		
liabilities under split interest agreements	\$ 28,044	46,659
Right-of-use asset obtained in exchanged for lease obligations	\$ 1,705,169	-

Disclosure of Accounting Policy

For purposes of the statement of cash flows, the Organization classifies as cash equivalents those liquid assets with original maturities of three months or less.

**Note: The accompanying notes to financial statements are an integral part of this statement.**

## GEORGIA SHERIFFS' YOUTH HOMES, INC.

### NOTES TO FINANCIAL STATEMENTS

#### Note 1 – Summary of Significant Accounting Policies

Organization and nature of activities: The Georgia Sheriffs' Youth Homes, Inc. operates children's homes for the care and shelter of children. Currently, these facilities consist of the Georgia Sheriffs' Boys Ranch (Hahira, Georgia), the Georgia Sheriffs' Cherokee Estates (Dalton, Georgia), Pineland (LaGrange, Georgia), Herrington Homestead (Nunez, Georgia) and Mountain View (Murray County, Georgia). Funding is provided by several sources consisting predominately of contributions and bequests from the general public, social security, Federal grants passed through the Georgia Department of Human Services, special fundraising events and earnings from investments.

Property, plant and equipment: Property, plant and equipment is recorded at cost (appraised value if donated). Depreciation is computed on the straight-line and accelerated cost recovery basis over the estimated useful lives of the assets. Expenditures for maintenance, repairs, removals and betterments which do not materially prolong the useful lives of the assets are charged to revenue as incurred. The cost of property retired or sold, and the related accumulated depreciation, is removed from the accounts, and any gain or loss is transferred to revenues.

Investments: In conformity with FASB ASC 958-320, all investments are carried at fair value based on quoted market values. Unrealized gains and losses on securities are reflected in the statement of activities. Cost of securities sold is determined using the specific identification method. Real estate limited partnerships are carried at net asset value. Land is carried at cost or fair market value at date of contribution.

Compensated absences: Compensated absences are accrued as a liability as the benefits are earned if the employee's rights to receive compensation are attributable to services already rendered and it is probable that the Organization will compensate employees for the benefits through paid time off or some other means. The Organization accrues a liability for unused leave when earned; however, upon termination of employment, the maximum amount of annual leave that can be paid is 30 days.

Financial statement presentation and accounting for contributions received and contributions made: The financial statement presentation is in conformity with the requirements of the Financial Accounting Standards Board in FASB ASC 958. Under FASB ASC 958, the Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions, include a statement of cash flows and a statement of functional expenses. Under FASB ASC 958, contributions are recorded as without donor restrictions or with donor restriction depending on the existence or nature of any donor restrictions. FASB ASC 958 also addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources and the lack of consistency in the type of information provided about expenses and investment return.

Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a donor restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Contributed services: For the year ended June 30, 2024 and 2023, contributed services of \$2,500 and \$0, respectively, were reflected in the financial statements for donated services. The Organization generally pays for services requiring specific expertise. However, a number of individuals volunteer their time and perform a variety of tasks that assist the Organization at its campuses, but these services do not meet the criteria for recognition as contributed services.

Note 1 – Summary of Significant Accounting Policies (Continued)

Unconditional promises to give are recorded as received. Unconditional promises to give due in the next year are reflected as current promises to give and are recorded at their net realizable value. Unconditional promises to give due in subsequent years are reflected as long-term promises to give and are recorded at the present value of their net realizable value. An allowance for uncollectible promises has not been provided as all promises are expected to be collected. No unconditional promises were outstanding at June 30, 2024 or 2023.

Use of estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Advertising: The Organization follows the policy of charging the cost of advertising to expense as incurred. Advertising expense was \$2,124 and \$4,565 for the years ended June 30, 2024 and 2023, respectively.

Rent expense: The Organization incurred rent expense of \$11,876 and \$60,935 for the years ended June 30, 2024 and 2023, respectively, for the rent of various equipment and Headquarters occupancy. See Note 16.

Lease expense: The Organization entered into a lease agreement with the Georgia Sheriff Youth Homes Foundation and recorded a right of use asset and lease liability on August 1, 2023 for their portion of the Headquarters cost. Lease expense of \$139,712 and \$0 was recorded for the years ended June 30, 2024 and 2023, respectively. See Note 16.

Accounting for uncertainty in income taxes: The Organization evaluates any income tax benefits generated from uncertain tax positions using a more-likely-than-not of being sustained upon examination analysis. If a tax benefit is not more-likely-than-not of being sustained upon examination, the Organization records a liability for the recognized income tax benefit. The Organization recognizes accrued interest associated with uncertain tax positions as part of interest expense and penalties associated with uncertain tax positions as part of other expenses.

Cost allocation: The financial statements report certain categories of expenses that are attributable to more than one program (or campus) or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. Administrative and clerical services of the Georgia Sheriffs' Association, Inc. and the Georgia Sheriffs' Youth Homes Foundation, Inc. are performed by personnel of the Georgia Sheriffs' Youth Homes, Inc. All salaries allocated to the Association and the Foundation are reimbursed to Georgia Sheriffs' Youth Homes, Inc. to cover the cost of payroll taxes, group insurance, retirement and other related costs. Substantially all other expenses incurred are directly chargeable to program or supporting function and is not allocated.

Comparative data: Comparative totals for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the Organization's financial position and operations. However, full comparative data for the prior year has not been included.

Reclassifications: Certain items in the financial statements as of and for the year ended June 30, 2023 have been reclassified, with no effect on total assets, net assets or increase (decrease) in net assets, in order to be consistent with the classifications adopted with the current year presentation.

Accounting Standards Recently Implemented:

In February 2016, the FASB issued ASU No. 2016-02 Leases (Topic 842) (ASU 2016-02). The amendments in ASU 2016-02 create FASB ASC Topic 842, Leases and supersede the requirements in ASC Topic 840, Leases. ASU 2016-02 requires the recognition of lease assets and lease liabilities by lessees for those leases classified as operating leases under ASC Topic 840.

Note 1 – Summary of Significant Accounting Policies (Continued)

Under the guidance of ASU 2016-02, a lessee should recognize in the balance sheet a liability to make lease payments (lease liability) and a right-of-use asset representing its right to use the underlying asset for the lease term. The accounting applied by a lessor under ASU 2016-02 is largely unchanged from that applied under ASC Topic 840. The ASU, as extended, was effective for fiscal years beginning after December 15, 2021, and was implemented during the year beginning July 1, 2022. The standard had no material effect on the Organization's financial statements in the prior year, but on August 1, 2023 the Organization entered into a lease agreement with the Georgia Sheriff Youth Homes Foundation and recorded a right of use asset of \$1,705,169 and lease liability of \$1,705,169.

Note 2 – Cash

The Organization maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Organization has not experienced any losses in such accounts. The Organization believes it is not exposed to any significant credit risk on cash and cash equivalents.

