

ANNUAL FINANCIAL REPORT • FISCAL YEAR 2022

Greene County Board of Education

Greensboro, Georgia

Including Independent Auditor's Report

Greg S. Griffin | State Auditor

DOAA
Georgia Department
of Audits & Accounts

Greene County Board of Education

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Section I

Financial

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DOAA
Georgia Department
of Audits & Accounts

Greg S. Griffin
State Auditor

INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, discretely presented component units, and each major fund of the Greene County Board of Education (School District) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, discretely presented component units, and each major fund of the School District as of June 30, 2022, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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

Basis for Opinions

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

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

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Emphasis of Matter

As described in Note 2 to the financial statements, in 2022, the School District adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

Required Supplementary Information

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

Supplementary Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 22, 2023 on our consideration of the School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to

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provide an opinion on the effectiveness of the School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control over financial reporting and compliance.

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

Respectfully submitted,



Greg S. Griffin
State Auditor

March 22, 2023

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GREENE COUNTY BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

INTRODUCTION

The discussion and analysis of the Greene County Board of Education's (School District) financial performance provides an overview of the School District's financial activities for the fiscal years ended June 30, 2022 and June 30, 2021. The intent of this discussion and analysis is to look at the School District's financial performance as a whole. Readers should also review the financial statements and the notes to the basic financial statements to enhance their understanding of the School District's financial performance.

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

FINANCIAL HIGHLIGHTS

Key financial highlights for the fiscal years 2022 and 2021 are as follows:

- On the government-wide financial statements, the assets and deferred outflow of resources of the School District exceeded liabilities and deferred inflow of resources by $16,688,682 and $4,586,689, respectively, for the fiscal years ended June 30, 2022 and 2021.

- The School District had $46,246,630 and $47,716,480 million in expenses relating to governmental activities for the fiscal years ended June 30, 2022 and June 30, 2021, respectively. Only $22,979,553 and $16,215,665 of the above-mentioned expenses for 2022 and 2021 were offset by program specific charges for services, grants and contributions. General revenues (primarily property and sales taxes) and special item of $35,369,070 and $34,321,828, respectively, for 2022 and 2021, along with fund balance were adequate to provide for these programs.

- General revenues accounts for $35,369,070 in revenue or 60.6% of all revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for $22,979,553 or 39.4% of total revenues and special item of $58,348,623.

- For the general fund, the current ratio, which measures the School District's ability to transform current assets into cash and pay its short-term liabilities, was 6.77 and 5.72 for the fiscal years ended June 30, 2022 and June 30, 2021, respectively. Generally, a ratio greater than 2.0 is considered very financially stable.

- The general fund (the primary operating fund), presented on a current financial resource basis, ended the fiscal year with a fund balance of $18,978,026, an increase of $4,131,392 from the June 30, 2021 fund balance of $14,846,634.

- Among major funds, the general fund had $52,722,301 in revenues and other financing sources and $48,590,909 in expenditures. The fund balance for the general fund increased by $4,131,392. The increase is mainly due to strong collections for ad valorem, real estate taxes and motor vehicles taxes. Also we had budgeted for over $4.0 million in expenses for new primary school; however, construction has been delayed until fiscal year 2023.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

The fund financial statements reflect the School District's most significant funds. For the years ending June 30, 2022 and 2021, the general fund, the capital projects fund, and the debt service fund represent the most significant funds.

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

Government-Wide Statements

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

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

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

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

Fund Financial Statements

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

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

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE

Recall that the Statement of Net Position provides the perspective of the School District as a whole. Table 1 provides a summary of the School District's net position for fiscal years 2022 and 2021.

Table 1
Net Position

	Governmental Activities	
	Fiscal Year 2022	Fiscal Year 2021
Assets		
Current and Other Assets	$ 34,119,494	$ 24,193,263
Capital Assets, Net	44,324,704	45,943,429
Total Assets	78,444,198	70,136,692
Deferred Outflows of Resources		
Related to Defined Benefit Pension Plans	11,198,921	11,668,593
Related to OPEB Plan	5,421,715	6,811,139
Total Deferred Outflows of Resources	16,620,636	18,479,732
Liabilities		
Current and Other Liabilities	3,618,255	2,984,744
Long-Term Liabilities	42,945,882	75,281,559
Total Liabilities	46,564,137	78,266,303
Deferred Inflows of Resources		
Related to Defined Benefit Pension Plans	19,991,348	-
Related to OPEB Plan	11,820,667	5,763,432
Total Deferred Inflows of Resources	31,812,015	5,763,432
Net Position		
Net Investment in Capital Assets	35,761,666	36,972,281
Restricted	12,190,033	6,447,455
Unrestricted (Deficit)	(31,263,017)	(38,833,047)
Total Net Position	$ 16,688,682	$ 4,586,689

Total assets and deferred outflows of resources increased by $6,448,410 which was primarily due to revenues collections in excess of expenditures for both the general fund and capital projects fund activity. ESPLOST collections as well as our tax collections remained strong throughout the year and we had very few major construction costs. We did have a decline in our capital assets due to the demolition of the Greene County Elementary School.

Total liabilities and deferred inflows of resources decreased by $5,653,583 which was the net effect of a decrease in defined benefit pension plan of $3,533,171 and OPEB Plan of $1,963,930 based on actuary determinations, decrease in other long-term liabilities of $789,993 mainly due to the debt payment of intergovernmental agreement and increase in current liabilities of $633,511 mainly related to the cooling tower project and new elementary school.

The combination of the increase in total assets and deferred outflows of resources and the decrease in total liabilities and deferred inflows of resources yielded an increase in net position of $12,101,992.

Table 2 shows the changes in net position for fiscal years ending June 30, 2022 and June 30, 2021.

Table 2
Change in Net Position

	Governmental Activities	
	Fiscal Year 2022	Fiscal Year 2021
Revenues		
Program Revenues:		
Charges for Services	$ 200,669	$ 151,539
Operating Grants and Contributions	22,778,884	15,640,468
Capital Grants and Contributions	-	423,658
Total Program Revenues	22,979,553	16,215,665
General Revenues:		
Taxes		
Property Taxes		
For Maintenance and Operations	27,254,535	26,130,340
Railroad Cars	26,750	25,989
Sales Taxes		
Special Purpose Local Option Sales Tax		
For Capital Projects	7,551,967	6,156,255
Other Taxes	1,338,042	1,480,657
Investment Earnings	47,761	21,550
Miscellaneous	796,582	507,037
Special Item		
Loss on Capital Asset	(1,646,568)	-
Total General Revenues and Special Item	35,369,069	34,321,828
Total Revenues and Special Item	58,348,622	50,537,493
Program Expenses:		
Instruction	31,190,737	33,703,601
Support Services		
Pupil Services	2,005,336	1,765,089
Improvement of Instructional Services	2,428,819	1,437,857
Educational Media Services	417,186	403,536
General Administration	815,978	1,055,428
School Administration	1,211,786	1,842,555
Business Administration	760,186	720,118
Maintenance and Operation of Plant	2,554,660	2,432,407
Student Transportation Services	1,752,422	1,625,235
Central Support Services	36,403	47,639
Other Support Services	532,070	381,584
Operations of Non-Instructional Services		
Enterprise Operations	305,080	133,156
Food Services	1,864,424	1,753,776
Interest on Long-Term Debt	371,543	414,499
Total Expenses	46,246,630	47,716,480
Increase in Net Position	$ 12,101,992	$ 2,821,013

Program revenues, in the form of charges for services, operating grants and contributions and capital grants and contributions increased $6,763,888 for governmental activities. This increase is largely due to federal funds related to ESSER (Elementary and Secondary School Emergency Relief Fund) grants. Although we had ESSER expenditures in the prior year, the consolidated applications were not approved until fiscal year 2022.

General revenues and special item increased by $1,047,241 during fiscal year 2022. The increase was largely due to increase in the County's property tax digest. Also, sales taxes for Special Purpose Local Option Sales Taxes increased significantly due to people beginning to travel and visiting our lake area, homeowners doing renovations since more of the work force is now working remotely from home, and restaurants opening back up to the public.

