

GEORGIA SHERIFFS' YOUTH HOMES, INC.

MADISON, GEORGIA

REPORT ON AUDIT OF FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

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, 2025, 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, 2025 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 • Zachary R. Richards, CPA • Yesenia Granados, CPA

www.valdostacpa.com

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, 2024 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated December 30, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2024, 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.

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

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 19, 2025 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 19, 2025

GEORGIA SHERIFFS' YOUTH HOMES, INC.

STATEMENT OF FINANCIAL POSITION

JUNE 30, 2025

(WITH COMPARATIVE TOTALS FOR JUNE 30, 2024)

	JUNE 30,	
	2025	2024
<u>ASSETS</u>		
Current Assets:		
Cash, Note 2	\$ 201,295	401,876
Investment securities, Notes 1, 3 and 12	6,587,213	6,940,932
Accrued interest receivable	51,424	56,773
Grants and other receivables, Note 7	4,516,354	4,066,646
Assets held for sale and use, at fair market value, Notes 1 and 12	13,205	13,205
Prepaid expenses	151,050	55,764
Total Current Assets	11,520,541	11,535,196
Property, plant & equipment, net of accumulated depreciation of \$13,114,318 and \$12,664,611 in 2025 and 2024, respectively, Notes 1 and 4	9,193,146	9,156,687
Other Assets:		
Cash - with donor restrictions, Notes 2 and 11	503,774	451,321
Right of Use Asset, Notes 1 and 16	1,504,012	1,610,350
Investments - cash equivalent, with donor restrictions, Notes 2, 3 and 11	-	6,693
Investments - with donor restrictions, Notes 3 and 11	100,000	745,758
	2,107,786	2,814,122
Total Assets	\$ 22,821,473	23,506,005

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, 2025

(WITH COMPARATIVE TOTALS FOR JUNE 30, 2024)

	<u>JUNE 30,</u>	
	<u>2025</u>	<u>2024</u>
<u>LIABILITIES AND NET ASSETS</u>		
Current Liabilities:		
Accounts payable, Note 7	\$ 335,542	281,176
Deferred revenue	109,195	80,870
Accrued compensated absences, Note 1	362,383	307,977
Current portion of lease liability, Notes 1 and 16	109,518	106,338
Current portion of liability for split interest agreements, Note 9	454	1,817
Total Current Liabilities	<u>917,092</u>	<u>778,178</u>
Other Liabilities:		
Lease Liability, less current portion, Notes 1 and 16	1,394,494	1,504,012
Liability for split interest agreements, less current portion, Note 9	67,424	67,878
	<u>1,461,918</u>	<u>1,571,890</u>
Net Assets:		
Without donor restrictions:		
Operating	10,712,543	10,790,865
Land, building & equipment	9,193,146	9,156,687
	<u>19,905,689</u>	<u>19,947,552</u>
With donor restrictions, Notes 10 and 11	536,774	1,208,385
Total Net Assets	<u>20,442,463</u>	<u>21,155,937</u>
 Total Liabilities & Net Assets	 <u>\$ 22,821,473</u>	 <u>23,506,005</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, 2025
(WITH COMPARATIVE TOTALS FOR YEAR ENDED JUNE 30, 2024)

	YEAR ENDED JUNE 30, 2025				
	WITHOUT DONOR RESTRICTIONS				
	YOUTH HOMES	BOYS' RANCH	CHEROKEE ESTATES	PINELAND	HERRINGTON HOMESTEAD
Public Support and Revenue:					
Public Support:					
Contributions - Cash	\$ 1,177,891	959	-	100	-
Contributions - Noncash	24,321	11,209	3,494	24,000	-
Social Security & AFDC payments	-	707,293	190,386	158,021	200,993
Private Grants	97,295	-	3,750	-	-
Bequests	85,540	62,805	-	-	-
Contribution from Ga. Sheriffs' Youth Homes Foundation, Inc., Note 7	727,338	-	-	-	-
Total Public Support	2,112,385	782,266	197,630	182,121	200,993
Revenues:					
Investment income	-	-	-	-	-
Unrealized gain (loss) - investments	-	-	-	-	-
Special events	471,902	-	-	-	-
Gain (Loss) on sale of investments	-	-	-	-	-
Net change in value of split-interest agreements	-	-	-	-	-
Gain (Loss) on sale of property	5,000	(27,798)	1,450	139,949	(47,226)
Other income	24,138	258,043	-	13,084	281,939
Total Revenue	501,040	230,245	1,450	153,033	234,713
Net Assets Released From Restriction	-	145,050	36,058	78,605	36,546
Total Support and Revenue	2,613,425	1,157,561	235,138	413,759	472,252
Expenses:					
Program services:					
Child care, Note 7	164,704	847,754	390,721	337,801	469,097
Food service	-	167,779	13,350	22,793	19,363
Maintenance - Homes	-	365,569	213,754	209,129	191,761
Total Program Services	164,704	1,381,102	617,825	569,723	680,221
Supporting services:					
Management and general	744,268	14,642	7,159	147,742	7,604
Fund raising	497,539	-	-	-	-
Maintenance - Other	35,232	-	-	-	-
Farm	-	-	-	-	-
Total Supporting Services	1,277,039	14,642	7,159	147,742	7,604
Total Expenses	1,441,743	1,395,744	624,984	717,465	687,825
Increase (Decrease) in Net Assets	\$ 1,171,682	(238,183)	(389,846)	(303,706)	(215,573)
Transfers (to) from Other Funds, Note 7					
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, 2025
(WITH COMPARATIVE TOTALS FOR YEAR ENDED JUNE 30, 2024)

YEAR ENDED JUNE 30, 2025						
WITHOUT DONOR RESTRICTIONS				WITH DONOR RESTRICTIONS	TOTALS	
MOUNTAIN VIEW	GSYH INVESTMENTS	BUILDING, LAND & EQUIP	TOTAL		YEAR ENDED JUNE 30,	
					2025	2024
-	-	-	1,178,950	162,496	1,341,446	1,379,978
3,494	32,450	-	98,968	-	98,968	50,701
112,042	-	-	1,368,735	-	1,368,735	1,190,711
3,750	-	-	104,795	-	104,795	72,350
-	-	-	148,345	-	148,345	474,752
-	-	-	727,338	-	727,338	715,514
119,286	32,450	-	3,627,131	162,496	3,789,627	3,884,006
-	252,113	-	252,113	11,701	263,814	287,844
-	345,825	-	345,825	(74,719)	271,106	319,759
-	-	-	471,902	158,963	630,865	716,122
-	126,756	-	126,756	118,510	245,266	135,522
-	(9,563)	-	(9,563)	-	(9,563)	(7,322)
-	-	-	71,375	-	71,375	397,070
-	-	-	577,204	-	577,204	244,147
-	715,131	-	1,835,612	214,455	2,050,067	2,093,142
44,812	-	-	341,071	(341,071)	-	-
164,098	747,581	-	5,803,814	35,880	5,839,694	5,977,148
233,300	-	465,657	2,909,034	-	2,909,034	3,046,709
12,019	-	21,973	257,277	-	257,277	260,089
96,363	-	69,337	1,145,913	-	1,145,913	1,273,381
341,682	-	556,967	4,312,224	-	4,312,224	4,580,179
1,200	40,394	6,112	969,121	-	969,121	856,515
-	-	-	497,539	-	497,539	299,825
-	-	-	35,232	-	35,232	32,777
-	-	3,020	3,020	-	3,020	2,833
1,200	40,394	9,132	1,504,912	-	1,504,912	1,191,950
342,882	40,394	566,099	5,817,136	-	5,817,136	5,772,129
(178,784)	707,187	(566,099)	(13,322)	35,880	22,558	205,019
			(28,541)	(707,491)	(736,032)	-
			19,947,552	1,208,385	21,155,937	20,950,918
			\$ 19,905,689	536,774	20,442,463	21,155,937