Note 3 – Investment Securities

Investment securities consist of the following:

	JUNE 30,			
	2024		2023	
	COST	MARKET	COST	MARKET
Stocks and mutual funds	\$ 4,104,905	4,834,613	4,261,688	4,704,464
U.S. Government Agency obligations	66,821	66,821	47,700	47,700
Corporate and fixed income obligations	3,033,366	2,791,949	3,025,972	2,751,728
	<u>\$ 7,205,092</u>	<u>7,693,383</u>	<u>7,335,360</u>	<u>7,503,892</u>
Securities without donor restrictions		\$ 6,940,932		6,814,819
Securities and cash with donor restrictions		752,451		689,073
		<u>\$ 7,693,383</u>		<u>7,503,892</u>

The following summarizes the investment return and its classification in the statement of activities for the year ended June 30, 2024:

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
Investment income	\$ 271,193	16,651	287,844
Unrealized gain/(losses)	282,357	37,402	319,759
Realized gains/(losses)	122,433	13,089	135,522
	<u>\$ 675,983</u>	<u>67,142</u>	<u>743,125</u>

Note 4 – Property, Plant and Equipment

Property, plant and equipment, stated at cost (appraised value if donated), consists of the following:

	JUNE 30,		ESTIMATED USEFUL LIVES
	2024	2023	
Land	\$ 3,484,556	3,896,776	
Buildings and improvements	15,951,508	15,114,783	10-40 years
Equipment and other assets	1,682,449	1,686,393	3-10 years
Automobiles and trucks	702,785	768,322	3-5 years
Construction in progress	-	655,567	
	21,821,298	22,121,841	
Less accumulated depreciation	(12,664,611)	(12,404,386)	
	<u>\$ 9,156,687</u>	<u>9,717,455</u>	

Included in construction in progress was \$613,103 to rebuild the Boys Ranch gym, \$38,956 to install fiber at Cherokee Estate, and \$3,508 to install fiber at Mountain View. The gym was completed in August 2023 at a total cost of \$777,843 and the fiber installations were completed in November 2023 at a total cost of \$84,485 and \$16,288, respectively. The accompanying statements of activities include charges for depreciation of property, plant and equipment of \$583,497 and \$569,804 for the years ended June 30, 2024 and 2023, respectively.

Note 5 – Retirement Plan

The Organization has a defined contribution employee benefit plan that has money purchase and 401(k) components. The Organization makes matching contributions to the individual account of each eligible participant equal to 100 percent of the amount of the employee's elective deferrals that do not exceed three percent of compensation, plus 50 percent of the amount of the employee's elective deferrals that exceed three percent of the employee's compensation but do not exceed five percent of the employee's compensation. In addition, the Organization may elect to make additional discretionary contributions to the Plan on an annual basis but is not required to do so. For the years ended June 30, 2024 and 2023, the Organization made matching contributions to the 401(k) component in the amount of \$48,401 and \$54,357, respectively, and discretionary contributions to the retirement plan in the amount of \$145,126 and \$143,539, respectively.

Note 6 – Interest Cost

No interest expense was incurred for the years ended June 30, 2024 and 2023.

Note 7 – Affiliated Organizations-Related Party Transactions

On July 1, 1972, the Georgia Sheriffs' Boys Ranch, Inc. became affiliated with the Georgia Sheriffs' Cherokee Estate, Inc. Effective July 1, 1978, Georgia Sheriffs' Cherokee Estates, Inc. and the Georgia Sheriffs' Boys Ranch, Inc. were merged into one corporation known as Georgia Sheriffs' Youth Homes, Inc. In 1988, property was received by gift for the Pineland Campus at LaGrange, Georgia and in 1993, property was received by gift for the Herrington Homestead Campus at Nunez, Georgia. In the year ended June 30, 2007, a new campus, Mountain View in Murray County, Georgia, was opened. All campuses are sponsored by the Georgia Sheriffs' Association, Inc.

The Organization has accounts receivable from the Georgia Sheriffs' Association, Inc. of \$190 and \$4,099 at June 30, 2024 and 2023, respectively. Additionally, the Organization has accounts payable to the Georgia Sheriffs' Association, Inc. of \$1,398 and \$7,891 at June 30, 2024 and 2023, respectively.



Note 7 – Affiliated Organizations-Related Party Transactions (Continued)

The Organization accrued contributions from the Georgia Sheriffs' Youth Homes Foundation, Inc. of \$715,514 and \$724,379 for the years ended June 30, 2024 and 2023, respectively. Additionally, the Organization has accounts receivable due from the Foundation of \$2,805,915 and \$2,344,413 at June 30, 2024 and 2023, respectively, for accrued contributions and expense reimbursements and accounts payable of \$0 and \$39 for the same periods. Additionally, the Organization paid the Georgia Sheriffs' Youth Homes Foundation, Inc. \$7,818 and \$38,419 during June 30, 2024 and 2023, respectively, for occupancy rent, and \$139,712 and \$0 during June 30, 2024 and 2023, respectively, for lease payments. The Organization also had a Note Receivable of \$1,113,005 and \$1,113,005 at June 30, 2024 and 2023, respectively, related to the disposition of the McDonough, GA headquarters.

Note 8 – Income Taxes

Income taxes have not been provided as the organization is a non-profit corporation under Section 501(c)(3) of the Internal Revenue Code and therefore no provision is necessary. For the year ended June 30, 2024, management believes there are no material amounts of uncertain tax positions. Additionally, there were no amounts of interest or penalties recognized in the statement of financial position as of June 30, 2024 or the statement of activities for the year then ended. Further, all years subsequent to June 30, 2021 remain subject to examination.

Note 9 – Split Interest Agreements

During the years ended June 30, 2024 and 2023 and prior years, the Georgia Sheriffs' Youth Homes, Inc. received gifts from individuals under split-interest agreements which provided for annuities to be paid monthly or quarterly. Annuity payments under all agreements approximate an annual income stream to beneficiaries ranging from 6.3% to 12% of the contribution. The gifts were recorded at fair market value net of the annuity value. The balance of the annuities payable represents the present value of the future payments to be made based on the life expectancies of the individuals. Several of the agreements are partially revocable by the donors. The Georgia Sheriffs' Youth Homes, Inc. has no refundable advances liability of as of June 30, 2024 and 2023, respectively. Total annual payments under outstanding split interest agreements total \$15,463 and \$15,463 at June 30, 2024 and 2023, respectively.

The following is a schedule by years of future projected annuity payments required under the split-interest agreements as of June 30, 2024:

YEAR ENDING JUNE 30,

2025	\$	7,008
2026		5,600
2027		5,600
2028		5,600
2029		5,600
After 5 Years		168,000
Total Projected Payments		197,408
Less Amount Representing Interest		127,713
Present Value of Projected Annuity Payments	\$	69,695
Current Portion	\$	1,817
Long-Term Portion		67,878
	\$	69,695

#### Note 10 – Restrictions on Net Assets

In August 2009, the Financial Accounting Standards Board (FASB) issued FASB ASC 958-205 (formerly Staff Position No. FAS 117-1, “Endowments of Not-for-Profit Foundations: Net Asset Classification of Funds Subject to an Enacted Version of the Uniform Prudent Management of Institutional Funds Act, and Enhanced Disclosures for All Endowment Funds”). FASB ASC 958-205 provides guidance on the net asset classification of donor-restricted endowment funds for a not-for-profit organization that is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA).

As required by generally accepted accounting principles, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Directors of the Organization has interpreted the State Prudent Management of Institutional Funds ACT (SPMIFA) as requiring the preservation of fair value of the original gift as of the date if the donor-restricted endowment funds do not include explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by SPMIFA.

In accordance with SPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the Organization, and (7) the Organization’s investment policies.

*Investment Return Objectives, Risk Parameters and Strategies.* The Organization has adopted investment and spending policies, approved by the Board of Directors, for endowment assets. The Organization engages the services of professional investment advisors to assist in monitoring compliance with its policies in this area.

*Spending Policy.* The current spending policy is based upon an allocation of 100% of the realized and unrealized income earned as available for current and future expenditures, except where restricted by the donor. However, spending is limited to reasonable and necessary expenses for program, management, general and fundraising.

*Management, Reporting and Monitoring.* Endowment and other funds are managed by the Organization through management and the Board of Directors with the assistance of professional investment advisors. Investment results are compared to certain predetermined benchmarks.