Governmental Activities

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

Table 3
Governmental Activities

	Total Cost of Services		Net Cost of Services	
	Fiscal Year 2022	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2021
Instruction	$ 31,190,737	$ 33,703,601	$ 17,840,959	$ 24,371,148
Support Services:				
Pupil Services	2,005,336	1,765,089	1,380,819	1,570,788
Improvement of Instructional Services	2,428,819	1,437,857	726,373	564,297
Educational Media Services	417,186	403,536	(4,203)	(5,761)
General Administration	815,978	1,055,428	182,044	433,169
School Administration	1,211,786	1,842,555	119,157	787,970
Business Administration	760,186	720,118	739,030	715,418
Maintenance and Operation of Plant	2,554,660	2,432,407	509,932	1,578,621
Student Transportation Services	1,752,422	1,625,235	1,156,880	334,136
Central Support Services	36,403	47,639	32,746	47,639
Other Support Services	532,070	381,584	508,745	380,693
Operations of Non-Instructional Services:				
Enterprise Operations	305,080	133,156	237,963	93,065
Food Services	1,864,424	1,753,776	(534,911)	215,133
Interest on Long-Term Debt	371,543	414,499	371,543	414,499
Total Expenses	$ 46,246,630	$ 47,716,480	$ 23,267,077	$ 31,500,815

Although general revenues make up a majority of the funding, the School District is still dependent upon program revenues for governmental activities. For 2022, 53.07% of instruction and support activities were supplemented by taxes and other general revenues compared to 67.77% in 2021.

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS

The School District's governmental funds are accounted for using the modified accrual basis of accounting. Total governmental funds had revenues and other financing sources of $61,640,710 and expenditures and other financing uses of $52,432.440. The capital projects fund had an overall increase of $5,076,878 due to strong sales tax collections for the year and no significant construction projects have started. Payments have begun for the architect hired for the new elementary school but no contract has been signed with the construction firm prior to year-end. Only minor renovations occurred during the year for our existing facilities. The general fund had an overall increase of $4,131,392. Our expenses were up from the prior due to increases in salaries and benefits paid for regular pay, additional pay for intersessions and additional employees hired to help bridge the gap for learning loss because of the Covid-19 pandemic. We also paid for field turf for our Charter School and the funding per pupil amount increased. In addition, most of the demolition cost of the Greensboro Elementary School was paid in fiscal year 2022, and we incurred significant increase in food and fuel costs.

General Fund Budgeting Highlights

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

For the general fund, the final budgeted revenues and other financing sources of $50,802,675 increased from the original budgeted amount of $49,542,304 by $1,260,371. This difference was mainly due to the changes in our QBE (Quality Basic Education) allotment to add back funds that were previously removed in our initial allotment as the state expected a significant decrease in state revenues because of the Covid-19 pandemic. We budgeted our state grants initially from the previous year grant amounts. We received more in our state grants as well as some small ESSER grants for CTAE programs. Also, we did not originally budget for the school food state salary supplements. The actual revenue was more than the budgeted amount by $2,156,235. The majority of the variances between final budget and actual revenue are due to ad valorem collections being better than anticipated and Emergency Connectivity Grant not budgeted.

The final budgeted expenditures of $39,900,472 was more than the original budgeted amount of $39,373,862 by $526,610. This difference was due mainly to adjustments needed for all of our federal grants. The actual expenditures of $48,590,909 was $8,690,437 more than the final budget. The majority of the variances between the final budgeted expenditures and actual are due to the per pupil allotment payments to Lake Oconee Academy, Inc., that were recorded in the instruction function but budgeted in "Other Uses". For capital outlay, we had budgeted $4.5 million for expenditures for the construction of the new elementary school; however, the construction of the elementary school did not occur in the current fiscal year.

CAPITAL ASSETS AND INTANGIBLE RIGHT-TO-USE ASSETS

At the fiscal years ended June 30, 2022 and June 30, 2021, the School District had $44,159,697 and $45,943,429, respectively, invested in capital assets, net of accumulated depreciation. These assets are made up of a broad range of capital assets, including land; buildings; transportation, food service and maintenance equipment. Table 4 reflects a summary of these balances, by class, net of accumulated depreciation.

Table 4
Capital Assets
(Net of Depreciation)

	Governmental Activities	
	Fiscal Year 2022	Fiscal Year 2021
Land	$ 1,846,934	$ 1,627,198
Construction In Progress	1,080,339	85,689
Building and Improvements	33,738,409	36,538,322
Equipment	2,507,834	2,795,628
Land Improvements	4,986,181	4,896,592
Total	$ 44,159,697	$ 45,943,429

Capital assets decreased overall in fiscal year 2022 by $1,783,732. The net effect of the change is mainly related to demolition of the Greensboro Elementary School which is the significant change in building and improvements. The increase in land and construction in progress is related to the new elementary school.

In addition, at fiscal year end June 30, 2022, the School District had $165,006.65 invested in intangible right-to-use assets, net of accumulated amortization. These assets are made up of buildings.

DEBT ADMINISTRATION

At June 30, 2022, the School District had $8,150,007 in total debt outstanding with $1,098,052 due within one year. Table 5 summarizes bond debt outstanding at June 30, 2022 and 2021.

Table 5
Debt at June 30

	Governmental Activities	
	Fiscal Year 2022	Fiscal Year 2021
Intergovernmental Agreement	$ 7,985,000	$ 8,940,000
Leases	165,007	-
Total	$ 8,150,007	$ 8,940,000

CURRENT ISSUES

For fiscal year 2023, we were able to roll back the millage rate from 12.454 to 11.648, due to the increase in the County's tax digest. The property tax digest increased significantly due to the revaluation of property values and significant construction of new homes. Even with the rollback of the millage rate, our tax collections are estimated to be more than the previous year. Because of the increase in our property tax digest, our local 5 mills share will lower our state funding. Our program revenues which include state funding will not even cover 50% of our expenses. The local 5 mills calculation in our QBE (Quality Basic Education) funding is based on the property tax digest from two years ago meaning that our local 5 mills share will continue to increase and our state funding will decrease over the next several years unless property values significantly go down.

We expect our collections from our Education Special Purpose Local Option Sales Tax (ESPLOST) to remain strong based on collections in fiscal year 2022 and the current economic conditions. There is no indication currently that we would see a reduction in those revenues. We do anticipate a drop in our real estate transfer and intangible taxes due to the decline of the housing market because of higher interest rates. It might take a little while to see that reduction since there are a large number of houses that were already under construction and had locked in the lower interest rates at the time.

Our Cares I (Cares Act Elementary and Secondary School Emergency Relief Fund) and ESSER II (Elementary and Secondary School Emergency Relief) grants have been substantially completed. The ESSER III grant will be closer to complete at the end of fiscal year 2023. ESSER III grant funds were mainly used to address learning loss that occurred because of the Covid-19 pandemic as required by the grant. With the decrease in Covid-19 cases, we are receiving less federal grants that we had previously received so we will see lower federal collections but our expenses should also be decreasing at the same rate since these grants are on a reimbursement basis.

For expenditures in 2023, we will see increase in costs for salaries due to $2,000 salary increases for certified staff included in the state's budget and increases of $1,000 for classified as approved by the Board, the employer's portion of TRS pension increased from 19.81 to 19.88. Increases in salaries have a direct effect on the expenses for FICA and TRS benefits. Our school nutrition program continues to see increases in cost of foods because of supply and fuel costs. Also, the number of students and the per pupil amount we pay to our charter school will increase by more than $1.0 million. In addition, we are in the last stage of the demolition of Greensboro Elementary School. Most of the expense occurred in the current fiscal year. The outstanding balance on the contract at year-end is less than half of the contract amount as you can see in Note Disclosure 10.

The School District will be building a new elementary school tentatively to begin in the spring of 2023. On November, 8, 2022, the voters authorized the School District to continue collection of a 1% local option sales tax, which included the issuance of bonds up to $29,500,000. Bonds, ESPLOST, and local fund reserves and future revenue collections, and state funds from GSFIC (Georgia State Financing and Investment Commission) will be used to pay for the new school. The estimated cost of the new school is between $35.0 and $40.0 million. The need for the new school is based on anticipated growth in our County. The architect was contracted in the current fiscal year and the plans are in the final stages. Completion of the new school is expected to be completed by the 2024-2025 school year depending on the availability of construction material. No other significant construction projects are expected for the upcoming year.