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, 2025
(WITH COMPARATIVE TOTALS FOR YEAR ENDED JUNE 30, 2024)

YEAR ENDED JUNE 30, 2025												
	PROGRAM SERVICES				SUPPORTING SERVICES					TOTALS		
	CHILD CARE	FOOD SERVICE	HOME & MAINTENANCE	TOTAL	MANAGEMENT AND GENERAL	FUND RAISING	MAINTENANCE	FARM	TOTAL	YEAR ENDED JUNE 30,		
										2025	2024	
(1) Salaries	\$ 1,387,394	63,311	138,639	1,589,344	327,307	255,574	-	-	582,881	2,172,225	2,097,683	(1)
(2) Payroll taxes and retirement	254,065	12,579	23,687	290,331	63,424	53,625	-	-	117,049	407,380	343,089	(2)
(3) Insurance	328,700	25,162	220,758	574,620	137,167	89,219	-	-	226,386	801,006	821,627	(3)
(4) Postage	20,927	-	-	20,927	-	22,651	-	-	22,651	43,578	45,980	(4)
(5) Telephone	33,115	-	64	33,179	9,390	180	-	-	9,570	42,749	59,351	(5)
(6) Travel	4,910	-	-	4,910	543	-	-	-	543	5,453	14,189	(6)
(7) Public relations	12,876	-	-	12,876	9,463	-	-	-	9,463	22,339	46,266	(7)
(8) Dues and subscriptions	1,441	-	-	1,441	410	-	-	-	410	1,851	2,186	(8)
(9) Professional services	15,834	-	-	15,834	250	58,403	-	-	58,653	74,487	74,780	(9)
(10) Allowances	16,941	-	-	16,941	-	-	-	-	-	16,941	17,047	(10)
(11) Personnel screening costs	4,306	-	-	4,306	-	-	-	-	-	4,306	6,134	(11)
(12) Hospital, drugs and medical	9,122	-	-	9,122	-	-	-	-	-	9,122	17,720	(12)
(13) Haircuts	7,429	-	-	7,429	-	-	-	-	-	7,429	5,109	(13)
(14) Recreation	37,091	-	-	37,091	-	-	-	-	-	37,091	29,715	(14)
(15) Special occasions	12,881	-	-	12,881	-	-	-	-	-	12,881	22,022	(15)
(16) Clothing	29,934	-	-	29,934	-	-	-	-	-	29,934	33,473	(16)
(17) Utilities	-	-	282,332	282,332	-	-	13,817	-	13,817	296,149	298,345	(17)
(18) Repairs and maintenance	-	-	9,545	9,545	-	-	6,853	-	6,853	16,398	71,406	(18)
(19) Vehicle operating costs	-	-	89,508	89,508	-	-	7,277	-	7,277	96,785	103,423	(19)
(20) Fees, taxes and licenses	1,176	-	-	1,176	-	-	-	-	-	1,176	1,847	(20)
(21) Food	270	129,410	-	129,680	80	-	-	-	80	129,760	136,060	(21)
(22) Household items and fixtures	-	-	23,828	23,828	-	-	-	-	-	23,828	28,542	(22)
(23) Kitchen supplies	24	4,477	-	4,501	-	-	-	-	-	4,501	5,212	(23)
(24) Bank charges	29	-	-	29	59	-	-	-	59	88	295	(24)
(25) School fees and supplies	8,093	-	-	8,093	-	-	-	-	-	8,093	13,849	(25)
(26) Advertising	89	-	-	89	-	-	-	-	-	89	2,124	(26)
(27) Awards	178	-	-	178	810	-	-	-	810	988	2,534	(27)
(28) Home maintenance	-	-	156,058	156,058	4,839	-	-	-	4,839	160,897	203,094	(28)
(29) Personal care	2,434	-	-	2,434	-	-	-	-	-	2,434	3,129	(29)
(30) Lawn care expense	-	-	131,177	131,177	-	-	4,141	-	4,141	135,318	131,735	(30)
(31) Payroll services expense	9,703	365	981	11,049	2,384	1,365	-	-	3,749	14,798	16,230	(31)
(32) Legal and accounting	-	-	-	-	54,554	-	-	-	54,554	54,554	59,150	(32)
(33) Office supplies	7,950	-	-	7,950	3,784	108	-	-	3,892	11,842	11,699	(33)
(34) Printing	933	-	-	933	-	-	-	-	-	933	3,058	(34)
(35) Property taxes	-	-	-	-	-	-	3,144	-	3,144	3,144	-	(35)
(36) Rent on equipment	6,459	-	-	6,459	396	-	-	-	396	6,855	4,058	(36)
(37) Training and conferences	10,624	-	-	10,624	-	-	-	-	-	10,624	15,348	(37)
(38) Computer expense	89,811	-	-	89,811	470	16,414	-	-	16,884	106,695	111,240	(38)
(39) Special events	119,545	-	-	119,545	-	-	-	-	-	119,545	116,159	(39)
(40) Investment fees	-	-	-	-	55,817	-	-	-	55,817	55,817	56,273	(40)
(41) Rent-occupancy	-	-	-	-	152,413	-	-	-	152,413	152,413	147,530	(41)
(42) Miscellaneous	1,500	-	-	1,500	-	-	-	-	-	1,500	-	(42)
(43) Credit card processing fees	6,323	-	-	6,323	-	-	-	-	-	6,323	6,519	(43)
(44) Meetings	1,269	-	-	1,269	-	-	-	-	-	1,269	3,101	(44)
(45) Donations to other non-profits	-	-	-	-	139,449	-	-	-	139,449	139,449	300	(45)
Total Expenses Before Depreciation	2,443,376	235,304	1,076,577	3,755,257	963,009	497,539	35,232	-	1,495,780	5,251,037	5,188,631	
Depreciation, Notes 1 and 4	465,658	21,973	69,336	556,967	6,112	-	-	3,020	9,132	566,099	583,498	
	\$ 2,909,034	257,277	1,145,913	4,312,224	969,121	497,539	35,232	3,020	1,504,912	5,817,136	5,772,129	

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, 2025
(WITH COMPARATIVE TOTALS FOR YEAR ENDED JUNE 30, 2024)