Note 11 – Net Assets with Donor Restrictions

Net assets with donor restrictions consist of the following:

	JUNE 30,	
	2024	2023
Boys Ranch	\$ 774,085	774,160
Cherokee Estates	93,371	75,194
Pineland	87,128	113,720
Herrington Homestead	82,381	96,393
Mountain View	71,442	46,598
Other (No specific campus designation)	(22)	(46)
Investments permanently restricted by the donor for educational purposes	100,000	100,000
	<u>\$ 1,208,385</u>	<u>1,206,019</u>

Donor restricted net assets include accrued income of \$4,614 and \$3,598 as of June 30, 2024 and 2023, respectively.

Donor restricted net assets are restricted for the purpose of funding construction projects, operations, and maintenance of the campuses and/or for educational purposes.

Note 12 – Fair Value Measurements

Generally accepted accounting principles define fair value, establish a framework for measuring fair value and establish a fair value hierarchy that prioritizes the inputs to valuation techniques. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability occurs in the principal market. Valuation techniques that are consistent with the market, income or cost approach are used to measure fair value.

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities the Organization has the ability to access.
- Level 2 inputs are inputs (other than quoted prices included within level 1) that are observable for the asset or liability, either directly or indirectly.
- Level 3 are unobservable inputs for the asset or liability and rely on management's own assumptions about the assumptions that market participants would use in pricing the asset or liability. (The unobservable inputs should be developed based on the best information available in the circumstances and may include the Organization's own data.

Note 12 – Fair Value Measurements (Continued)

The following tables present the Organization's fair value hierarchy for the financial assets measured at fair value on a recurring basis as of June 30, 2024 and June 30, 2023, respectively.

ASSETS AT FAIR VALUE JUNE 30, 2024				
	QUOTED PRICES IN ACTIVE MARKETS FOR IDENTICAL ASSETS (LEVEL 1)	SIGNIFICANT OTHER OBSERVABLE INPUTS (LEVEL 2)	SIGNIFICANT UNOBSERVABLE INPUTS (LEVEL 3)	FAIR VALUE
Stocks and Mutual Funds	\$ 4,834,613	-	-	4,834,613
Corporate and Fixed Income	2,791,949	-	-	2,791,949
US Government Obligations	66,821	-	-	66,821
Assets Held For Sale & Use	-	-	13,205	13,205
	<u>\$ 7,693,383</u>	<u>-</u>	<u>13,205</u>	<u>7,706,588</u>

ASSETS AT FAIR VALUE JUNE 30, 2023				
	QUOTED PRICES IN ACTIVE MARKETS FOR IDENTICAL ASSETS (LEVEL 1)	SIGNIFICANT OTHER OBSERVABLE INPUTS (LEVEL 2)	SIGNIFICANT UNOBSERVABLE INPUTS (LEVEL 3)	FAIR VALUE
Stocks and Mutual Funds	\$ 4,704,464	-	-	4,704,464
Corporate and Fixed Income	2,751,728	-	-	2,751,728
US Government Obligations	47,700	-	-	47,700
Assets Held For Sale & Use	-	-	100,402	100,402
	<u>\$ 7,503,892</u>	<u>-</u>	<u>100,402</u>	<u>7,604,294</u>

YEAR ENDED JUNE 30, 2024		
	INVESTMENT SECURITIES	ASSETS HELD FOR SALE
Fair Value Measurements Using Significant Unobservable Inputs (Level 3):		
Beginning Balance	\$ -	100,402
Total Gains or Losses Included in Earnings:		
Asset disposed of	-	(82,597)
Assets received by donation	-	300
Transfers in and/or out of level 3	-	(4,900)
Ending Balance	<u>\$ -</u>	<u>13,205</u>
The amount of total gains or losses for the period included in earnings attributable to the change in unrealized gains or losses relating to assets still held at the reporting date.	<u>\$ -</u>	<u>-</u>

Gains and losses (realized and unrealized) included in earnings for the period are reported in revenues as follows:

	OTHER REVENUES
Total gains or (losses) included in earnings for the period	<u>\$ (72,242)</u>
Change in unrealized gains or losses relating to assets still held at reporting date	<u>\$ -</u>

Note 12 – Fair Value Measurements (Continued)

	YEAR ENDED JUNE 30, 2023	
	INVESTMENT SECURITIES	ASSETS HELD FOR SALE
Fair Value Measurements Using Significant Unobservable Inputs (Level 3):		
Beginning Balance	\$ -	100,501
Total Gains or Losses Included in Earnings:		
Asset disposed of	-	(4,999)
Assets received by donation	-	4,900
Transfers in and/or out of level 3	-	-
Ending Balance	<u>\$ -</u>	<u>100,402</u>
The amount of total gains or losses for the period included in earnings attributable to the change in unrealized gains or losses relating to assets still held at the reporting date.	<u>\$ -</u>	<u>-</u>

Gains and losses (realized and unrealized) included in earnings for the period are reported in revenues as follows:

	OTHER REVENUES
Total gains or (losses) included in earnings for the period	<u>\$ -</u>
Change in unrealized gains or losses relating to assets still held at reporting date	<u>\$ -</u>

Note 13 – Liquidity and Availability of Financial Assets

The following represents the Organization's financial assets as of June 30, 2024, reduced by amounts not available for general use because of contractual, donor-imposed or Board designated restrictions within one year of the statement of financial position date:

Financial assets at year end:	
Cash	\$ 853,197
Investment securities	7,693,383
Accrued interest receivable	56,773
Grants and other receivables	4,066,646
Assets held for sale or use	<u>13,205</u>
	<u>12,683,204</u>
Less amounts not available to be used within one year, due to:	
Current portion of liability for split interest agreements	1,817
Net assets with donor restrictions	1,208,385
Less net assets with purpose restrictions expected to be met in less than a year	<u>(1,108,385)</u>
	<u>101,817</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 12,581,387</u>

The Organization engages the services of investment advisors and money managers to ensure that assets are invested for a reasonable return. These professionals in consultation with management plan the composition of investment assets such as to provide sufficient liquidity for operating purposes.

#### Note 14 – Donated Materials, Equipment and Other Assets

Donated materials, equipment and other assets, including land and assets held for sale, are reflected as contributions in the accompanying statements at their estimated values at date of receipt. Valuations are determined using estimated U.S. wholesale prices (principal market) of identical or similar products using price data under a “like-kind” methodology considering the goods’ condition and utility for use at the time of the contribution.

During the year ended June 30, 2024, the Organization received \$14,250 in donated materials and equipment with no donor-imposed restrictions. \$9,350 of donated materials and equipment were expensed as used, while \$4,900 of donated furniture was recorded to the assets held for sale account. During the year ended June 30, 2023, the Organization received \$18,854 in donated materials and equipment with no donor-imposed restrictions. \$13,855 of donated materials and equipment were expensed as used, while \$4,999 of donated tools were recorded to the assets held for sale account.

The Organization also received \$46,758 and \$13,031 in donated securities for the years ended June 30, 2024 and 2023, respectively, with no donor-imposed restrictions. Securities were recorded at fair market value based on the current market value and are included in investment securities on the statement of position with changes in the fair market value from the donation date until year end included in unrealized gains and losses on the statement of activities. All donated securities are included in Tier 1 of the fair value hierarchy in Note 12.