CONTACTING THE SCHOOL DISTRICT'S FINANCIAL MANAGEMENT

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

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Greene County Board of Education

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GREENE COUNTY BOARD OF EDUCATION
STATEMENT OF NET POSITION
JUNE 30, 2022

EXHIBIT "A"

	GOVERNMENTAL ACTIVITIES	COMPONENT UNIT CHARTER SCHOOL	COMPONENT UNIT FOUNDATION
ASSETS			
Cash and Cash Equivalents	$ 28,341,850.76	$ 4,954,297.00	$ 594,874.00
Receivables, Net			
Taxes	1,529,266.38	-	-
State Government	1,328,353.57	-	-
Federal Government	2,018,806.52	-	-
Local	804,186.81	-	-
Other	1,008.24	7,371.00	-
Inventories	27,022.06	-	-
Prepaid Items	68,999.57	180,447.00	-
Intangible Right-to-Use Assets (Net of Accumulated Amortization)	165,006.65	17,996,087.00	443,729.00
Capital Assets, Non-Depreciable	2,927,273.21	-	2,534,949.00
Capital Assets, Depreciable (Net of Accumulated Depreciation)	41,232,424.17	5,632,168.00	17,364,131.00
Total Assets	78,444,197.94	28,770,370.00	20,937,683.00
DEFERRED OUTFLOWS OF RESOURCES			
Related to Defined Benefit Pension Plans	11,198,920.72	-	-
Related to OPEB Plan	5,421,715.00	-	-
Total Deferred Outflows of Resources	16,620,635.72	-	-
LIABILITIES			
Accounts Payable	191,174.40	244,780.00	4,744.00
Salaries and Benefits Payable	2,851,832.53	2,067,028.00	-
Interest Payable	142,775.00	-	43,671.00
Contracts Payable	382,119.50	-	527,684.00
Retainages Payable	50,353.64	-	-
Net Pension Liability	13,730,457.00	-	-
Net OPEB Liability	21,065,418.00	-	-
Long-Term Liabilities			
Due Within One Year	1,098,052.06	359,054.00	271,960.00
Due in More Than One Year	7,051,954.59	18,625,592.00	18,049,647.00
Total Liabilities	46,564,136.72	21,296,454.00	18,897,706.00
DEFERRED INFLOWS OF RESOURCES			
Related to Defined Benefit Pension Plans	19,991,348.00	-	-
Related to OPEB Plan	11,820,667.00	-	-
Total Deferred Inflows of Resources	31,812,015.00	-	-
NET POSITION			
Net Investment in Capital Assets	35,761,666.06	4,643,609.00	-
Restricted for			
Bus Replacement	154,440.00	-	-
Continuation of Federal Programs	670,489.32	-	-
Debt Service	28,555.00	-	-
Capital Projects	11,336,548.23	-	-
Donor Restrictions	-	-	145,526.00
Unrestricted (Deficit)	(31,263,016.67)	2,830,307.00	1,894,451.00
Total Net Position	$ 16,688,681.94	$ 7,473,916.00	$ 2,039,977.00

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

GREENE COUNTY BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

EXHIBIT "B"

	EXPENSES	PROGRAM REVENUES: CHARGES FOR SERVICES	PROGRAM REVENUES: OPERATING GRANTS AND CONTRIBUTIONS	NET (EXPENSES) REVENUES AND CHANGES IN NET POSITION	COMPONENT UNIT CHARTER SCHOOL	COMPONENT UNIT FOUNDATION
GOVERNMENTAL ACTIVITIES						
Instruction	$ 31,190,736.91	$ 6,217.58	$ 13,343,560.81	$ (17,840,958.52)	$ -	$ -
Support Services						
Pupil Services	2,005,335.94	-	624,516.96	(1,380,818.98)	-	-
Improvement of Instructional Services	2,428,818.96	-	1,702,446.44	(726,372.52)	-	-
Educational Media Services	417,186.11	-	421,388.72	4,202.61	-	-
General Administration	815,977.54	-	633,933.42	(182,044.12)	-	-
School Administration	1,211,786.04	-	1,092,628.49	(119,157.55)	-	-
Business Administration	760,186.36	-	21,156.49	(739,029.87)	-	-
Maintenance and Operation of Plant	2,554,659.88	77,155.00	1,967,573.26	(509,931.62)	-	-
Student Transportation Services	1,752,422.27	9,393.11	586,149.14	(1,156,880.02)	-	-
Central Support Services	36,403.17	-	3,656.94	(32,746.23)	-	-
Other Support Services	532,070.21	-	23,325.34	(508,744.87)	-	-
Operations of Non-Instructional Services						
Enterprise Operations	305,079.73	67,116.72	-	(237,963.01)	-	-
Food Services	1,864,423.87	40,787.05	2,358,547.68	534,910.86	-	-
Interest on Long-Term Debt	371,543.22	-	-	(371,543.22)	-	-
Total Governmental Activities	$ 46,246,630.21	$ 200,669.46	$ 22,778,883.69	(23,267,077.06)	-	-
COMPONENT UNIT						
Charter School	$ 13,245,703.00	$ -	$ 459,493.00	-	(12,786,210.00)	-
Foundation	1,529,119.00	-	-	-	-	(1,529,119.00)
General Revenues						
Taxes						
Property Taxes						
For Maintenance and Operations				27,254,535.25	-	-
Railroad Cars				26,750.02	-	-
Sales Taxes						
Special Purpose Local Option Sales Tax						
For Capital Projects				7,551,966.78	-	-
Other Sales Tax				1,338,042.56	-	-
Greene County Board of Education				-	12,392,785.00	-
Investment Earnings				47,760.82	11,092.00	2,026.00
Rental Income				-	-	874,473.00
Miscellaneous				796,582.36	31,650.00	606,694.00
Special Item						
Loss on Capital Asset				(1,646,568.24)	-	-
Total General Revenues and Special Item				35,369,069.55	12,435,527.00	1,483,193.00
Change in Net Position				12,101,992.49	(350,683.00)	(45,926.00)
Net Position - Beginning of Year (Restated)				4,586,689.45	7,824,599.00	2,085,903.00
Net Position - End of Year				$ 16,688,681.94	$ 7,473,916.00	$ 2,039,977.00

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

GREENE COUNTY BOARD OF EDUCATION
BALANCE SHEET
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2022

EXHIBIT "C"

	GENERAL FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTAL
ASSETS				
Cash and Cash Equivalents	$ 17,629,800.96	$ 10,712,049.80	$ -	$ 28,341,850.76
Receivables, Net				
Taxes	744,061.48	785,204.90	-	1,529,266.38
State Government	1,328,353.57	-	-	1,328,353.57
Federal Government	2,018,806.52	-	-	2,018,806.52
Local	804,186.81	-	-	804,186.81
Other	1,008.24	-	-	1,008.24
Inventories	27,022.06	-	-	27,022.06
Prepaid Items	48,887.51	20,112.06	-	68,999.57
Total Assets	$ 22,602,127.15	$ 11,517,366.76	$ -	$ 34,119,493.91
LIABILITIES				
Accounts Payable	$ 184,687.40	$ 6,487.00	$ -	$ 191,174.40
Salaries and Benefits Payable	2,848,831.00	3,001.53	-	2,851,832.53
Contracts Payable	256,119.50	126,000.00	-	382,119.50
Retainages Payable	50,353.64	-	-	50,353.64
Total Liabilities	3,339,991.54	135,488.53	-	3,475,480.07
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue - Property Taxes	284,109.30	-	-	284,109.30
FUND BALANCES				
Nonspendable	75,909.77	20,112.06	-	96,021.83
Restricted	797,907.26	11,361,766.17	-	12,159,673.43
Assigned	299,221.98	-	-	299,221.98
Unassigned	17,804,987.30	-	-	17,804,987.30
Total Fund Balances	18,978,026.31	11,381,878.23	-	30,359,904.54
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 22,602,127.15	$ 11,517,366.76	$ -	$ 34,119,493.91

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

GREENE COUNTY BOARD OF EDUCATION
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2022

EXHIBIT "D"

Total fund balances - governmental funds (Exhibit "C")		$ 30,359,904.54
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
Land	$ 1,846,933.62	
Construction in progress	1,080,339.59	
Buildings and improvements	53,234,305.62	
Equipment	8,160,148.65	
Land improvements	10,521,251.73	
Accumulated depreciation	(30,683,281.83)	44,159,697.38
Right-to use assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
Building and improvements	$ 188,313.60	
Accumulated amortization - Right-to-use assets	(23,306.95)	165,006.65
Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Net pension liability	$ (13,730,457.00)	
Net OPEB liability	(21,065,418.00)	(34,795,875.00)
Deferred outflows and inflows of resources related to pensions/OPEB are applicable to future periods and, therefore, are not reported in the funds.		
Related to pensions	$ (8,792,427.28)	
Related to OPEB	(6,398,952.00)	(15,191,379.28)
Taxes that are not available to pay for current period expenditures are deferred in the funds.		284,109.30
Long-term liabilities, and related accrued interest, are not due and payable in the current period and therefore are not reported in the funds.		
Accrued interest payable	$ (142,775.00)	
Intergovernmental agreement payable	(7,985,000.00)	
Lease liability payable	(165,006.65)	(8,292,781.65)
Net position of governmental activities (Exhibit "A")		$ 16,688,681.94

GREENE COUNTY BOARD OF EDUCATION
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2022