	YEAR ENDED JUNE 30,	
	2025	2024
Cash Flows From Operating Activities:		
Increase (Decrease) in net assets	\$ 22,558	205,019
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
(Gain) loss on sales of investments	(245,266)	(135,522)
(Gain) loss on sale of assets	(71,375)	(324,828)
Transfers (to) from other funds	(28,541)	-
Depreciation	566,099	583,497
Non-cash contributions and bequests	(98,968)	(50,702)
Non-cash expenses	33,843	22,658
Unrealized (gains) losses on investments	(271,106)	(319,759)
Change in assets and liabilities:		
(Increase) Decrease in interest receivable	5,349	(9,496)
(Increase) Decrease in prepaid expenses	(95,286)	95,150
(Increase) Decrease in grant and other receivables	(449,708)	(472,212)
(Increase) Decrease in right of use asset	106,338	94,819
Increase (Decrease) in accounts payable	54,366	(241,384)
Increase (Decrease) in deferred revenue	28,325	62,468
Increase (Decrease) in accrued compensated absences	54,406	(22,528)
Increase (Decrease) in liability for split interest agreements	(1,817)	(8,146)
Net Cash Provided (Used) By Operating Activities	(390,783)	(520,966)
Cash Flows From Investing Activities:		
Capital expenditures	(645,457)	(509,732)
Purchase of investments	(4,952,895)	(1,544,032)
Proceeds from sale of investments	5,793,703	1,837,032
Proceeds from sale of assets	146,949	896,287
Net Cash Provided (Used) by Investing Activities	342,300	679,555
Cash Flows From Financing Activities:		
Payments on lease liability	(106,338)	(94,819)
Net Cash Provided (Used) By Financing Activities	(106,338)	(94,819)
Net Increase (Decrease) In Cash	(154,821)	63,770
Cash at Beginning of Year	859,890	796,120
Cash at End of Year	\$ 705,069	859,890

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, 2025

(WITH COMPARATIVE TOTALS FOR YEAR ENDED JUNE 30, 2024)

	YEAR ENDED JUNE 30,	
	2025	2024
Reconciliation of ending cash to Statement of Financial Position:		
Cash	\$ 201,295	401,876
Cash - with donor restrictions	503,774	451,321
Investments - cash equivalent, with donor restrictions	-	6,693
	<u>\$ 705,069</u>	<u>859,890</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 used or expensed	\$ 65,125	28,044
Right-of-use asset obtained in exchange for lease obligations	<u>\$ -</u>	<u>1,705,169</u>
<u>Disclosure of Accounting Policy</u>		
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, 2025 and 2024, contributed services of \$2,000 and \$2,500, 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, 2025 or 2024.

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 \$89 and \$2,124 for the years ended June 30, 2025 and 2024, respectively.

Rent expense: The Organization incurred rent expense of \$6,855 and \$11,876 for the years ended June 30, 2025 and 2024, 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 \$152,413 and \$139,712 was recorded for the years ended June 30, 2025 and 2024, 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, 2024 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.

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,			
	2025		2024	
	COST	MARKET	COST	MARKET
Stocks and mutual funds	\$ 3,351,305	4,120,986	4,104,905	4,834,613
U.S. Government Agency obligations	-	-	66,821	66,821
Corporate and fixed income obligations	2,533,441	2,517,586	3,033,366	2,791,949
Commodities	43,069	48,641	-	-
	<u>\$ 5,927,815</u>	<u>6,687,213</u>	<u>7,205,092</u>	<u>7,693,383</u>
Securities without donor restrictions		\$ 6,587,213		6,940,932
Securities and cash with donor restrictions		100,000		752,451
		<u>\$ 6,687,213</u>		<u>7,693,383</u>

The following summarizes the investment return and its classification in the statement of activities for the year ended June 30, 2025:

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
Investment income	\$ 252,113	11,701	263,814
Unrealized gain/(losses)	345,825	(74,719)	271,106
Realized gains/(losses)	<u>126,756</u>	<u>118,510</u>	<u>245,266</u>
	<u>\$ 724,694</u>	<u>55,492</u>	<u>780,186</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
	2025	2024	
Land	\$ 3,549,780	3,484,556	
Buildings and improvements	16,268,614	15,951,508	10-40 years
Equipment and other assets	1,714,242	1,682,449	3-10 years
Automobiles and trucks	762,328	702,785	3-5 years
Construction in progress	12,500	-	
	22,307,464	21,821,298	
Less accumulated depreciation	(13,114,318)	(12,664,611)	
	<u>\$ 9,193,146</u>	<u>9,156,687</u>	

The accompanying statements of activities include charges for depreciation of property, plant and equipment of \$566,099 and \$583,498 for the years ended June 30, 2025 and 2024, 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, 2025 and 2024, the Organization made matching contributions to the 401(k) component in the amount of \$64,673 and \$48,401, respectively, and discretionary contributions to the retirement plan in the amount of \$191,096 and \$145,126, respectively.

Note 6 – Interest Cost

No interest expense was incurred for the years ended June 30, 2025 and 2024.

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 \$0 and \$190 at June 30, 2025 and 2024, respectively. Additionally, the Organization has accounts payable to the Georgia Sheriffs' Association, Inc. of \$1,300 and \$1,398 at June 30, 2025 and 2024, respectively.

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

The Organization accrued contributions from the Georgia Sheriffs' Youth Homes Foundation, Inc. of \$727,338 and \$715,514 for the years ended June 30, 2025 and 2024, respectively. Additionally, the Organization has accounts receivable due from the Foundation of \$3,282,891 and \$2,805,915 at June 30, 2025 and 2024, respectively, for accrued contributions and expense reimbursements and accounts payable of \$6,465 and \$0 for the same periods. Additionally, the Organization paid the Georgia Sheriffs' Youth Homes Foundation, Inc. \$0 and \$7,818 during June 30, 2025 and 2024, respectively, for occupancy rent, and \$152,413 and \$139,712 during June 30, 2025 and 2024, respectively, for lease payments. The Organization also had a Note Receivable of \$1,113,005 and \$1,113,005 at June 30, 2025 and 2024, respectively, related to the disposition of the McDonough, GA headquarters. During the year ended June 30, 2025, the Organization made a transfer of investment securities of \$707,491 to the Georgia Sheriffs' Youth Homes Foundation, Inc. for funds previously noted as needing to be moved. They also made a transfer of \$28,541 related to previously accrued compensated absences of an employee who was moved from the Youth Homes to the Foundation.

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, 2025, 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, 2025 or the statement of activities for the year then ended. Further, all years subsequent to June 30, 2022 remain subject to examination.

Note 9 – Split Interest Agreements

During the years ended June 30, 2025 and 2024 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, 2025 and 2024, respectively. Total annual payments under outstanding split interest agreements total \$11,380 and \$15,463 at June 30, 2025 and 2024, respectively.