#### Note 15 – Contingency

As of August 1, 2021, the Georgia Sheriffs Youth Homes Foundation, Inc. (the “Borrower”), entered into a Loan Agreement with the Development Authority of Morgan County, Georgia (“the Issuer”). The Borrower requested that the Issuer issue a Series 2021 Bond (the “Bond”) in the principal face amount of \$10,000,000 for the purpose of financing the costs of a new headquarters facility in Morgan County, Georgia for the Borrower and related entities and paying the costs of issuing the Bond. Morris Bank, located in Houston County, Georgia, purchased the Bond Issuance and financed the Loan. The Facility was financed for up to 20 years at a rate of 2.95%, with an approximate mortgage payment of \$55,000 per month upon completion of the project. The Georgia Sheriffs’ Youth Homes Foundation will be the loan borrower with the Georgia Sheriffs’ Youth Homes, Inc. being the loan guarantor.

Land was purchased at the proposed location of Madison, Georgia on December 29, 2020 in the amount of \$784,370. In addition to the Georgia Sheriffs’ Youth Homes Foundation, Inc. and the Georgia Sheriffs’ Youth Homes, Inc., the Georgia Sheriffs’ Association, Inc. and the Sheriffs’ Retirement Fund of Georgia each contribute their equitable share of costs associated with the construction, operations and maintenance of the facility as tenants. The construction of the new headquarters was substantially complete in November 2022 although additional updates continued throughout the year ended June 30, 2023.

#### Note 16 – Rent Expense and Operating Leases

During the years ended June 30, 2024 and 2023, the Organization incurred rent expense of \$4,058 and \$22,516 for short term equipment rentals.

As mentioned in Note 1, the Organization implemented the new lease accounting standards under FASB Accounting Standards Update (ASU) No. 2016-02, ASC 842, Leases, effective July 1, 2023. In accordance with the ASU, the Organization measures right-of-use (“ROU”) assets and lease liabilities based on the future minimum lease payments over the lease term at the commencement date. Minimum lease payments include the fixed lease components of the agreement. The Organization recognizes lease expense for leases on a straight-line basis over the lease term. As the implicit rate is typically not readily determinable for most leases, the Organization uses its incremental borrowing rate to determine the initial present value of lease payments when needed.

Note 16 – Rent Expense and Leases (Continued)

The Organization determines if a contract is or contains a lease at inception. Leases with an initial term of 12 months or less are not recorded on the balance sheet and are expensed as incurred. The only Organization lease is an operating lease for their portion of the new headquarters.

During November 2022, the Madison building was substantially completed and able to be moved into; however, there was still a significant amount of work and costs remaining to be completed. The lease contract terms were for the Organization to pay a proportional amount of the interest as lease payments until the loan converted to a permanent amortizing loan. Since the loan was still in the interest-only construction phase, rent payments were variable based on the current loan amount and charged to rent expense as incurred. Rent expense for office space totaled \$7,818 and \$38,419 for the years ended June 30, 2024 and 2023, respectively. Once the loan was converted in August 2023, the Organization recorded a right-of-use asset and lease liability of \$1,705,169 based on their portion of future payment obligations discounted using the stated rate of 2.95%. The lease has a remaining lease term of 12.7 years. Lease expense totaled \$139,712 and \$0 for the years ended June 30, 2024 and 2023, respectively.

The following schedules show the Associations right-of-use assets and related liabilities, and other information related to its leasing activities:

Right-of-use assets, beginning of year	\$ -
New leases	1,705,169
Lease payments	(139,712)
Interest	44,893
Right-of-use assets, end of year	<u>1,610,350</u>
Right-of-use lease liabilities, beginning of year	-
New leases	1,705,169
Lease payments	(139,712)
Interest	44,893
Right-of-use lease liabilities, end of year	<u>1,610,350</u>
Net Right-of-Use Asset (Liabilities)	<u>\$ -</u>

The following is a schedule by years of future projected lease payments as of June 30, 2024:

<u>YEAR ENDING JUNE 30,</u>	
2025	\$ 152,413
2026	152,413
2027	152,413
2028	152,413
2029	152,413
After 5 Years	<u>1,170,080</u>
Total Projected Lease Payments	1,932,145
Less Present Value Discount	<u>321,795</u>
Present Value of Projected Lease Payments	<u>\$ 1,610,350</u>
Current Portion of Lease Liabilities	\$ 106,338
Long-Term Portion of Lease Liabilities	<u>1,504,012</u>
	<u>\$ 1,610,350</u>

Note 17 – Subsequent Events

The Organization has evaluated events and transactions for potential recognition or disclosure in the financial statements through December 30, 2024, the date on which the financial statements were available to be issued.



## GEORGIA SHERIFFS' YOUTH HOMES, INC.

**YOUTH HOMES**  
**SCHEDULE OF FUNCTIONAL EXPENSES**  
**YEAR ENDED JUNE 30, 2024**  
**(WITH COMPARATIVE TOTALS FOR YEAR ENDED JUNE 30, 2023)**

	YEAR ENDED JUNE 30, 2024			
	PROGRAM	SUPPORTING SERVICES		
	SERVICES	MANAGEMENT		
	CHILD CARE	AND GENERAL	FUND RAISING	MAINTENANCE
(1) Salaries	\$ -	336,176	166,086	-
(2) Payroll taxes and retirement	-	67,693	33,766	-
(3) Insurance	909	118,623	38,811	-
(4) Postage	16,354	3,357	23,146	-
(5) Telephone	523	6,701	41	-
(6) Travel	5,879	472	-	-
(7) Public relations	27,567	17,457	-	-
(8) Dues and subscriptions	1,529	244	-	-
(9) Professional services	24,299	906	36,675	-
(10) Personnel screening costs	-	23	-	-
(11) Hospital, drugs and medical	-	-	-	-
(12) Utilities	52	-	-	12,188
(13) Repairs and maintenance	-	-	-	6,638
(14) Vehicle operating costs	-	-	-	10,083
(15) Fees, taxes and licenses	655	-	-	-
(16) Food	4,537	-	-	-
(17) Kitchen supplies	81	-	-	-
(18) Bank charges	-	82	-	-
(19) School fees and supplies	20	-	-	-
(20) Awards	1,513	620	-	-
(21) Building maintenance	-	2,845	-	-
(22) Personal care	-	-	-	-
(23) Lawn care expense	-	-	-	3,868
(24) Payroll services expense	-	2,555	1,172	-
(25) Legal and auditing	642	58,508	-	-
(26) Office supplies	2,922	2,301	128	-
(27) Printing	2,693	365	-	-
(28) Property taxes	-	-	-	-
(29) Rent on equipment	-	422	-	-
(30) Computer expense	42,978	4,546	-	-
(31) Special events	74,659	22,998	-	-
(32) Investment fees	-	9,758	-	-
(33) Credit card processing fees	5,895	196	-	-
(34) Meetings	438	251	-	-
(35) Rent - Occupancy	-	147,530	-	-
(36) Donations to other non-profits, Note 7	300	-	-	-
Total Expenses Before Depreciation & Interest	214,445	804,629	299,825	32,777
Depreciation, Notes 1 and 4	429	2,084	-	-
	<u>\$ 214,874</u>	<u>806,713</u>	<u>299,825</u>	<u>32,777</u>

**Note: See independent auditor's report.**

## GEORGIA SHERIFFS' YOUTH HOMES, INC.

**YOUTH HOMES**  
**SCHEDULE OF FUNCTIONAL EXPENSES**  
**YEAR ENDED JUNE 30, 2024**  
**(WITH COMPARATIVE TOTALS FOR YEAR ENDED JUNE 30, 2023)**