EXHIBIT "E"

	GENERAL FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTAL
REVENUES				
Property Taxes	$ 27,216,731.19	$ -	$ -	$ 27,216,731.19
Sales Taxes	1,338,042.56	7,551,966.78	-	8,890,009.34
State Funds	11,558,250.37	-	-	11,558,250.37
Federal Funds	11,396,932.44	-	-	11,396,932.44
Charges for Services	200,669.46	-	-	200,669.46
Investment Earnings	26,779.05	20,981.77	-	47,760.82
Miscellaneous	796,582.36	-	-	796,582.36
Total Revenues	52,533,987.43	7,572,948.55	-	60,106,935.98
EXPENDITURES				
Current				
Instruction	32,639,183.78	222,591.89	-	32,861,775.67
Support Services				
Pupil Services	1,798,711.67	33,853.11	-	1,832,564.78
Improvement of Instructional Services	2,532,764.98	-	-	2,532,764.98
Educational Media Services	458,780.18	2,127.53	-	460,907.71
General Administration	880,730.83	-	-	880,730.83
School Administration	1,504,939.60	-	-	1,504,939.60
Business Administration	742,043.20	25,440.12	50.00	767,533.32
Maintenance and Operation of Plant	3,232,628.18	192,270.12	-	3,424,898.30
Student Transportation Services	1,603,680.19	64,085.40	-	1,667,765.59
Central Support Services	16,094.07	-	-	16,094.07
Other Support Services	531,370.22	699.99	-	532,070.21
Enterprise Operations	305,079.73	-	-	305,079.73
Food Services Operation	1,920,566.27	-	-	1,920,566.27
Capital Outlay	400,000.00	609,542.49	-	1,009,542.49
Debt Service				
Principal	23,306.95	-	955,000.00	978,306.95
Interest	1,029.05	-	390,410.00	391,439.05
Total Expenditures	48,590,908.90	1,150,610.65	1,345,460.00	51,086,979.55
Revenues over (under) Expenditures	3,943,078.53	6,422,337.90	(1,345,460.00)	9,019,956.43
OTHER FINANCING SOURCES (USES)				
Lease Liability Proceeds	188,313.60	-	-	188,313.60
Transfers In	-	-	1,345,460.00	1,345,460.00
Transfers Out	-	(1,345,460.00)	-	(1,345,460.00)
Total Other Financing Sources (Uses)	188,313.60	(1,345,460.00)	1,345,460.00	188,313.60
Net Change in Fund Balances	4,131,392.13	5,076,877.90	-	9,208,270.03
Fund Balances - Beginning	14,846,634.18	6,305,000.33	-	21,151,634.51
Fund Balances - Ending	$ 18,978,026.31	$ 11,381,878.23	$ -	$ 30,359,904.54

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

GREENE COUNTY BOARD OF EDUCATION
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
TO THE STATEMENT OF ACTIVITIES
JUNE 30, 2022

Net change in fund balances total governmental funds (Exhibit "E")			$ 9,208,270.03
Amounts reported for governmental activities in the Statement of Activities are different because:			
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of capital assets and right-to-use assets are allocated over their estimated useful lives as depreciation expense.			
Capital outlay	$	2,141,349.77	
Depreciation expense		(2,077,486.76)	
Amortization Expense		(23,306.95)	40,556.06
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, donations, and disposals) is to decrease net position.			(1,659,281.31)
Taxes reported in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.			64,554.08
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and the difference between the carrying value of refunded debt and the acquisition cost of refunded debt when debt is first issued. These amounts are deferred and amortized in the Statement of Activities.			
Intergovernmental Agreement payments	$	955,000.00	
Lease liability proceeds		(188,313.60)	
Lease liability payments		23,306.95	789,993.35
District pension contributions are reported as expenditures in the governmental funds when made. However, they are reported as deferred outflows of resources in the Statement of Net Position because the reported net pension/OPEB liability is measured a year before the District's report date. Pension/OPEB expense, which is the change in the net pension/OPEB liability adjusted for changes in deferred outflows and inflows of resources related to pensions/OPEB, is reported in the Statement of Activities.			
Pension expense	$	3,063,498.45	
OPEB expense		574,506.00	3,638,004.45
Some items reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.			
Net decrease in accrued interest			19,895.83
Change in net position of governmental activities (Exhibit "B")			$ 12,101,992.49

NOTE 1: DESCRIPTION OF SCHOOL DISTRICT AND REPORTING ENTITY

Reporting Entity

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

Blended Component Unit

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

Discretely Presented Component Units

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

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

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

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

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Basis of Presentation

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

Government-Wide Statements:

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

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

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

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

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

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

Fund Financial Statements

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

The School District reports the following major governmental funds:

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

Basis of Accounting

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

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

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

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

New Accounting Pronouncements

In fiscal year 2022, the School District adopted Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*. The primary objective of this statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This statement increases the usefulness of government's financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right-to-use an underlying asset. The adoption of this statement did not have a significant impact on the School District's financial statements.

Cash and Cash Equivalents

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

Receivables

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

Inventories

Food Inventories

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

Prepaid Items

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

Capital Assets

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

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

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

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

		Capitalization Policy	Estimated Useful Life
Land		Any	N/A
Land Improvements	$	5,000.00	20 to 80 Years
Buildings and Improvements	$	5,000.00	Up to 80 Years
Equipment	$	5,000.00	5 to 25 Years
Intangible Assets	$	350,000.00	5 to 80 Years

Intangible Right-To-Use Assets

Leases, as a lessee, are included as intangible right-to-use assets and lease obligations on the Statement of Net Position. An intangible right-to-use asset represents the School District's right-to-use an underlying asset for the lease term. Lease obligations represent the School District's liability to make lease payments arising from the lease agreement. Intangible right-to-use assets and lease obligations are recognized based on the present value of lease payments over the lease term, where the initial term exceeds 12 months. Residual value guarantees and the value of an option to extend or terminate a lease are reflected to the extent it is reasonably certain to be paid or exercised. Variable payments based on future performance or usage are not included in the measurement of the lease liability. Intangible right-to-use assets are amortized using a straight-line basis over the shorter of the lease term or useful life of the underlying asset.

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

	Capitalization Policy
Land	Any
Land Improvements	$ 5,000.00
Buildings and Improvements	$ 5,000.00
Equipment	$ 5,000.00

Leases as Lessee

The School District is a lessee for a noncancellable lease of a modular building owned by a 3rd party.

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

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

The lease agreement entered into by the School District as lessee does not contain a stated interest rate. Therefore, the School District has used its estimated incremental borrowing rate as the discount rate for the lease. The School District has estimated this incremental borrowing rate to be 3.50% for the lease in which the School District is currently involved as the lessee.

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

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

Lease assets are reported with other capital assets and lease liabilities are reported with current and long-term debt on the statement of net position.

Deferred Outflows/Inflows of Resources

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

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

Long-Term Liabilities

In the School District's government-wide financial statements, outstanding debt is reported as liabilities. Bond issuance costs are recognized as an outflow of resources in the fiscal year in which the bonds are issued.

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

Pensions

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

Post-Employment Benefits Other than Pensions (OPEB)

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

Fund Balances

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

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

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

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

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

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

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

Use of Estimates

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

Property Taxes

The Greene County Board of Commissioners adopted the property tax levy for the 2021 tax digest year (calendar year) on September 9, 2021 (levy date) based on property values as of January 1, 2021. Taxes were due on December 1, 2021 (lien date). Taxes collected within the current fiscal year or within 60 days after year-end on the 2021 tax digest are reported as revenue in the governmental funds for fiscal year 2022. The Greene County Tax Commissioner bills and collects the property taxes for the School District, withholds 2.5% of taxes collected as a fee for tax collection and remits the balance of taxes collected to the School District. Property tax revenues, at the fund reporting level, during the fiscal year ended June 30, 2022, for maintenance and operations amounted to $25,494,046.62.

The tax millage rate levied for the 2021 tax digest year (calendar year) for the School District was as follows (a mill equals $1 per thousand dollars of assessed value):

School Operations	12.454 mills

Additionally, Title Ad Valorem Tax revenues, at the fund reporting level, amounted to $1,695,934.55 during fiscal year ended June 30, 2022.

Sales Taxes

Education Special Purpose Local Option Sales Tax (ESPLOST), at the fund reporting level, during the year amounted to $7,551,966.78 and is to be used for capital outlay for educational purposes or debt service. This sales tax was authorized by local referendum and the sales tax must be re-authorized at least every five years.