The following is a schedule by years of future projected annuity payments required under the split-interest agreements as of June 30, 2025:

<u>YEAR ENDING JUNE 30,</u>	
2026	\$ 5,600
2027	5,600
2028	5,600
2029	5,600
2030	5,600
After 5 Years	<u>162,400</u>
Total Projected Payments	190,400
Less Amount Representing Interest	<u>122,522</u>
Present Value of Projected Annuity Payments	<u>\$ 67,878</u>
Current Portion	\$ 454
Long-Term Portion	<u>67,424</u>
	<u>\$ 67,878</u>

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,	
	2025	2024
Boys Ranch	\$ 81,098	774,085
Cherokee Estates	85,572	93,371
Pineland	122,852	87,128
Herrington Homestead	99,660	82,381
Mountain View	47,573	71,442
Other (No specific campus designation)	19	(22)
Investments permanently restricted by the donor for educational purposes	100,000	100,000
	<u>\$ 536,774</u>	<u>1,208,385</u>

Donor restricted net assets include accrued income of \$0 and \$4,614 as of June 30, 2025 and 2024, 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, 2025 and June 30, 2024, respectively.

ASSETS AT FAIR VALUE JUNE 30, 2025				
	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	\$ 4,120,986	-	-	4,120,986
Corporate and Fixed Income	2,517,586	-	-	2,517,586
Commodities	48,641	-	-	48,641
Assets Held For Sale & Use	-	-	13,205	13,205
	<u>\$ 6,687,213</u>	<u>-</u>	<u>13,205</u>	<u>6,700,418</u>

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>

YEAR ENDED JUNE 30, 2025		
	INVESTMENT SECURITIES	ASSETS HELD FOR SALE
Fair Value Measurements Using Significant Unobservable Inputs (Level 3):		
Beginning Balance	\$ -	13,205
Total Gains or Losses Included in Earnings:		
Asset disposed of	-	(3,710)
Assets received by donation	-	33,843
Transfers in and/or out of level 3	-	(30,133)
Ending Balance	<u>\$ -</u>	<u>13,205</u>

	OTHER REVENUES
Gains and losses (realized and unrealized) included in earnings for the period are reported in revenues as follows:	
Total gains or (losses) included in earnings for the period	\$ (3,710)
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, 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	\$ -	13,205
		OTHER REVENUES
Gains and losses (realized and unrealized) included in earnings for the period are reported in revenues as follows:		
Total gains or (losses) included in earnings for the period		\$ (72,242)
Change in unrealized gains or losses relating to assets still held at reporting date		\$ -

Note 13 – Liquidity and Availability of Financial Assets

The following represents the Organization's financial assets as of June 30, 2025, 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	\$ 705,069
Investment securities	6,687,213
Accrued interest receivable	51,424
Grants and other receivables	4,516,354
Assets held for sale or use	13,205
	<u>11,973,265</u>
Less amounts not available to be used within one year, due to:	
Current portion of liability for split interest agreements	454
Current portion of lease liability	109,518
Net assets with donor restrictions	536,774
Less net assets with purpose restrictions expected to be met in less than a year	(436,774)
	<u>209,972</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 11,763,293</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.

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 and had no donor-imposed restrictions.

Donated securities, materials, equipment, and other assets, including land and assets held for sale are reported in revenues as follows:

	YEAR ENDED JUNE 30,	
	2025	2024
Securities	\$ 32,450	30,820
Services	2,000	2,500
Materials and equipment	55,628	12,481
Furniture	8,890	4,900
	<u>\$ 98,968</u>	<u>50,701</u>

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, 2025 and 2024, the Organization incurred rent expense of \$6,855 and \$4,058 for short term equipment rentals.

On July 1, 2022, the Organization implemented the new lease accounting standards under FASB Accounting Standards Update (ASU) No. 2016-02, ASC 842, Leases. 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.

Note 16 – Rent Expense and Leases (Continued)

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. 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 \$0 and \$7,818 for the years ended June 30, 2025 and 2024, 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 11.7 years. Lease expense totaled \$152,413 and \$139,712 for the years ended June 30, 2025 and 2024, 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	\$ 1,610,350
New leases	-
Lease payments	(152,413)
Interest	46,075
Right-of-use assets, end of year	<u>1,504,012</u>
Right-of-use lease liabilities, beginning of year	1,610,350
New leases	-
Lease payments	(152,413)
Interest	46,075
Right-of-use lease liabilities, end of year	<u>1,504,012</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, 2025:

<u>YEAR ENDING JUNE 30,</u>	
2026	\$ 152,413
2027	152,413
2028	152,413
2029	152,413
2030	152,413
After 5 Years	<u>1,017,667</u>
Total Projected Lease Payments	1,779,732
Less Present Value Discount	275,720
Present Value of Projected Lease Payments	<u>\$ 1,504,012</u>
Current Portion of Lease Liabilities	\$ 109,518
Long-Term Portion of Lease Liabilities	<u>1,394,494</u>
	<u>\$ 1,504,012</u>

Note 17 – Subsequent Events

The Organization has evaluated events and transactions for potential recognition or disclosure in the financial statements through December 19, 2025, 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, 2025
(WITH COMPARATIVE TOTALS FOR YEAR ENDED JUNE 30, 2024)

	YEAR ENDED JUNE 30, 2025			
	PROGRAM SERVICES	SUPPORTING SERVICES		
		MANAGEMENT	FUND	MAINTENANCE
	CHILD CARE	AND GENERAL	RAISING	
(1) Salaries	\$ -	327,307	255,574	-
(2) Payroll taxes and retirement	-	63,424	53,625	-
(3) Insurance	6,393	105,687	89,219	-
(4) Postage	18,847	-	22,651	-
(5) Telephone	28	7,096	180	-
(6) Travel	184	543	-	-
(7) Public relations	10,166	9,463	-	-
(8) Dues and subscriptions	457	410	-	-
(9) Professional services	234	250	58,403	-
(10) Personnel screening costs	-	-	-	-
(11) Hospital, drugs and medical	18	-	-	-
(12) Clothing	32	-	-	-
(13) Utilities	-	-	-	13,817
(14) Repairs and maintenance	-	-	-	6,853
(15) Vehicle operating costs	-	-	-	7,277
(16) Fees, taxes and licenses	249	-	-	-
(17) Food	270	80	-	-
(18) Kitchen supplies	24	-	-	-
(19) Bank charges	-	-	-	-
(20) School fees and supplies	-	-	-	-
(21) Advertising	89	-	-	-
(22) Awards	-	810	-	-
(23) Building maintenance	-	4,839	-	-
(24) Lawn care expense	-	-	-	4,141
(25) Payroll services expense	-	2,384	1,365	-
(26) Legal and auditing	-	54,554	-	-
(27) Office supplies	2,200	3,784	108	-
(28) Printing	720	-	-	-
(29) Property taxes	-	-	-	3,144
(30) Rent on equipment	-	396	-	-
(31) Training and conferences	125	-	-	-
(32) Computer expense	31,568	470	16,414	-
(33) Special events	86,907	-	-	-
(34) Investment fees	-	10,358	-	-
(35) Credit card processing fees	6,053	-	-	-
(36) Meetings	140	-	-	-
(37) Rent - Occupancy	-	152,413	-	-
(38) Donations to other non-profits, Note 7	-	-	-	-
Total Expenses Before Depreciation & Interest	164,704	744,268	497,539	35,232
Depreciation, Notes 1 and 4	429	6,112	-	-
	<u>\$ 165,133</u>	<u>750,380</u>	<u>497,539</u>	<u>35,232</u>

Note: See independent auditor's report.