YEAR ENDED JUNE 30, 2024			
SUPPORTING SERVICES			
PLANNED GIVING	TOTAL	TOTALS	
		YEAR ENDED JUNE 30,	
		2024	2023
-	502,262	502,262	471,056 (1)
-	101,459	101,459	96,466 (2)
-	157,434	158,343	139,818 (3)
-	26,503	42,857	39,142 (4)
-	6,742	7,265	14,272 (5)
-	472	6,351	6,862 (6)
-	17,457	45,024	33,268 (7)
-	244	1,773	2,158 (8)
-	37,581	61,880	64,835 (9)
-	23	23	113 (10)
-	-	-	18 (11)
-	12,188	12,240	8,233 (12)
-	6,638	6,638	3,265 (13)
-	10,083	10,083	7,753 (14)
-	-	655	62 (15)
-	-	4,537	- (16)
-	-	81	- (17)
-	82	82	3,211 (18)
-	-	20	- (19)
-	620	2,133	1,587 (20)
-	2,845	2,845	2,254 (21)
-	-	-	136 (22)
-	3,868	3,868	1,682 (23)
-	3,727	3,727	3,382 (24)
-	58,508	59,150	46,660 (25)
-	2,429	5,351	13,193 (26)
-	365	3,058	3,555 (27)
-	-	-	5,617 (28)
-	422	422	11,145 (29)
-	4,546	47,524	55,038 (30)
-	22,998	97,657	101,171 (31)
-	9,758	9,758	9,239 (32)
-	196	6,091	5,001 (33)
-	251	689	226 (34)
-	147,530	147,530	38,419 (35)
-	-	300	- (36)
-	1,137,231	1,351,676	1,188,887
-	2,084	2,513	1,826
-	1,139,315	1,354,189	1,190,713

Note: See independent auditor's report.

## GEORGIA SHERIFFS' YOUTH HOMES, INC.

## BOYS' RANCH

## SCHEDULE OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2024

(WITH COMPARATIVE TOTALS FOR YEAR ENDED JUNE 30, 2023)

	YEAR ENDED JUNE 30, 2024			
	PROGRAM SERVICES			TOTAL
	CHILD CARE	FOOD SERVICE	HOME & MAINTENANCE	
(1) Salaries	\$ 489,913	61,453	40,058	591,424
(2) Payroll taxes and retirement	77,685	12,331	2,547	92,563
(3) Insurance	145,545	28,258	100,496	274,299
(4) Postage	439	-	-	439
(5) Telephone	5,485	-	-	5,485
(6) Travel	4,510	-	-	4,510
(7) Public relations	1,000	-	-	1,000
(8) Dues and subscriptions	360	-	-	360
(9) Professional services	9,127	-	-	9,127
(10) Allowances	5,364	-	-	5,364
(11) Personnel screening costs	2,062	-	-	2,062
(12) Hospital, drugs and medical	1,382	-	-	1,382
(13) Haircuts	2,443	-	-	2,443
(14) Recreation	9,922	-	-	9,922
(15) Special occasions	9,853	-	-	9,853
(16) Clothing	13,395	-	-	13,395
(17) Utilities	-	-	89,337	89,337
(18) Repairs and maintenance	-	-	-	-
(19) Vehicle operating costs	-	-	39,566	39,566
(20) Fees, taxes and licenses	594	-	-	594
(21) Food	-	50,827	-	50,827
(22) Household items and fixtures	-	-	8,071	8,071
(23) Kitchen supplies	-	3,394	-	3,394
(24) Bank charges	63	-	-	63
(25) School fees and supplies	5,616	-	-	5,616
(26) Awards	361	-	-	361
(27) Home maintenance	-	-	36,602	36,602
(28) Personal care	83	-	-	83
(29) Lawn care expense	-	-	43,470	43,470
(30) Payroll services expense	3,594	409	302	4,305
(31) Office supplies	1,870	-	-	1,870
(33) Rent on equipment	903	-	-	903
(32) Training and conferences	13,093	-	-	13,093
(33) Computer expense	25,117	-	-	25,117
(34) Special events	11,637	-	-	11,637
(35) Investment fees	-	-	-	-
(36) Credit card processing fees	167	-	-	167
Total Expenses Before Depreciation	842,722	156,672	360,449	1,359,843
Depreciation, Notes 1 and 4	113,755	14,723	25,733	154,211
	<u>\$ 956,477</u>	<u>171,395</u>	<u>386,182</u>	<u>1,514,054</u>

**Note: See independent auditor's report.**

## GEORGIA SHERIFFS' YOUTH HOMES, INC.

## BOYS' RANCH

## SCHEDULE OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2024

(WITH COMPARATIVE TOTALS FOR YEAR ENDED JUNE 30, 2023)

YEAR ENDED JUNE 30, 2024						
SUPPORTING SERVICES				TOTALS		
MANAGEMENT				YEAR ENDED JUNE 30,		
AND GENERAL	FUNDRAISING	FARM	TOTAL	2024	2023	
-	-	-	-	591,424	544,452	(1)
-	-	-	-	92,563	75,983	(2)
-	-	-	-	274,299	183,752	(3)
47	-	-	47	486	539	(4)
480	-	-	480	5,965	18,372	(5)
-	-	-	-	4,510	3,878	(6)
-	-	-	-	1,000	1,000	(7)
-	-	-	-	360	970	(8)
-	-	-	-	9,127	8,405	(9)
-	-	-	-	5,364	6,517	(10)
-	-	-	-	2,062	2,912	(11)
-	-	-	-	1,382	945	(12)
-	-	-	-	2,443	3,269	(13)
-	-	-	-	9,922	7,093	(14)
-	-	-	-	9,853	13,247	(15)
-	-	-	-	13,395	18,933	(16)
-	-	-	-	89,337	78,572	(17)
-	-	-	-	-	6,958	(18)
-	-	-	-	39,566	44,219	(19)
-	-	-	-	594	540	(20)
-	-	-	-	50,827	64,776	(21)
-	-	-	-	8,071	3,603	(22)
-	-	-	-	3,394	5,175	(23)
23	-	-	23	86	45	(24)
-	-	-	-	5,616	2,376	(25)
-	-	-	-	361	-	(26)
-	-	-	-	36,602	127,262	(27)
-	-	-	-	83	255	(28)
-	-	-	-	43,470	45,169	(29)
-	-	-	-	4,305	3,984	(30)
-	-	-	-	1,870	1,264	(31)
-	-	-	-	903	4,129	(33)
-	-	-	-	13,093	5,335	(32)
-	-	-	-	25,117	17,446	(33)
-	-	-	-	11,637	9,134	(34)
4,779	-	-	4,779	4,779	6,255	(35)
-	-	-	-	167	217	(36)
5,329	-	-	5,329	1,365,172	1,316,981	
-	-	-	-	154,211	138,385	
5,329	-	-	5,329	1,519,383	1,455,366	

Note: See independent auditor's report.