NOTE 3: BUDGETARY DATA

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

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

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

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

NOTE 4: DEPOSITS AND CASH EQUIVALENTS

Collateralization of Deposits

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

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

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

(2) Insurance on accounts provided by the Federal Deposit Insurance Corporation,

(3) Bonds, bills, notes, certificates of indebtedness or other direct obligations of the United States or of the State of Georgia,

(4) Bonds, bills, notes, certificates of indebtedness or other obligations of the counties or municipalities of the State of Georgia,

(5) Bonds of any public authority created by the laws of the State of Georgia, providing that the statute that created the authority authorized the use of the bonds for this purpose,

(6) Industrial revenue bonds and bonds of development authorities created by the laws of the State of Georgia, and

(7) Bonds, bills, notes, certificates of indebtedness, or other obligations of a subsidiary corporation of the United States government, which are fully guaranteed by the United States government both as to principal and interest or debt obligations issued by or securities guaranteed by the Federal Land Bank, the Federal Home Loan Bank, the Federal Intermediate Credit Bank, the Central Bank for Cooperatives, the Farm Credit Banks, the Federal Home Loan Mortgage Association, and the Federal National Mortgage Association.

Categorization of Deposits

Custodial credit risk is the risk that in the event of a bank failure, the School District's deposits may not be returned to it. The School District does not have a deposit policy for custodial credit risk. At June 30, 2022, School District had deposits with a carrying amount of $17,875,720.26, and a bank balance of $18,606,188.96. The bank balances insured by Federal depository insurance were $618,295.21 and the bank balances collateralized with securities held by the pledging financial institution's trust department or agent in the School District's name were $17,932,171.50.

At June 30, 2022, $55,722.25 of the School District's bank balances was in the State's Secure Deposit Program (SDP).

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

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

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

Cash and cash equivalents		
Statement of Net Position	$	28,341,850.76
Less:		
Investment pools reported as cash and cash equivalents		
Georgia Fund 1		10,466,130.50
Total carrying value of deposits - June 30, 2022	$	17,875,720.26

Categorization of Cash Equivalents

The School District reported cash equivalents of $10,466,130.50 in Georgia Fund 1, a local government investment pool, which is included in the cash balances above. Georgia Fund 1 is not registered with the SEC as an investment company and does not operate in a manner consistent with the SEC's Rule 2a-7 of the Investment Company Act of 1940. The investment is valued at the pool's share price, $1.00 per share, which approximates fair value. The pool is an AAAf rated investment pool by Standard and Poor's. The weighted average maturity of Georgia Fund 1 may not exceed 60 days. The weighted average maturity for Georgia Fund 1 on June 30, 2022 was 43 days.

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

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

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

	Balances July 1, 2021	Increases	Decreases	Balances June 30, 2022
Governmental Activities				
Capital Assets,				
Not Being Depreciated:				
Land	$ 1,627,198.18	$ 219,735.44	$ -	$ 1,846,933.62
Construction in Progress	85,689.45	994,650.14	-	1,080,339.59
Total Capital Assets				
Not Being Depreciated	1,712,887.63	1,214,385.58	-	2,927,273.21
Capital Assets,				
Being Depreciated				
Buildings and Improvements	55,863,552.43	90,137.58	2,719,384.39	53,234,305.62
Equipment	8,867,397.00	193,283.01	900,531.36	8,160,148.65
Land Improvements	10,187,166.09	455,230.00	121,144.36	10,521,251.73
Less Accumulated				
Depreciation:				
Buildings and Improvements	19,325,230.49	1,243,481.52	1,072,816.15	19,495,895.86
Equipment	6,071,768.86	470,448.68	889,902.65	5,652,314.89
Land Improvements	5,290,574.52	363,556.56	119,060.00	5,535,071.08
Total Capital Assets,				
Being Depreciated, Net	44,230,541.65	(1,338,836.17)	1,659,281.31	41,232,424.17
Governmental Activities				
Capital Assets - Net	$ 45,943,429.28	$ (124,450.59)	$ 1,659,281.31	$ 44,159,697.38

Current year depreciation expense by function is as follows:

Instruction		$ 1,401,117.10
Support Services		
Pupil Services	$ 233,303.11	
Improvements of Instructional Services	33,293.30	
General Administration	22,198.45	
Business Administration	2,494.56	
Maintenance and Operation of Plant	62,255.89	
Student Transportation Services	227,767.66	
Central Support Services	41,183.79	622,496.76
Food Services		53,872.90
		$ 2,077,486.76

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

	Balances July 1, 2021	Increases	Decreases	Balances June 30, 2022
Governmental Activities				
Intangible Right-to-Use Assets				
Buildings and Improvements	$ -	$ 188,313.60	$ -	$ 188,313.60
Less Accumulated Amortization:				
Buildings and Improvements	-	23,306.95	-	23,306.95
Governmental Activities				
Intangible Right-to-Use Assets - Net	$ -	$ 165,006.65	$ -	$ 165,006.65

Current year amortization expense by function is as follows:

Instruction	$ 23,306.95

NOTE 6: INTERFUND TRANSFERS

Interfund transfers for the year ended June 30, 2022, consisted of the following:

Transfers to	Transfers From Capital Projects Fund
Debt Service Fund	$ 1,345,460.00

Transfers are used to move Special Purpose Local Option Sales Tax revenues (SPLOST) collected by the capital projects fund to the debt service fund as needed for repayment of bond principal and interest.

NOTE 7: LONG-TERM LIABILITIES

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

	Governmental Activities				
	Balance July 1, 2021	Additions	Deductions	Balance June 30, 2022	Due Within One Year
Intergovernmental Agreement	$ 8,940,000.00	$ -	$ 955,000.00	$ 7,985,000.00	$ 1,005,000.00
Lease - Buildings and Improvements	-	188,313.60	23,306.95	165,006.65	93,052.06
	$ 8,940,000.00	$ 188,313.60	$ 978,306.95	$ 8,150,006.65	$ 1,098,052.06

Intergovernmental Agreement

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

The School District had no unused line of credit or outstanding notes from direct borrowings and direct placements related to governmental activities as of June 30, 2022. In the event the entity is unable to make the principal and interest payments using proceeds from the Education Special Purpose Local Option Sales Tax (ESPLOST), the debt will be satisfied from a direct annual ad valorem tax levied upon all taxable property within the School District. Additional security is provided by the State of Georgia Intercept Program which allows for state appropriations entitled to the School District to be transferred to the Debt Service Account Custodian for the payment of debt.

The debt at June 30, 2022, associated with this agreement was as follows:

Description	Interest Rates	Issue Date	Maturity Date	Amount Issued	Amount Outstanding
General Government - Series 2009	2.0 - 2.5%	12/16/2009	2/1/2029	$ 17,205,000.00	$ 7,985,000.00

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

	General Obligation Debt	
Fiscal Year Ended June 30:	Principal	Interest
2023	$ 1,005,000.00	$ 342,660.00
2024	1,045,000.00	302,460.00
2025	1,090,000.00	259,092.50
2026	1,135,000.00	212,767.50
2027	1,185,000.00	164,530.00
2028 - 2029	2,525,000.00	170,440.00
Total Principal and Interest	$ 7,985,000.00	$ 1,451,950.00

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

Intergovernment Agreement	Governmental Activities
Land	$ 1,174,999.65
Buildings and Improvements	12,226,220.14
Land Improvements	3,333,589.96
Equipment	11,843.70
Less: Accumulated Depreciation	4,740,688.55
	$ 12,005,964.90

Lease

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

The following is a summary of the carrying values of intangible right-to-use assets under lease at June 30, 2022:

	Governmental Activities
Buildings and Improvements	$ 188,313.60
Less: Accumulated Amortizaion	23,306.95
	$ 165,006.65

During the current fiscal year, the School District entered into a lease agreement as lessee for the right-to-use modular building at a cost of $188,313.60. This lease qualifies as a lease for accounting purposes, and, therefore, has been recorded at the present value of the future minimum lease payments as of the date of inception.