GEORGIA SHERIFFS' YOUTH HOMES, INC.

YOUTH HOMES
SCHEDULE OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2025

(WITH COMPARATIVE TOTALS FOR YEAR ENDED JUNE 30, 2024)

YEAR ENDED JUNE 30, 2025			
SUPPORTING SERVICES			
PLANNED GIVING	TOTAL	TOTALS	
		YEAR ENDED JUNE 30,	
		2025	2024
-	582,881	582,881	502,262 (1)
-	117,049	117,049	101,459 (2)
-	194,906	201,299	158,343 (3)
-	22,651	41,498	42,857 (4)
-	7,276	7,304	7,265 (5)
-	543	727	6,351 (6)
-	9,463	19,629	45,024 (7)
-	410	867	1,773 (8)
-	58,653	58,887	61,880 (9)
-	-	-	23 (10)
-	-	18	- (11)
-	-	32	- (12)
-	13,817	13,817	12,240 (13)
-	6,853	6,853	6,638 (14)
-	7,277	7,277	10,083 (15)
-	-	249	655 (16)
-	80	350	4,537 (17)
-	-	24	81 (18)
-	-	-	82 (19)
-	-	-	20 (20)
-	-	89	- (21)
-	810	810	2,133 (22)
-	4,839	4,839	2,845 (23)
-	4,141	4,141	3,868 (24)
-	3,749	3,749	3,727 (25)
-	54,554	54,554	59,150 (26)
-	3,892	6,092	5,351 (27)
-	-	720	3,058 (28)
-	3,144	3,144	- (29)
-	396	396	422 (30)
-	-	125	- (31)
-	16,884	48,452	47,524 (32)
-	-	86,907	97,657 (33)
-	10,358	10,358	9,758 (34)
-	-	6,053	6,091 (35)
-	-	140	689 (36)
-	152,413	152,413	147,530 (37)
-	-	-	300 (38)
-	1,277,039	1,441,743	1,351,676
-	6,112	6,541	2,513
-	1,283,151	1,448,284	1,354,189

Note: See independent auditor's report.

GEORGIA SHERIFFS' YOUTH HOMES, INC.

BOYS' RANCH
SCHEDULE OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2025
(WITH COMPARATIVE TOTALS FOR YEAR ENDED JUNE 30, 2024)

	YEAR ENDED JUNE 30, 2025			
	PROGRAM SERVICES			
	CHILD CARE	FOOD SERVICE	HOME & MAINTENANCE	TOTAL
(1) Salaries	\$ 507,721	63,311	46,447	617,479
(2) Payroll taxes and retirement	97,120	12,579	8,422	118,121
(3) Insurance	117,538	25,161	88,685	231,384
(4) Postage	406	-	-	406
(5) Telephone	5,818	-	6	5,824
(6) Travel	470	-	-	470
(7) Public relations	1,494	-	-	1,494
(8) Dues and subscriptions	549	-	-	549
(9) Professional services	11,585	-	-	11,585
(10) Allowances	6,241	-	-	6,241
(11) Personnel screening costs	1,638	-	-	1,638
(12) Hospital, drugs and medical	1,761	-	-	1,761
(13) Haircuts	4,877	-	-	4,877
(14) Recreation	17,611	-	-	17,611
(15) Special occasions	3,373	-	-	3,373
(16) Clothing	14,211	-	-	14,211
(17) Utilities	-	-	96,512	96,512
(18) Repairs and maintenance	-	-	712	712
(19) Vehicle operating costs	-	-	37,150	37,150
(20) Fees, taxes and licenses	617	-	-	617
(21) Food	-	62,373	-	62,373
(22) Household items and fixtures	-	-	1,651	1,651
(23) Kitchen supplies	-	3,990	-	3,990
(24) Bank charges	29	-	-	29
(25) School fees and supplies	2,893	-	-	2,893
(26) Awards	178	-	-	178
(26) Home maintenance	-	-	47,239	47,239
(27) Personal care	207	-	-	207
(28) Lawn care expense	-	-	38,430	38,430
(29) Payroll services expense	3,579	365	315	4,259
(30) Office supplies	1,853	-	-	1,853
(31) Rent on equipment	1,933	-	-	1,933
(33) Training and conferences	6,229	-	-	6,229
(32) Computer expense	23,374	-	-	23,374
(33) Special events	14,388	-	-	14,388
(34) Investment fees	-	-	-	-
(35) Credit card processing fees	30	-	-	30
(36) Meetings	31	-	-	31
Total Expenses Before Depreciation	847,754	167,779	365,569	1,381,102
Depreciation, Notes 1 and 4	107,857	14,745	22,068	144,670
	<u>\$ 955,611</u>	<u>182,524</u>	<u>387,637</u>	<u>1,525,772</u>

Note: See independent auditor's report.

GEORGIA SHERIFFS' YOUTH HOMES, INC.

BOYS' RANCH
SCHEDULE OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2025

(WITH COMPARATIVE TOTALS FOR YEAR ENDED JUNE 30, 2024)

YEAR ENDED JUNE 30, 2025				TOTALS		
SUPPORTING SERVICES				YEAR ENDED JUNE 30,		
MANAGEMENT AND GENERAL	FUNDRAISING	FARM	TOTAL	2025	2024	
-	-	-	-	617,479	591,424	(1)
-	-	-	-	118,121	92,563	(2)
9,038	-	-	9,038	240,422	274,299	(3)
-	-	-	-	406	486	(4)
480	-	-	480	6,304	5,965	(5)
-	-	-	-	470	4,510	(6)
-	-	-	-	1,494	1,000	(7)
-	-	-	-	549	360	(8)
-	-	-	-	11,585	9,127	(9)
-	-	-	-	6,241	5,364	(10)
-	-	-	-	1,638	2,062	(11)
-	-	-	-	1,761	1,382	(12)
-	-	-	-	4,877	2,443	(13)
-	-	-	-	17,611	9,922	(14)
-	-	-	-	3,373	9,853	(15)
-	-	-	-	14,211	13,395	(16)
-	-	-	-	96,512	89,337	(17)
-	-	-	-	712	-	(18)
-	-	-	-	37,150	39,566	(19)
-	-	-	-	617	594	(20)
-	-	-	-	62,373	50,827	(21)
-	-	-	-	1,651	8,071	(22)
-	-	-	-	3,990	3,394	(23)
59	-	-	59	88	86	(24)
-	-	-	-	2,893	5,616	(25)
-	-	-	-	178	361	(26)
-	-	-	-	47,239	36,602	(26)
-	-	-	-	207	83	(27)
-	-	-	-	38,430	43,470	(28)
-	-	-	-	4,259	4,305	(29)
-	-	-	-	1,853	1,870	(30)
-	-	-	-	1,933	903	(31)
-	-	-	-	6,229	13,093	(33)
-	-	-	-	23,374	25,117	(32)
-	-	-	-	14,388	11,637	(33)
5,065	-	-	5,065	5,065	4,779	(34)
-	-	-	-	30	167	(35)
-	-	-	-	31	1,139	(36)
14,642	-	-	14,642	1,395,744	1,365,172	
-	-	-	-	144,670	154,210	
14,642	-	-	14,642	1,540,414	1,519,382	

Note: See independent auditor's report.