## GEORGIA SHERIFFS' YOUTH HOMES, INC.

**CHEROKEE ESTATE**  
**SCHEDULE OF FUNCTIONAL EXPENSES**

**YEAR ENDED JUNE 30, 2024**

**(WITH COMPARATIVE TOTALS FOR YEAR ENDED JUNE 30, 2023)**

	YEAR ENDED JUNE 30, 2024			
	PROGRAM SERVICES			
	CHILD	FOOD	HOME &	
	CARE	SERVICE	MAINTENANCE	TOTAL
(1) Salaries	\$ 243,039	-	21,939	264,978
(2) Payroll taxes and retirement	36,925	-	1,628	38,553
(3) Insurance	73,373	-	46,860	120,233
(4) Postage	314	-	-	314
(5) Telephone	15,903	-	-	15,903
(6) Travel	1,855	-	-	1,855
(7) Dues and subscriptions	-	-	-	-
(8) Allowances	4,199	-	-	4,199
(9) Personnel screening costs	443	-	-	443
(10) Hospital, drugs and medical	2,539	-	-	2,539
(11) Haircuts	25	-	-	25
(12) Recreation	7,103	-	-	7,103
(13) Special occasions	5,836	-	-	5,836
(14) Clothing	6,431	-	-	6,431
(15) Utilities	-	-	53,127	53,127
(16) Repairs and maintenance	-	-	2,242	2,242
(17) Vehicle operating costs	-	-	13,698	13,698
(18) Food	-	18,264	-	18,264
(19) Household items and fixtures	-	-	3,161	3,161
(20) Kitchen supplies	-	650	-	650
(21) Bank charges	71	-	-	71
(22) School fees and supplies	1,328	-	-	1,328
(23) Home maintenance	-	-	24,973	24,973
(24) Personal care	1,096	-	-	1,096
(25) Lawn care expense	-	-	45,212	45,212
(26) Payroll processing fees	1,684	-	189	1,873
(27) Office supplies	1,153	-	-	1,153
(28) Rent on equipment	1,334	-	-	1,334
(29) Training and conferences	969	-	-	969
(30) Computer expense	12,434	-	-	12,434
(31) Special events	1,630	-	-	1,630
(32) Credit card processing fees	4	-	-	4
(33) Meetings	-	-	-	-
Total Expenses Before Depreciation	419,688	18,914	213,029	651,631
Depreciation, Notes 1 and 4	85,067	1,361	10,861	97,289
	<u>\$ 504,755</u>	<u>20,275</u>	<u>223,890</u>	<u>748,920</u>

**Note: See independent auditor's report.**

**GEORGIA SHERIFFS' YOUTH HOMES, INC.**

**CHEROKEE ESTATE  
SCHEDULE OF FUNCTIONAL EXPENSES**

**YEAR ENDED JUNE 30, 2024**

**(WITH COMPARATIVE TOTALS FOR YEAR ENDED JUNE 30, 2023)**

YEAR ENDED JUNE 30, 2024					TOTALS		
SUPPORTING SERVICES					YEAR ENDED JUNE 30,		
MANAGEMENT AND GENERAL	FUNDRAISING	FARM	TOTAL		2024	2023	
-	-	-	-	-	264,978	209,339	(1)
-	-	-	-	-	38,553	35,245	(2)
-	-	-	-	-	120,233	103,264	(3)
-	-	-	-	-	314	355	(4)
481	-	-	481	-	16,384	39,739	(5)
-	-	-	-	-	1,855	1,819	(6)
-	-	-	-	-	-	230	(7)
-	-	-	-	-	4,199	4,313	(8)
-	-	-	-	-	443	925	(9)
-	-	-	-	-	2,539	4,728	(10)
-	-	-	-	-	25	162	(11)
-	-	-	-	-	7,103	3,735	(12)
-	-	-	-	-	5,836	3,194	(13)
-	-	-	-	-	6,431	4,767	(14)
-	-	-	-	-	53,127	48,506	(15)
-	-	-	-	-	2,242	81	(16)
-	-	-	-	-	13,698	10,426	(17)
173	-	-	173	-	18,437	17,592	(18)
-	-	-	-	-	3,161	1,617	(19)
-	-	-	-	-	650	310	(20)
-	-	-	-	-	71	78	(21)
-	-	-	-	-	1,328	1,349	(22)
-	-	-	-	-	24,973	19,854	(23)
-	-	-	-	-	1,096	612	(24)
-	-	-	-	-	45,212	46,210	(25)
-	-	-	-	-	1,873	1,376	(26)
-	-	-	-	-	1,153	890	(27)
-	-	-	-	-	1,334	2,319	(28)
-	-	-	-	-	969	1,003	(29)
-	-	-	-	-	12,434	9,965	(30)
-	-	-	-	-	1,630	3,554	(31)
-	-	-	-	-	4	53	(32)
-	-	-	-	-	-	374	(33)
654	-	-	654	-	652,285	577,984	
-	-	1,290	1,290	-	98,579	101,369	
654	-	1,290	1,944	-	750,864	679,353	

**Note: See independent auditor's report.**

## GEORGIA SHERIFFS' YOUTH HOMES, INC.

## PINELAND

## SCHEDULE OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2024

(WITH COMPARATIVE TOTALS FOR YEAR ENDED JUNE 30, 2023)

	YEAR ENDED JUNE 30, 2024			
	PROGRAM SERVICES			
	CHILD CARE	FOOD SERVICE	HOME & MAINTENANCE	TOTAL
(1) Salaries	\$ 242,494	-	14,420	256,914
(2) Payroll taxes and retirement	30,116	-	2,233	32,349
(3) Insurance	51,586	-	54,184	105,770
(4) Postage	1,156	-	-	1,156
(5) Telephone	9,312	-	-	9,312
(6) Travel	859	-	-	859
(7) Public relations	144	-	-	144
(8) Dues and subscriptions	15	-	-	15
(9) Professional services	3,273	-	-	3,273
(10) Allowances	1,514	-	-	1,514
(11) Personnel screening costs	1,518	-	-	1,518
(12) Hospital, drugs and medical	8,113	-	-	8,113
(13) Haircuts	1,546	-	-	1,546
(14) Recreation	11,383	-	-	11,383
(15) Special occasions	983	-	-	983
(16) Clothing	5,474	-	-	5,474
(17) Utilities	-	-	61,431	61,431
(18) Repairs and maintenance	-	-	60,847	60,847
(19) Vehicle operating cost	-	-	16,423	16,423
(20) Fees, taxes and licenses	325	-	-	325
(21) Food	-	28,386	-	28,386
(22) Household items and fixtures	-	-	7,630	7,630
(23) Kitchen supplies	-	950	-	950
(24) Bank charges	-	-	-	-
(25) School fees and supplies	1,424	-	-	1,424
(26) Advertising	2,124	-	-	2,124
(27) Home maintenance	-	-	94,359	94,359
(28) Personal care	749	-	-	749
(29) Lawn care expense	-	-	14,027	14,027
(30) Payroll processing fees	2,228	-	137	2,365
(31) Office supplies	1,775	-	-	1,775
(32) Rent of equipment	-	-	-	-
(33) Training and conferences	702	-	-	702
(34) Computer expense	11,375	-	-	11,375
(35) Special events	2,487	-	-	2,487
(36) Credit card processing fees	208	-	-	208
(37) Meetings	903	-	-	903
Total Expense Before Depreciation	393,786	29,336	325,691	748,813
Depreciation, Notes 1 and 4	134,390	3,939	27,378	165,707
	<u>\$ 528,176</u>	<u>33,275</u>	<u>353,069</u>	<u>914,520</u>

**Note: See independent auditor's report.**

## GEORGIA SHERIFFS' YOUTH HOMES, INC.

## PINELAND

## SCHEDULE OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2024

(WITH COMPARATIVE TOTALS FOR YEAR ENDED JUNE 30, 2023)