The lease currently outstanding is as follows:

Purpose	Interest Rate	Issue Date	Maturity Date	Amount Issued	Amount Outstanding
Mobile Modular Building	3.50%	4/8/2022	3/8/2024	$ 188,313.60	$ 165,006.65

The following is a schedule of total lease payments:

Fiscal Year Ended June 30:	Principal	Interest
2023	$ 93,052.06	$ 4,291.94
2024	71,954.59	1,053.41
Total Principal and Interest	$ 165,006.65	$ 5,345.35

NOTE 8: RISK MANAGEMENT

Insurance

Commercial Insurance

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

Unemployment Compensation

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

Surety Bond

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

Position Covered	Amount
Superintendent	$ 50,000.00

NOTE 9: FUND BALANCE CLASSIFICATION DETAILS

The School District's financial statements include the following amounts presented in the aggregate at June 30, 2022:

Nonspendable		
Inventories	$ 27,022.26	
Prepaid Assets	68,999.57	$ 96,021.83
Restricted		
Bus Replacement	$ 154,440.00	
Continuation of Federal Programs	643,467.26	
Capital Projects	11,190,436.17	
Debt Service	171,330.00	12,159,673.43
Assigned		
School Activity Account		299,221.98
Unassigned		17,804,987.30
Fund Balance, June 30, 2022		$ 30,359,904.54

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

NOTE 10: SIGNIFICANT COMMITMENTS

Commitments under Construction Contracts

The following is an analysis of significant outstanding construction or renovation contracts executed by the School District as of June 30, 2022, together with funding available:

Project	Unearned Executed Contracts (1)	Payments through June 30, 2022 (2)	Funding Available From Federal (1)(3)
New Primay School-Architect	$ 715,000.00	$ 285,000.00	$ -
GCHS Cooling Tower-Architect	2,746.75	61,153.25	63,900.00
GCHS Cooling Tower-Contractor	300,282.15	704,180.07	1,004,462.22
Greensboro Elementary School-Demolition	156,695.68	219,679.32	
	$ 1,174,724.58	$ 1,270,012.64	$ 1,068,362.22

(1) The amounts described are not reflected in the basic financial statements.
(2) Payments include contracts and retainages payable at year-end.
(3) GCHS Cooling Tower is being funded through the ESSER-Cares II federal grant.

NOTE 11: SIGNIFICANT CONTINGENT LIABILITIES

Federal Grants

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

Litigation

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

On September 17, 2020, Lake Oconee Academy, Inc. filed a lawsuit in the Fulton County Superior Court against the School District related to the number of students funded for the 2020-2021 school year.

At the January 19, 2023 board meeting, the School District reached an agreement with the local charter school, Lake Oconee Academy, Inc. The School District will pay the Charter School $1,098,284.00 in six equal installment payments of $182,214.00 starting on August 1, 2023 and continuing each August 1 through August 1, 2028. In addition to payment provisions, the parties agree that Lake Oconee Academy, Inc. shall be funded for up to 1,032 students for fiscal year 2023 and 1,051 students for fiscal year 2024, in accordance with the terms of this Agreement and the Charter Agreement. If the Charter Agreement is terminated or not renewed for any reason, including but not limited to the reasons identified in Section 24 of the Charter Agreement, the remaining balance of the total will be due to Lake Oconee Academy, Inc. within ten (10) days of the expiration or termination of the Charter Agreement, whichever occurs earlier.

NOTE 12: OTHER POST-EMPLOYMENT BENEFITS (OPEB)

Georgia School Personnel Post-Employment Health Benefit Fund

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

Benefits Provided: The School OPEB Fund provides healthcare benefits for retirees and their dependents due under the group health plan for public school teachers, including librarians, other certified employees of public schools, regional educational service agencies and non-certified public school employees. Retiree medical eligibility is attained when an employee retires and is immediately eligible to draw a retirement annuity from Employees' Retirement System (ERS), Georgia Judicial Retirement System (JRS), Legislative Retirement System (LRS), Teachers Retirement System (TRS) or Public School Employees Retirement System (PSERS). If elected, dependent coverage starts on the same day as retiree coverage. Medicare-eligible retirees are offered Standard and Premium Medicare Advantage plan options. Non-Medicare eligible retiree plan options include Health Reimbursement

Arrangement (HRA), Health Maintenance Organization (HMO) and a High Deductible Health Plan (HDHP). The School OPEB Fund also pays for administrative expenses of the fund. By law, no other use of the assets of the School OPEB Fund is permitted.

Contributions: As established by the Board, the School OPEB Fund is substantially funded on a pay-as-you-go basis; that is, annual cost of providing benefits will be financed in the same year as claims occur. Contributions to the School OPEB Fund from the School District were $720,214.00 for the year ended June 30, 2022. Active employees are not required to contribute to the School OPEB Fund.

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

At June 30, 2022, the School District reported a liability of $21,065,418.00 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2021. The total OPEB liability used to calculate the net OPEB liability was based on an actuarial valuation as of June 30, 2020. An expected total OPEB liability as of June 30, 2021 was determined using standard roll-forward techniques. The School District's proportion of the net OPEB liability was actuarially determined based on employer contributions during the fiscal year ended June 30, 2021. At June 30, 2021, the School District's proportion was 0.194495%, which was a decrease of 0.003539% from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the School District recognized OPEB expense of $145,460.00. At June 30, 2022, the School District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	OPEB	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 9,618,403.00
Changes of assumptions	3,857,403.00	1,718,925.00
Net difference between projected and actual earnings on OPEB plan investments	-	33,403.00
Changes in proportion and differences between School District contributions and proportionate share of contributions	844,098.00	449,936.00
School District contributions subsequent to the measurement date	720,214.00	-
Total	$ 5,421,715.00	$ 11,820,667.00

School District contributions subsequent to the measurement date are reported as deferred outflows of resources and will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30:	OPEB
2023	$ (1,672,656.00)
2024	$ (1,575,312.00)
2025	$ (1,259,011.00)
2026	$ (967,669.00)
2027	$ (1,269,615.00)
Thereafter	$ (374,903.00)

Actuarial Assumptions: The total OPEB liability as of June 30, 2021 was determined by an actuarial valuation as of June 30, 2020 using the following actuarial assumptions and other inputs, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2021:

OPEB:

Inflation	2.50%
Salary increases	3.00% – 8.75%, including inflation
Long-term expected rate of return	7.00%, compounded annually, net of investment expense, and including inflation
Healthcare cost trend rate	
Pre-Medicare Eligible	6.75%
Medicare Eligible	5.13%
Ultimate trend rate	
Pre-Medicare Eligible	4.50%
Medicare Eligible	4.50%
Year of Ultimate trend rate	
Pre-Medicare Eligible	2029
Medicare Eligible	2023

Mortality rates were based on the Pub-2010 Mortality Tables for Males or Females, as appropriate, as follows:

- For TRS members: Post-retirement mortality rates for service retirements and beneficiaries were based on the Pub-2010 Teachers Headcount Weighted Below Median Healthy Retiree mortality table (ages set forward one year and adjusted 106%) with the MP-2019 Projection scale applied generationally. The rates of improvement were reduced by 20% for all years prior to the ultimate rate. Post-retirement mortality rates for disability retirements were based on the Pub-2010 Teachers Mortality Table for Disabled Retirees (ages set forward one year and adjusted 106%) with the MP-2019 Projection scale applied generationally. The rates of improvement were reduced by 20% for all years prior to the ultimate rate. The Pub-2010 Teachers Headcount Weighted Below Median Employee mortality table with ages set forward one year and adjusted 106% was used for death prior to retirement. Future improvement in mortality rates was assumed using the MP-2019 projection scale generationally. These rates of improvement were reduced by 20% for all years prior to the ultimate rate.
- For PSERS members: Pre-retirement mortality rates were based on the Pub-2010 General Employee Mortality Table, with no adjustment, with the MP-2019 Projections scale applied generationally. Post-retirement mortality rates for service retirements were based on the Pub-2010 General Healthy Annuitant Mortality Table (ages set forward one year and adjusted 105% for males and 108% for females) with the MP-2019 Projection scale applied generationally. Post-retirement mortality rates for disability retirements were based on the Pub-2010 General Disabled Mortality Table (ages set back three years for males and adjusted 103% for males and 106% for females) with the MP-2019 Projections scaled applied generationally. Post-retirement mortality rates for beneficiaries were based on the Pub-2010 General Contingent Survivor Mortality Table (ages set forward two years and adjust 106% for males and 158% for females) with the MP-2019 Project scale applied generationally.

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the pension systems, which covered the five-year period ending June 30, 2018, with the exception of the assumed annual rate of inflation which was changed from 2.75% to 2.50%, effective with the June 30, 2018 valuation.

The remaining actuarial assumptions (e.g., initial per capita costs, health care cost trends, rate of plan participation, rates of plan election, etc.) used in the June 30, 2020 valuation were based on a review of recent plan experience done concurrently with the June 30, 2020 valuation.

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

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

weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset class	Target allocation	Long-Term Expected Real Rate of Return*
Fixed income	30.00%	0.14%
Equities	70.00%	9.20%
Total	100.00%	

*Net of Inflation

Discount Rate: In order to measure the total OPEB liability for the School OPEB, a single equivalent interest rate of 2.20% was used as the discount rate, as compared with last year's rate of 2.22%. This is comprised mainly of the yield or index rate for 20 year tax-exempt general obligation bonds with an average rating of AA or higher (2.16% per the Municipal Bond Index Rate). The projection of cash flows used to determine the discount rate assumed that contributions from members and from the employers will be made at the current level as averaged over the last five years, adjusted for annual projected changes in headcount. Projected future benefit payments for all current plan members were projected through 2145.