GEORGIA SHERIFFS' YOUTH HOMES, INC.

CHEROKEE ESTATE
SCHEDULE OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2025
(WITH COMPARATIVE TOTALS FOR YEAR ENDED JUNE 30, 2024)

	YEAR ENDED JUNE 30, 2025			
	PROGRAM SERVICES			
	CHILD CARE	FOOD SERVICE	HOME & MAINTENANCE	TOTAL
(1) Salaries	\$ 216,507	-	35,537	252,044
(2) Payroll taxes and retirement	42,053	-	4,812	46,865
(3) Insurance	79,925	-	39,376	119,301
(4) Postage	708	-	-	708
(5) Telephone	5,408	-	6	5,414
(6) Travel	291	-	-	291
(7) Public relations	655	-	-	655
(8) Dues and subscriptions	110	-	-	110
(9) Professional services	305	-	-	305
(10) Allowances	3,500	-	-	3,500
(11) Personnel screening costs	325	-	-	325
(12) Hospital, drugs and medical	2,411	-	-	2,411
(13) Haircuts	25	-	-	25
(14) Recreation	8,345	-	-	8,345
(15) Special occasions	3,435	-	-	3,435
(16) Clothing	5,667	-	-	5,667
(17) Utilities	-	-	50,796	50,796
(18) Repairs and maintenance	-	-	379	379
(19) Vehicle operating costs	-	-	18,701	18,701
(20) Food	-	12,969	-	12,969
(21) Household items and fixtures	-	-	5,897	5,897
(22) Kitchen supplies	-	381	-	381
(23) Bank charges	-	-	-	-
(24) School fees and supplies	191	-	-	191
(25) Home maintenance	-	-	21,729	21,729
(26) Personal care	684	-	-	684
(27) Lawn care expense	-	-	36,259	36,259
(28) Payroll processing fees	1,438	-	262	1,700
(29) Office supplies	1,518	-	-	1,518
(30) Printing	106	-	-	106
(31) Rent on equipment	2,161	-	-	2,161
(32) Training and conferences	1,908	-	-	1,908
(33) Computer expense	9,764	-	-	9,764
(34) Special events	1,566	-	-	1,566
(35) Miscellaneous	1,500	-	-	1,500
(36) Credit card processing fees	173	-	-	173
(37) Meetings	42	-	-	42
Total Expenses Before Depreciation	390,721	13,350	213,754	617,825
Depreciation, Notes 1 and 4	86,505	1,411	9,661	97,577
	<u>\$ 477,226</u>	<u>14,761</u>	<u>223,415</u>	<u>715,402</u>

Note: See independent auditor's report.

GEORGIA SHERIFFS' YOUTH HOMES, INC.

CHEROKEE ESTATE
SCHEDULE OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2025
(WITH COMPARATIVE TOTALS FOR YEAR ENDED JUNE 30, 2024)

YEAR ENDED JUNE 30, 2025				TOTALS		
SUPPORTING SERVICES				YEAR ENDED JUNE 30,		
MANAGEMENT AND GENERAL	FUNDRAISING	FARM	TOTAL	2025	2024	
-	-	-	-	252,044	264,978	(1)
-	-	-	-	46,865	38,553	(2)
6,622	-	-	6,622	125,923	120,233	(3)
-	-	-	-	708	314	(4)
537	-	-	537	5,951	16,384	(5)
-	-	-	-	291	1,855	(6)
-	-	-	-	655	-	(7)
-	-	-	-	110	-	(8)
-	-	-	-	305	-	(9)
-	-	-	-	3,500	4,199	(10)
-	-	-	-	325	443	(11)
-	-	-	-	2,411	2,539	(12)
-	-	-	-	25	25	(13)
-	-	-	-	8,345	7,103	(14)
-	-	-	-	3,435	5,836	(15)
-	-	-	-	5,667	6,431	(16)
-	-	-	-	50,796	53,127	(17)
-	-	-	-	379	2,242	(18)
-	-	-	-	18,701	13,698	(19)
-	-	-	-	12,969	18,437	(20)
-	-	-	-	5,897	3,161	(21)
-	-	-	-	381	650	(22)
-	-	-	-	-	71	(23)
-	-	-	-	191	1,328	(24)
-	-	-	-	21,729	24,973	(25)
-	-	-	-	684	1,096	(26)
-	-	-	-	36,259	45,212	(27)
-	-	-	-	1,700	1,873	(28)
-	-	-	-	1,518	1,153	(29)
-	-	-	-	106	-	(30)
-	-	-	-	2,161	1,334	(31)
-	-	-	-	1,908	969	(32)
-	-	-	-	9,764	12,434	(33)
-	-	-	-	1,566	1,630	(34)
-	-	-	-	1,500	-	(35)
-	-	-	-	173	4	(36)
-	-	-	-	42	-	(37)
7,159	-	-	7,159	624,984	652,285	
-	-	1,290	1,290	98,867	98,579	
7,159	-	1,290	8,449	723,851	750,864	

Note: See independent auditor's report.

GEORGIA SHERIFFS' YOUTH HOMES, INC.

PINELAND
SCHEDULE OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2025
(WITH COMPARATIVE TOTALS FOR YEAR ENDED JUNE 30, 2024)

	YEAR ENDED JUNE 30, 2025			
	PROGRAM SERVICES			
	CHILD CARE	FOOD SERVICE	HOME & MAINTENANCE	TOTAL
(1) Salaries	\$ 214,130	-	14,356	228,486
(2) Payroll taxes and retirement	37,722	-	2,934	40,656
(3) Insurance	26,652	-	43,579	70,231
(4) Postage	538	-	-	538
(5) Telephone	9,469	-	40	9,509
(6) Travel	803	-	-	803
(7) Public relations	-	-	-	-
(8) Dues and subscriptions	325	-	-	325
(9) Professional services	3,710	-	-	3,710
(10) Allowances	2,199	-	-	2,199
(11) Personnel screening costs	1,271	-	-	1,271
(12) Hospital, drugs and medical	3,729	-	-	3,729
(13) Haircuts	1,323	-	-	1,323
(14) Recreation	2,890	-	-	2,890
(15) Special occasions	827	-	-	827
(16) Clothing	2,296	-	-	2,296
(17) Utilities	-	-	59,292	59,292
(18) Repairs and maintenance	-	-	8,147	8,147
(19) Vehicle operating cost	-	-	11,165	11,165
(20) Fees, taxes and licenses	250	-	-	250
(21) Food	-	22,782	-	22,782
(22) Household items and fixtures	-	-	10,493	10,493
(23) Kitchen supplies	-	11	-	11
(24) School fees and supplies	2,753	-	-	2,753
(25) Advertising	-	-	-	-
(26) Home maintenance	-	-	40,876	40,876
(27) Personal care	706	-	-	706
(28) Lawn care expense	-	-	18,182	18,182
(29) Payroll processing fees	1,554	-	65	1,619
(30) Office supplies	1,698	-	-	1,698
(31) Rent of equipment	169	-	-	169
(32) Training and conferences	812	-	-	812
(33) Computer expense	7,089	-	-	7,089
(34) Special events	13,837	-	-	13,837
(35) Farm supplies and expense	-	-	-	-
(36) Credit card processing fees	34	-	-	34
(37) Meetings	1,015	-	-	1,015
Total Expense Before Depreciation	337,801	22,793	209,129	569,723
Depreciation, Notes 1 and 4	126,578	3,939	22,807	153,324
	<u>\$ 464,379</u>	<u>26,732</u>	<u>231,936</u>	<u>723,047</u>

Note: See independent auditor's report.