YEAR ENDED JUNE 30, 2024				TOTALS		
SUPPORTING SERVICES				YEAR ENDED JUNE 30,		
MANAGEMENT AND GENERAL	FUNDRAISING	FARM	TOTAL	2024	2023	
-	-	-	-	256,914	255,597	(1)
-	-	-	-	32,349	46,037	(2)
-	-	-	-	105,770	105,224	(3)
58	-	-	58	1,214	529	(4)
480	-	-	480	9,792	18,958	(5)
-	-	-	-	859	2,141	(6)
-	-	-	-	144	325	(7)
-	-	-	-	15	205	(8)
-	-	-	-	3,273	2,015	(9)
-	-	-	-	1,514	742	(10)
-	-	-	-	1,518	2,375	(11)
150	-	-	150	8,263	5,793	(12)
-	-	-	-	1,546	572	(13)
101	-	-	101	11,484	3,064	(14)
-	-	-	-	983	1,659	(15)
-	-	-	-	5,474	5,624	(16)
-	-	-	-	61,431	73,618	(17)
-	-	-	-	60,847	15,070	(18)
26	-	-	26	16,449	19,289	(19)
-	-	-	-	325	332	(20)
694	-	-	694	29,080	24,380	(21)
-	-	-	-	7,630	5,603	(22)
-	-	-	-	950	1,242	(23)
-	-	-	-	-	86	(24)
-	-	-	-	1,424	1,176	(25)
-	-	-	-	2,124	2,817	(26)
-	-	-	-	94,359	42,359	(27)
-	-	-	-	749	66	(28)
-	-	-	-	14,027	3,834	(29)
-	-	-	-	2,365	2,125	(30)
-	-	-	-	1,775	1,229	(31)
-	-	-	-	-	3,081	(32)
-	-	-	-	702	1,197	(33)
-	-	-	-	11,375	9,060	(34)
-	-	-	-	2,487	5,242	(35)
-	-	-	-	208	50	(36)
-	-	-	-	903	1,291	(37)
1,509	-	-	1,509	750,322	664,007	
-	-	1,543	1,543	167,250	162,702	
1,509	-	1,543	3,052	917,572	826,709	

Note: See independent auditor's report.



## GEORGIA SHERIFFS' YOUTH HOMES, INC.

**HERRINGTON HOMESTEAD**  
**SCHEDULE OF FUNCTIONAL EXPENSES**  
**YEAR ENDED JUNE 30, 2024**

**(WITH COMPARATIVE TOTALS FOR YEAR ENDED JUNE 30, 2023)**

	YEAR ENDED JUNE 30, 2024			
	PROGRAM SERVICES			
	CHILD CARE	FOOD SERVICE	HOME & MAINTENANCE	TOTAL
(1) Salaries	\$ 327,663	-	-	327,663
(2) Payroll taxes and retirement	50,438	-	-	50,438
(3) Insurance	51,887	-	57,233	109,120
(4) Postage	1,092	-	-	1,092
(5) Telephone	10,348	-	40	10,388
(6) Travel	587	-	-	587
(7) Public relations	97	-	-	97
(8) Dues and subscriptions	38	-	-	38
(9) Professional services	500	-	-	500
(10) Allowances	5,495	-	-	5,495
(11) Personnel screening costs	2,088	-	-	2,088
(12) Hospital, drugs and medical	5,349	-	-	5,349
(13) Haircuts	1,023	-	-	1,023
(14) Recreation	1,057	-	-	1,057
(15) Special occasions	5,015	-	-	5,015
(16) Clothing	6,365	-	-	6,365
(17) Utilities	-	-	59,225	59,225
(18) Repairs and maintenance	-	-	1,348	1,348
(19) Vehicle operating costs	-	-	17,458	17,458
(20) Fees, taxes and licenses	273	-	-	273
(21) Food	-	23,056	-	23,056
(22) Household items and fixtures	-	-	6,989	6,989
(23) Kitchen supplies	-	54	-	54
(24) Bank charges	30	-	-	30
(25) School fees and supplies	5,380	-	-	5,380
(26) Advertising	-	-	-	-
(27) Awards	40	-	-	40
(28) Home maintenance	-	-	39,406	39,406
(29) Personal care	1,165	-	-	1,165
(30) Lawn care expense	-	-	24,308	24,308
(31) Payroll processing fees	2,845	-	-	2,845
(32) Office supplies	1,224	-	-	1,224
(33) Printing	-	-	-	-
(33) Training and conferences	533	-	-	533
(34) Computer expense	9,032	-	-	9,032
(35) Special events	770	-	-	770
(36) Credit card processing fees	30	-	-	30
(37) Meetings	278	-	-	278
Total Expenses Before Depreciation	490,642	23,110	206,007	719,759
Depreciation, Notes 1 and 4	122,803	1,828	9,981	134,612
	<u>\$ 613,445</u>	<u>24,938</u>	<u>215,988</u>	<u>854,371</u>

**Note: See independent auditor's report.**

## GEORGIA SHERIFFS' YOUTH HOMES, INC.

## HERRINGTON HOMESTEAD

## SCHEDULE OF FUNCTIONAL EXPENSES

## YEAR ENDED JUNE 30, 2024

(WITH COMPARATIVE TOTALS FOR YEAR ENDED JUNE 30, 2023)

YEAR ENDED JUNE 30, 2024					
SUPPORTING SERVICES			TOTALS		
MANAGEMENT			YEAR ENDED JUNE 30,		
AND GENERAL	FUNDRAISING	TOTAL	2024	2023	
-	-	-	327,663	329,255	(1)
-	-	-	50,438	58,433	(2)
-	-	-	109,120	127,689	(3)
-	-	-	1,092	619	(4)
575	-	575	10,963	16,775	(5)
-	-	-	587	1,053	(6)
-	-	-	97	409	(7)
-	-	-	38	117	(8)
-	-	-	500	7,685	(9)
-	-	-	5,495	6,874	(10)
-	-	-	2,088	820	(11)
-	-	-	5,349	6,598	(12)
-	-	-	1,023	1,803	(13)
-	-	-	1,057	7,548	(14)
-	-	-	5,015	3,382	(15)
-	-	-	6,365	11,424	(16)
-	-	-	59,225	55,220	(17)
-	-	-	1,348	-	(18)
-	-	-	17,458	24,999	(19)
-	-	-	273	13	(20)
-	-	-	23,056	46,890	(21)
-	-	-	6,989	8,630	(22)
-	-	-	54	86	(23)
-	-	-	30	-	(24)
-	-	-	5,380	4,200	(25)
-	-	-	-	1,748	(26)
-	-	-	40	30	(27)
-	-	-	39,406	28,998	(28)
-	-	-	1,165	226	(29)
-	-	-	24,308	10,961	(30)
-	-	-	2,845	2,563	(31)
-	-	-	1,224	1,939	(32)
-	-	-	-	60	(33)
-	-	-	533	1,048	(33)
-	-	-	9,032	13,226	(34)
-	-	-	770	1,272	(35)
-	-	-	30	1	(36)
-	-	-	278	184	(37)
575	-	575	720,334	782,778	
-	-	-	134,612	137,125	
575	-	575	854,946	919,903	

Note: See independent auditor's report.