Sensitivity of the School District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate: The following presents the School District's proportionate share of the net OPEB liability calculated using the discount rate of 2.20%, as well as what the School District's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.20%) or 1-percentage-point higher (3.20%) than the current discount rate:

	1% Decrease (1.20%)	Current Discount Rate (2.20%)	1% Increase (3.20%)
School District's proportionate share of the Net OPEB liability	$ 24,082,497.00	$ 21,065,418.00	$ 18,539,837.00

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

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
School District's proportionate share of the Net OPEB liability	$ 17,874,823.00	$ 21,065,418.00	$ 25,053,911.00

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

NOTE 13: RETIREMENT PLANS

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

Teachers Retirement System of Georgia (TRS)

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

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

Contributions: Per Title 47 of the O.C.G.A., contribution requirements of active employees and participating employers, as actuarially determined, are established and may be amended by the TRS Board. Pursuant to O.C.G.A. §47-3-63, the employer contributions for certain full-time public school support personnel are funded on behalf of the employer by the State of Georgia. Contributions are expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Employees were required to contribute 6.00% of their annual pay during fiscal year 2022. The School District's contractually required contribution rate for the year ended June 30, 2022 was 19.81% of annual School District payroll, of which 19.78% of payroll was required from the School District and 0.03% of payroll was required from the State. For the current fiscal year, employer contributions to the pension plan were $4,307,246.52 and $7,200.12 from the School District and the State, respectively.

Employees' Retirement System

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

Benefits Provided: The ERS Plan supports three benefit tiers: Old Plan, New Plan, and Georgia State Employees' Pension and Savings Plan (GSEPS). Employees under the old plan started membership prior to July 1, 1982 and are subject to plan provisions in effect prior to July 1, 1982. Members hired on or after July 1, 1982 but prior to January 1, 2009 are new plan members subject to modified plan

provisions. Effective January 1, 2009, new state employees and rehired state employees who did not retain membership rights under the Old or New Plans are members of GSEPS. ERS members hired prior to January 1, 2009 also have the option to irrevocably change their membership to GSEPS.

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

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

Contributions: Member contributions under the old plan are 4.00% of annual compensation, up to $4,200.00, plus 6.00% of annual compensation in excess of $4,200.00. Under the old plan, the state pays member contributions in excess of 1.25% of annual compensation. Under the old plan, these state contributions are included in the members' accounts for refund purposes and are used in the computation of the members' earnable compensation for the purpose of computing retirement benefits. Member contributions under the new plan and GSEPS are 1.25% of annual compensation. The School District's total required contribution rate for the year ended June 30, 2022 was 24.63% of annual covered payroll for old and new plan members and 21.57% for GSEPS members. Contributions are expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Employer contributions to the pension plan were $32,077.20 for the current fiscal year.

Public School Employees Retirement System (PSERS)

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

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

Upon retirement, the member will receive a monthly benefit of $15.50, multiplied by the number of years of creditable service. Death and disability benefits are also available through PSERS. Additionally, PSERS may make periodic cost-of-living adjustments to the monthly benefits. Upon termination of employment, member contributions with accumulated interest are refundable upon request by the member. However, if an otherwise vested member terminates and withdraws his/her member contribution, the member forfeits all rights to retirement benefits.

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

Individuals who became members prior to July 1, 2012 contribute $4 per month for nine months each fiscal year. Individuals who became members on or after July 1, 2012 contribute $10 per month for nine months each fiscal year. The State of Georgia, although not the employer of PSERS members, is required by statute to make employer contributions actuarially determined and approved and certified by the PSERS Board of Trustees. The current fiscal year contribution was $52,422.00.

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

At June 30, 2022, the School District reported a liability of $13,730,457.00 for its proportionate share of the net pension liability for TRS ($13,558,805.00) and ERS ($171,652.00).

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

School District's proportionate share of the net pension liability	$	13,558,805.00
State of Georgia's proportionate share of the net pension liability associated with the School District		19,634.00
Total	$	13,578,439.00

The net pension liability for TRS and ERS was measured as of June 30, 2021. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of June 30, 2020. An expected total pension liability as of June 30, 2021 was determined using standard roll-forward techniques. The School District's proportion of the net pension liability was based on contributions to TRS and ERS during the fiscal year ended June 30, 2021.

At June 30, 2021, the School District's TRS proportion was 0.153305%, which was an increase of 0.000441% from its proportion measured as of June 30, 2020. At June 30, 2021, the School District's ERS proportion was 0.007339%, which was an increase of 0.001993% from its proportion measured as of June 30, 2020.

At June 30, 2022, the School District did not have a PSERS liability for a proportionate share of the net pension liability because of a Special Funding Situation with the State of Georgia, which is responsible for the net pension liability of the plan. The amount of the State's proportionate share of the net pension liability associated with the School District is $36,490.00.

The PSERS net pension liability was measured as of June 30, 2021. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of June 30, 2020. An expected total pension liability as of June 30, 2021 was determined using standard roll-forward techniques. The State's proportion of the net pension liability associated with the School District was based on actuarially determined contributions paid by the State during the fiscal year ended June 30, 2021.

For the year ended June 30, 2022, the School District recognized pension expense of $1,055,282.00 for TRS, $100,939.00 for ERS and $384.00 for PSERS and revenue of $117,061.00 for TRS and $384.00 for PSERS. The revenue is support provided by the State of Georgia. For TRS the State of Georgia support is provided only for certain support personnel.

At June 30, 2022, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	TRS		ERS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 3,235,562.00	$ -	$ 4,062.00	$ -
Changes of assumptions	2,624,263.00	-	49,431.00	-
Net difference between projected and actual earnings on pension plan investments	-	19,832,701.00	-	158,647.00
Changes in proportion and differences between School District contributions and proportionate share of contributions	879,821.00	-	66,458.00	-
School District contributions subsequent to the measurement date	4,307,246.52	-	32,077.20	-
Total	$ 11,046,892.52	$ 19,832,701.00	$ 152,028.20	$ 158,647.00

The School District contributions subsequent to the measurement date for TRS and for ERS are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:	TRS	ERS
2023	$ (2,178,919.00)	$ 50,731.00
2024	$ (2,268,663.00)	$ (8,496.00)
2025	$ (3,768,753.00)	$ (38,555.00)
2026	$ (4,876,720.00)	$ (42,376.00)

Actuarial Assumptions: The total pension liability as of June 30, 2021 was determined by an actuarial valuation as of June 30, 2020, using the following actuarial assumptions, applied to all periods included in the measurement:

Teachers Retirement System:

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

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

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2013 – June 30, 2018.

Employees' Retirement System:

Inflation	2.50%
Salary increases	3.00% – 6.75%, including inflation
Investment rate of return	7.00%, net of pension plan investment expense, including inflation

Mortality rates are as follows:

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

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

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2014 – June 30, 2019.

Public School Employees Retirement System:

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

Mortality rates are as follows:

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

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

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2014 – June 30, 2019.

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

Asset class	TRS Target allocation	Long-term expected real rate of return*	ERS/PSERS Target allocation	Long-term expected real rate of return*
Fixed income	30.00%	(0.80)%	30.00%	(1.50)%
Domestic large stocks	46.30%	9.30%	46.40%	9.20%
Domestic small stocks	1.20%	13.30%	1.10%	13.40%
International developed market stocks	11.50%	9.30%	11.70%	9.20%
International emerging market stocks	6.00%	11.30%	5.80%	10.40%
Alternative	5.00%	10.60%	5.00%	10.60%
Total	100.00%		100.00%	

* Rates shown are net of inflation

Discount Rate: The discount rate used to measure the total TRS pension liability was 7.25%. The discount rate used to measure the total ERS and PSERS pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer and nonemployer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the TRS, ERS and PSERS pension plans' fiduciary net position were projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the School District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate: The following presents the School District's proportionate share of the net pension liability calculated using the discount rate of 7.25% and 7.00%, as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25% and 6.00%) or 1-percentage-point higher (8.25% and 8.00%) than the current rate:

Teachers Retirement System:	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
School District's proportionate share of the net pension liability	$ 36,523,828.00	$ 13,558,805.00	$ (5,259,447.00)

Employees' Retirement System:	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
School District's proportionate share of the net pension liability	$ 314,549.00	$ 171,652.00	$ 50,801.00

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

Defined Contribution Plan

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

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

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

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

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

Fiscal Year	Percentage Contributed	Required Contribution
2022	100%	$ 3,150.00
2021	100%	$ 3,558.16
2020	100%	$ 4,375.00

NOTE 14: TAX ABATEMENTS

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

For the fiscal year ended June 30, 2022, Greene County abated property taxes due to the School District that were levied on September 9, 2021 and due on December 1, 2021 totaling $21,980.71. The amount abated is due to a single tax abatement agreement with a lodging hospitality organization that increases employment, sales taxes and economic development in the County.