GEORGIA SHERIFFS' YOUTH HOMES, INC.

PINELAND

SCHEDULE OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2025

(WITH COMPARATIVE TOTALS FOR YEAR ENDED JUNE 30, 2024)

YEAR ENDED JUNE 30, 2025				TOTALS		
SUPPORTING SERVICES				YEAR ENDED JUNE 30,		
MANAGEMENT AND GENERAL	FUNDRAISING	FARM	TOTAL	2025	2024	
-	-	-	-	228,486	256,914	(1)
-	-	-	-	40,656	32,349	(2)
8,053	-	-	8,053	78,284	105,770	(3)
-	-	-	-	538	1,214	(4)
240	-	-	240	9,749	9,792	(5)
-	-	-	-	803	859	(6)
-	-	-	-	-	144	(7)
-	-	-	-	325	15	(8)
-	-	-	-	3,710	3,273	(9)
-	-	-	-	2,199	1,514	(10)
-	-	-	-	1,271	1,518	(11)
-	-	-	-	3,729	8,263	(12)
-	-	-	-	1,323	1,546	(13)
-	-	-	-	2,890	11,484	(14)
-	-	-	-	827	983	(15)
-	-	-	-	2,296	5,474	(16)
-	-	-	-	59,292	61,431	(17)
-	-	-	-	8,147	60,847	(18)
-	-	-	-	11,165	16,449	(19)
-	-	-	-	250	325	(20)
-	-	-	-	22,782	29,080	(21)
-	-	-	-	10,493	7,630	(22)
-	-	-	-	11	950	(23)
-	-	-	-	2,753	1,424	(24)
-	-	-	-	-	2,124	(25)
-	-	-	-	40,876	94,359	(26)
-	-	-	-	706	749	(27)
-	-	-	-	18,182	14,027	(28)
-	-	-	-	1,619	2,365	(29)
-	-	-	-	1,698	1,775	(30)
-	-	-	-	169	-	(31)
-	-	-	-	812	702	(32)
-	-	-	-	7,089	11,375	(33)
-	-	-	-	13,837	2,487	(34)
139,449	-	-	139,449	139,449	-	(35)
-	-	-	-	34	208	(36)
-	-	-	-	1,015	903	(37)
147,742	-	-	147,742	717,465	750,322	
-	-	1,730	1,730	155,054	167,250	
147,742	-	1,730	149,472	872,519	917,572	

Note: See independent auditor's report.

GEORGIA SHERIFFS' YOUTH HOMES, INC.

HERRINGTON HOMESTEAD
SCHEDULE OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2025

(WITH COMPARATIVE TOTALS FOR YEAR ENDED JUNE 30, 2024)

	YEAR ENDED JUNE 30, 2025			
	PROGRAM SERVICES			
	CHILD CARE	FOOD SERVICE	HOME & MAINTENANCE	TOTAL
(1) Salaries	\$ 321,771	-	5,666	327,437
(2) Payroll taxes and retirement	51,595	-	703	52,298
(3) Insurance	46,997	-	36,251	83,248
(4) Postage	240	-	-	240
(5) Telephone	8,861	-	6	8,867
(6) Travel	2,976	-	-	2,976
(7) Public relations	30	-	-	30
(8) Dues and subscriptions	-	-	-	-
(9) Professional services	-	-	-	-
(10) Allowances	3,822	-	-	3,822
(11) Personnel screening costs	1,072	-	-	1,072
(12) Hospital, drugs and medical	1,166	-	-	1,166
(13) Haircuts	1,002	-	-	1,002
(14) Recreation	3,669	-	-	3,669
(15) Special occasions	3,219	-	-	3,219
(16) Clothing	4,466	-	-	4,466
(17) Utilities	-	-	52,880	52,880
(18) Repairs and maintenance	-	-	-	-
(19) Vehicle operating costs	-	-	17,579	17,579
(20) Fees, taxes and licenses	60	-	-	60
(21) Food	-	19,267	-	19,267
(22) Household items and fixtures	-	-	2,238	2,238
(23) Kitchen supplies	-	96	-	96
(24) Bank charges	-	-	-	-
(25) School fees and supplies	2,257	-	-	2,257
(26) Awards	-	-	-	-
(27) Home maintenance	-	-	38,696	38,696
(28) Personal care	837	-	-	837
(29) Lawn care expense	-	-	37,704	37,704
(30) Payroll processing fees	2,347	-	38	2,385
(31) Office supplies	651	-	-	651
(32) Training and conferences	1,100	-	-	1,100
(33) Computer expense	8,982	-	-	8,982
(34) Special events	1,280	-	-	1,280
(35) Credit card processing fees	-	-	-	-
(36) Meetings	-	-	-	-
Total Expenses Before Depreciation	469,097	19,363	191,761	680,221
Depreciation, Notes 1 and 4	122,256	1,828	10,818	134,902
	<u>\$ 591,353</u>	<u>21,191</u>	<u>202,579</u>	<u>815,123</u>

Note: See independent auditor's report.

GEORGIA SHERIFFS' YOUTH HOMES, INC.

HERRINGTON HOMESTEAD
SCHEDULE OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2025

(WITH COMPARATIVE TOTALS FOR YEAR ENDED JUNE 30, 2024)

YEAR ENDED JUNE 30, 2025					
SUPPORTING SERVICES			TOTALS		
MANAGEMENT			YEAR ENDED JUNE 30,		
AND GENERAL	FUNDRAISING	TOTAL	2025	2024	
-	-	-	327,437	327,663	(1)
-	-	-	52,298	50,438	(2)
6,567	-	6,567	89,815	109,120	(3)
-	-	-	240	1,092	(4)
1,037	-	1,037	9,904	10,963	(5)
-	-	-	2,976	587	(6)
-	-	-	30	97	(7)
-	-	-	-	38	(8)
-	-	-	-	500	(9)
-	-	-	3,822	5,495	(10)
-	-	-	1,072	2,088	(11)
-	-	-	1,166	5,349	(12)
-	-	-	1,002	1,023	(13)
-	-	-	3,669	1,057	(14)
-	-	-	3,219	5,015	(15)
-	-	-	4,466	6,365	(16)
-	-	-	52,880	59,225	(17)
-	-	-	-	1,348	(18)
-	-	-	17,579	17,458	(19)
-	-	-	60	273	(20)
-	-	-	19,267	23,056	(21)
-	-	-	2,238	6,989	(22)
-	-	-	96	54	(23)
-	-	-	-	30	(24)
-	-	-	2,257	5,380	(25)
-	-	-	-	40	(26)
-	-	-	38,696	39,406	(27)
-	-	-	837	1,165	(28)
-	-	-	37,704	24,308	(29)
-	-	-	2,385	2,845	(30)
-	-	-	651	1,224	(31)
-	-	-	1,100	533	(32)
-	-	-	8,982	9,032	(33)
-	-	-	1,280	770	(34)
-	-	-	-	30	(35)
-	-	-	-	278	(36)
7,604	-	7,604	687,825	720,334	
-	-	-	134,902	134,613	
7,604	-	7,604	822,727	854,947	

Note: See independent auditor's report.