## GEORGIA SHERIFFS' YOUTH HOMES, INC.

**MOUNTAIN VIEW**  
**SCHEDULE OF FUNCTIONAL EXPENSES**  
**YEAR ENDED JUNE 30, 2024**  
**(WITH COMPARATIVE TOTALS FOR YEAR ENDED JUNE 30, 2023)**

YEAR ENDED JUNE 30, 2024				
PROGRAM SERVICES				
	CHILD CARE	FOOD SERVICE	HOME & MAINTENANCE	TOTAL
(1) Salaries	\$ 121,875	-	32,570	154,445
(2) Payroll taxes and retirement	21,481	-	6,246	27,727
(3) Insurance	40,456	-	13,405	53,861
(4) Postage	17	-	-	17
(5) Telephone	8,980	-	-	8,980
(6) Travel	28	-	-	28
(7) Dues and subscriptions	-	-	-	-
(8) Allowances	475	-	-	475
(9) Personnel screening costs	-	-	-	-
(10) Hospital, drugs and medical	188	-	-	188
(11) Haircuts	72	-	-	72
(12) Recreation	148	-	-	148
(13) Special occasions	335	-	-	335
(14) Clothing	1,808	-	-	1,808
(15) Utilities	-	-	22,984	22,984
(16) Repairs and maintenance	-	-	332	332
(17) Vehicle operating cost	-	-	6,170	6,170
(18) Fees, taxes and licenses	-	-	-	-
(19) Food	-	10,122	-	10,122
(20) Household items and fixtures	-	-	2,691	2,691
(21) Kitchen supplies	-	84	-	84
(22) Bank charges	27	-	-	27
(23) School fees and supplies	81	-	-	81
(24) Home maintenance	-	-	4,908	4,908
(25) Personal care	37	-	-	37
(26) Lawn care	-	-	851	851
(27) Payroll processing fees	810	-	302	1,112
(28) Office supplies	326	-	-	326
(29) Rent of equipment	1,399	-	-	1,399
(30) Training and conferences	51	-	-	51
(31) Computer expense	5,758	-	-	5,758
(32) Special events	1,979	-	-	1,979
(33) Credit card processing fees	20	-	-	20
(34) Meetings	92	-	-	92
	206,443	10,206	90,459	307,108
Depreciation, Notes 1 and 4	22,539	-	3,793	26,332
	<u>\$ 228,982</u>	<u>10,206</u>	<u>94,252</u>	<u>333,440</u>

**Note: See independent auditor's report.**

## GEORGIA SHERIFFS' YOUTH HOMES, INC.

MOUNTAIN VIEW  
SCHEDULE OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2024

(WITH COMPARATIVE TOTALS FOR YEAR ENDED JUNE 30, 2023)

YEAR ENDED JUNE 30, 2024						
SUPPORTING SERVICES			TOTALS			
MANAGEMENT AND GENERAL	FUNDRAISING	TOTAL	YEAR ENDED JUNE 30,			
			2024	2023		
-	-	-	154,445	135,819	(1)	
-	-	-	27,727	22,860	(2)	
-	-	-	53,861	57,926	(3)	
-	-	-	17	-	(4)	
-	-	-	8,980	20,528	(5)	
-	-	-	28	-	(6)	
-	-	-	-	130	(7)	
-	-	-	475	1,206	(8)	
-	-	-	-	273	(9)	
-	-	-	188	23	(10)	
-	-	-	72	125	(11)	
-	-	-	148	3,619	(12)	
-	-	-	335	1,214	(13)	
-	-	-	1,808	1,387	(14)	
-	-	-	22,984	17,507	(15)	
-	-	-	332	3,208	(16)	
-	-	-	6,170	6,041	(17)	
-	-	-	-	1	(18)	
-	-	-	10,122	13,194	(19)	
-	-	-	2,691	557	(20)	
-	-	-	84	15	(21)	
-	-	-	27	2	(22)	
-	-	-	81	331	(23)	
-	-	-	4,908	7,763	(24)	
-	-	-	37	32	(25)	
-	-	-	851	829	(26)	
-	-	-	1,112	977	(27)	
-	-	-	326	503	(28)	
-	-	-	1,399	1,842	(29)	
-	-	-	51	338	(30)	
-	-	-	5,758	7,494	(31)	
-	-	-	1,979	1,000	(32)	
-	-	-	20	73	(33)	
-	-	-	92	153	(34)	
-	-	-	307,108	306,970		
-	-	-	26,332	28,397		
-	-	-	333,440	335,367		

Note: See independent auditor's report.

GEORGIA SHERIFFS' YOUTH HOMES, INC.

YOUTH HOMES INVESTMENTS  
SCHEDULE OF FUNCTIONAL EXPENSES  
YEAR ENDED JUNE 30, 2024  
(WITH COMPARATIVE TOTALS FOR YEAR ENDED JUNE 30, 2023)

	SUPPORTING SERVICE MANAGEMENT AND GENERAL	TOTALS	
		YEAR ENDED JUNE 30,	
		2024	2023
Investment fees	\$ 41,735	41,735	39,566

Note: See independent auditor’s report.

**GEORGIA SHERIFFS' YOUTH HOMES, INC.**

**SCHEDULE OF ASSETS RECEIVED FROM WILLS AND BEQUESTS**  
**YEAR ENDED JUNE 30, 2024**

Bruce Williams	\$	349,076
Chester Knowles Trust		2,791
Helen McPheeters		8,426
Thurman Waldrop		800
Estate of David Roscoe Nall, III		2,850
Estate of John Mash		91,634
Estate of Michael Galloway		<u>19,175</u>
	\$	<u><u>474,752</u></u>

**Note: See independent auditor's report.**

## GEORGIA SHERIFFS' YOUTH HOMES, INC.

**SCHEDULE OF FEDERAL AND STATE CONTRACTUAL ASSISTANCE**  
**YEAR ENDED JUNE 30, 2024**

	<u>Contract Number</u>	<u>Revenue</u>	<u>Expenditures</u>	<u>Due (To) From</u>
Georgia Department of Human Services	42700-040C-RBWO23-01172			
	GA Sheriffs Boys Ranch	\$ 525,707	525,707	-
	GA Sheriffs Cherokee Estates	209,730	209,730	-
	GA Sheriffs Pineland	94,185	94,185	-
	GA Sheriffs Herrington Homestead	287,605	287,605	-
	GA Sheriffs Mountain View	<u>73,484</u>	<u>73,484</u>	<u>-</u>
		<u>\$ 1,190,711</u>	<u>1,190,711</u>	<u>-</u>
	Federal Contractual Assistance	\$ 245,415	245,415	-
	State Contractual Assistance	<u>945,296</u>	<u>945,296</u>	<u>-</u>
		<u>\$ 1,190,711</u>	<u>1,190,711</u>	<u>-</u>

**Note: See independent auditor's report.**



## **Fowler, Holley, Rambo & Stalvey, P.C.**

CERTIFIED PUBLIC ACCOUNTANTS  
BUSINESS CONSULTANTS

Curtis G. Fowler, CPA, PFS • Carlton W. Holley, CPA • C. Wayne Rambo, CPA, CVA • Richard A. Stalvey, CPA

3208 Wildwood Plantation Drive • Post Office Box 1887 • Valdosta, GA 31603-1887 • (229) 244-1559 • (800) 360-3123 • Fax (229) 245-7369

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

To the Board of Directors and Officers  
Georgia Sheriffs' Youth Homes, Inc.  
Madison, Georgia

We have audited, in accordance with the 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, the financial statements of Georgia Sheriffs' Youth Homes, Inc. (a nonprofit organization) which comprise the statement of financial position as of June 30, 2024, and the related statements of activities and cash flows and functional expenses for the year then ended, and the related notes to the financial statements and have issued our report thereon dated December 30, 2024.

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

In planning and performing our audit of the financial statements, we considered Georgia Sheriffs' Youth Homes, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Georgia Sheriffs' Youth Homes, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

SERVING VALDOSTA AND SOUTH GEORGIA SINCE 1956

Kelly D. Lunceford, CPA • Robert C. Wynens, CPA • Corey L. Lewis, CPA

Zachary R. Richards, CPA • Yesenia Granados, CPA



To the Board of Directors and Officers  
Georgia Sheriffs' Youth Homes, Inc.  
Madison, Georgia  
Page Two

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

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

### **Purpose of this Report**

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

*Fowler, Holley, Rambo & Stalvey, P.C.*

Valdosta, Georgia  
December 30, 2024