GEORGIA SHERIFFS' YOUTH HOMES, INC.

MOUNTAIN VIEW
SCHEDULE OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2025
(WITH COMPARATIVE TOTALS FOR YEAR ENDED JUNE 30, 2024)

	YEAR ENDED JUNE 30, 2025			
	PROGRAM SERVICES			
	CHILD CARE	FOOD SERVICE	HOME & MAINTENANCE	TOTAL
(1) Salaries	\$ 127,266	-	36,634	163,900
(2) Payroll taxes and retirement	25,574	-	6,817	32,391
(3) Insurance	51,196	-	12,859	64,055
(4) Postage	188	-	-	188
(5) Telephone	3,530	-	6	3,536
(6) Travel	186	-	6	192
(7) Public relations	531	-	-	531
(8) Allowances	1,179	-	-	1,179
(9) Hospital, drugs and medical	38	-	-	38
(10) Haircuts	202	-	-	202
(11) Recreation	4,577	-	-	4,577
(12) Special occasions	2,027	-	-	2,027
(13) Clothing	3,261	-	-	3,261
(14) Utilities	-	-	22,852	22,852
(15) Repairs and maintenance	-	-	306	306
(16) Vehicle operating cost	-	-	4,912	4,912
(17) Food	-	12,019	-	12,019
(18) Household items and fixtures	-	-	3,550	3,550
(19) Kitchen supplies	-	-	-	-
(20) Bank charges	-	-	-	-
(21) School fees and supplies	-	-	-	-
(22) Home maintenance	-	-	7,518	7,518
(23) Personal care	-	-	-	-
(24) Lawn care	-	-	601	601
(25) Payroll processing fees	784	-	302	1,086
(26) Office supplies	29	-	-	29
(27) Printing	106	-	-	106
(28) Rent of equipment	1,499	-	-	1,499
(29) Training and conferences	450	-	-	450
(30) Computer expense	9,035	-	-	9,035
(31) Special events	1,566	-	-	1,566
(32) Credit card processing fees	34	-	-	34
(33) Meetings	42	-	-	42
	233,300	12,019	96,363	341,682
Depreciation, Notes 1 and 4	22,032	50	3,983	26,065
	<u>\$ 255,332</u>	<u>12,069</u>	<u>100,346</u>	<u>367,747</u>

Note: See independent auditor's report.

GEORGIA SHERIFFS' YOUTH HOMES, INC.

MOUNTAIN VIEW
SCHEDULE OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2025

(WITH COMPARATIVE TOTALS FOR YEAR ENDED JUNE 30, 2024)

YEAR ENDED JUNE 30, 2025					
SUPPORTING SERVICES			TOTALS		
MANAGEMENT			YEAR ENDED JUNE 30,		
AND GENERAL	FUNDRAISING	TOTAL	2025	2024	
-	-	-	163,900	154,445	(1)
-	-	-	32,391	27,727	(2)
1,200	-	1,200	65,255	53,861	(3)
-	-	-	188	17	(4)
-	-	-	3,536	8,980	(5)
-	-	-	192	28	(6)
-	-	-	531	-	(7)
-	-	-	1,179	475	(8)
-	-	-	38	188	(9)
-	-	-	202	72	(10)
-	-	-	4,577	148	(11)
-	-	-	2,027	335	(12)
-	-	-	3,261	1,808	(13)
-	-	-	22,852	22,984	(14)
-	-	-	306	332	(15)
-	-	-	4,912	6,170	(16)
-	-	-	12,019	10,122	(17)
-	-	-	3,550	2,691	(18)
-	-	-	-	84	(19)
-	-	-	-	27	(20)
-	-	-	-	81	(21)
-	-	-	7,518	4,908	(22)
-	-	-	-	37	(23)
-	-	-	601	851	(24)
-	-	-	1,086	1,112	(25)
-	-	-	29	326	(26)
-	-	-	106	-	(27)
-	-	-	1,499	1,399	(28)
-	-	-	450	51	(29)
-	-	-	9,035	5,758	(30)
-	-	-	1,566	1,979	(31)
-	-	-	34	20	(32)
-	-	-	42	92	(33)
1,200	-	1,200	342,882	307,108	
-	-	-	26,065	26,332	
1,200	-	1,200	368,947	333,440	

Note: See independent auditor's report.

GEORGIA SHERIFFS' YOUTH HOMES, INC.
YOUTH HOMES INVESTMENTS
SCHEDULE OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2025
(WITH COMPARATIVE TOTALS FOR YEAR ENDED JUNE 30, 2024)

	SUPPORTING SERVICE	TOTALS	
	MANAGEMENT AND GENERAL	YEAR ENDED JUNE 30,	
		2025	2024
Investment fees	\$ 40,394	40,394	41,735

Note: See independent auditor’s report.

GEORGIA SHERIFFS' YOUTH HOMES, INC.

**SCHEDULE OF ASSETS RECEIVED FROM WILLS AND BEQUESTS
YEAR ENDED JUNE 30, 2025**

Estate of Roquette Batalo Griffin	\$	65,224
Charles E Kynard Charitable Lead Annuity Trust		37,804
Heinz P. Kollig Trust		25,000
Helen McPheeters		7,674
E. Hooten		4,920
Chester Knowles Trust		4,143
Joseph Cooley, Jr.		<u>3,580</u>
	\$	<u>148,345</u>

Note: See independent auditor's report.

GEORGIA SHERIFFS' YOUTH HOMES, INC.

SCHEDULE OF FEDERAL AND STATE CONTRACTUAL ASSISTANCE
YEAR ENDED JUNE 30, 2025

	Contract Number	Revenue	Expenditures	Due (To) From
Georgia Department of Human Services	42700-040C-25-000329			
	GA Sheriffs Boys Ranch	\$ 707,293	707,293	-
	GA Sheriffs Cherokee Estates	190,386	190,386	-
	GA Sheriffs Pineland	158,021	158,021	-
	GA Sheriffs Herrington Homestead	200,993	200,993	-
	GA Sheriffs Mountain View	112,042	112,042	-
		<u>\$ 1,368,735</u>	<u>1,368,735</u>	<u>-</u>
	Federal Contractual Assistance	\$ 393,846	393,846	-
	State Contractual Assistance	<u>974,889</u>	<u>974,889</u>	<u>-</u>
		<u>\$ 1,368,735</u>	<u>1,368,735</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, 2025, 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 19, 2025.

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 • 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 19, 2025