NOTE 15: SPECIAL ITEMS

In fiscal year 2022, the School District disposed of the old Greensboro Elementary School that had a carrying value of $1,646,568.24. This amount is reflected as a loss on disposal of capital assets and is reported as a special item on the Statement of Activities.

NOTE 16: COMPONENT UNIT

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

The Organization has elected to include a discretely presented component unit, the financial information for Lake Oconee Academy Foundation, Inc., "the Foundation", due to the nature and significance of its relationship with the Foundation. See Note 17 for additional information related to the component unit. A complete set of financial statements for the Foundation can be obtained upon request from Mr. Tommy Jeffords, Chairman, by email at tjeffords@bbbga.com.

New Accounting Pronouncements

In fiscal year 2022, the Organization adopted Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*. The primary objective of this statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This statement increases the usefulness of government's financial statement by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The cumulative effect of GASB Statement No. 87 is described in the restatement note.

Deposits for Component Unit

Custodial credit risk is the risk that in the event of bank failure, the Organization's deposits may not be returned to it. The Organization's policy is that all deposits are secured by FDIC insurance and/or acceptable collateral as described above. At June 30, 2022, the Organization had deposits with a carrying amount of $4,954,297.00 and a bank balance of $5,057,911.00.

At June 30, 2022, $4,807,911.00 of the Charter's School bank balances was exposed to custodial credit risk. This balance was in the State's Secure Deposit Program (SDP).

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

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

Long-Term Lease for Component Unit

The Charter School has acquired building and equipment under the provisions of various contracts that convey control of the right to use another entity's asset for a period of time in an exchange or exchange-like transaction. These contracts are classified as leases for accounting purposes and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of inception. An adjustment to net position has been recorded to implement GASB No.87 with respect to these leases.

The Charter School leases copier equipment under the terms of a long-term agreement executed on April 20, 2020 for a term of 60 months in the amount of $1,199.00 per month.

The Charter School leases a gym and storage building. Monthly lease payments are $800.00 during the four-year term beginning on August 1, 2019 and continuing until July 31, 2023.

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

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

The reserve account is expected to be funded at the end of January 1, 2023. Monthly payment of $6,656.00 began on November 2019 to fund the reserve.

Total lease expense under these agreements for the year ended June 20, 2022 was $874,473.00.

The following is a summary of the carrying values of intangible right-to-use assets under lease at June 30, 2022.

	Governmental Activities
Buildings and Improvements	$ 19,692,907.00
Equipment	66,702.00
Less: Accumulated Depreciation	1,763,522.00
	$ 17,996,087.00

Leases currently outstanding are as follows:

Purpose	Interest Rates	Issue Date	Maturity Date	Amount Issued	Amount Outstanding
Storage Building and Gym	3.00%	8/1/2019	7/31/2023	$ 36,143.00	$ 10,220.00
Copiers	3.00%	4/20/2020	3/20/2025	66,702.00	37,919.00
High School/Student Life Center	3.00%	11/1/2019	9/1/2058	19,656,764.00	18,936,507.00
				$ 19,759,609.00	$ 18,984,646.00

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

Fiscal Year Ended June 30	Principal	Interest
2023	$ 359,054.00	$ 564,629.00
2024	361,064.00	553,819.00
2025	367,619.00	542,868.00
2026	367,823.00	531,877.00
2027	379,011.00	520,689.00
2028-2032	1,951,017.00	2,425,945.00
2033-2037	1,949,832.00	2,139,708.00
2038-2042	2,264,958.00	1,824,582.00
2043-2047	2,631,013.00	1,458,527.00
2048-2052	3,056,229.00	1,033,311.00
2053-2057	3,550,167.00	539,373.00
2058-2059	1,746,859.00	60,753.00
Total	$ 18,984,646.00	$ 12,196,081.00

Capital Assets for Component Unit:

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

	Balances July 1, 2021	Increases	Decreases	Balances June 30, 2022
Governmental Activities				
Capital Assets, Not Being Depreciated:				
Construction in Progress	$ 962,910.00	$ 1,592,529.00	$ 2,468,343.00	$ 87,096.00
Capital Assets Being Depreciated				
Buildings and Improvements	3,894,948.00	2,519,374.00	-	6,414,322.00
Equipment	1,446,927.00	-	-	1,446,927.00
Intangible Assets	67,632.00	-	-	67,632.00
Less Accumulated Depreciation for:				
Buildings and Improvements	748,265.00	210,776.00	-	959,041.00
Equipment	1,309,951.00	47,185.00	-	1,357,136.00
Intangible Assets	67,632.00	-	-	67,632.00
Total Capital Assets, Being Depreciated, Net	3,283,659.00	2,261,413.00	-	5,545,072.00
Governmental Activities Capital Assets - Net	$ 4,246,569.00	$ 3,853,942.00	$ 2,468,343.00	$ 5,632,168.00

Current year depreciation expense by function is as follows:

Instruction		$ 22,612.00
Support Services		
Maintenance and Operation of Plant	$ 225,965.00	
Student Transportation Services	2.00	225,967.00
Food Services		9,382.00
		$ 257,961.00

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

	Balances July 1, 2021 (Restated)	Increases	Decreases	Balances June 30, 2022
Governmental Activities				
Intangible Right-to-Use Assets				
Buildings and Improvements	$ 19,692,907.00	$ -	$ -	$ 19,692,907.00
Equipment	66,702.00	-	-	66,702.00
Less Accumulated Amortization				
Buildings and Improvements	1,235,366.00	507,033.00	-	1,742,399.00
Equipment	15,564.00	5,559.00	-	21,123.00
Governmental Activities				
Intangible Right-to-Use Assets - Net	$ 18,508,679.00	$ (512,592.00)	$ -	$ 17,996,087.00

Current year amortization expense by function is as follows:

Support Services	
Business Administration	$ 5,559.00
Maintenance and Operation of Plant	507,033.00
	$ 512,592.00

Restatement of Prior Period Net Position

For fiscal year 2022, the Organization made prior period adjustments due to the adoption of GASB Statement No.87, as described in "New Accounting Pronouncements," which requires the restatement of the June 30, 2021 net position in governmental activities. These changes are in accordance with generally accepted accounting principles.

Net Position, July 1, 2021, as previously reported	$ 8,623,919.00
Implementation of GASB No. 87	(799,320.00)
Net Position, July 1, 2021, as restated	$ 7,824,599.00

Subsequent Events for Component Unit

On September 17, 2020, Lake Oconee Academy, Inc., filed a lawsuit in Fulton County Superior Court to enforce a provision in its charter contract with the Greene County Board of Education. The Board of Education has limited the number of students which are funded in the 2020-2021 school year and as a result the Charter School has had to absorb those costs or consider enrollment cuts. The level of funding is less than the number of students approved in the Charter Agreement.

On January 19, 2023 the Greene County School District reached an agreement with Lake Oconee Academy, Inc. The School District will pay the Charter School $1,098,284.00 in six equal installment payments of $182,214.00 starting on August 1, 2023 and continuing each August 1 through August 1, 2028. In addition to payment provisions, the parties agree that Lake Oconee Academy, Inc.

shall be funded for up to 1,032 students for fiscal year 2023 and 1,051 students for fiscal year 2024, in accordance with the terms of this Agreement and the Charter Agreement. If the Charter Agreement is terminated or not renewed for any reason, including but not limited to the reasons identified in Section 24 of the Charter Agreement, the remaining balance of the total will be due to Lake Oconee Academy, Inc. within ten (10) days of the expiration or termination of the Charter Agreement, whichever occurs earlier.

NOTE 17: CHARTER SCHOOL'S COMPONENT UNIT

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

Deposits for Foundation

The Foundation maintains depository accounts at one local bank and one account with PayPal. Deposit accounts at each bank are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000.00 per account. The balances occasionally exceed those limits. As of June 30, 2022, cash held at one depository bank of $620,456.00 exceeded insurance provided by the FDIC by $370,456.00 and was at risk of loss.

Foundation's Lease Revenue

The Foundation leases an educational facility to the Lake Oconee Academy charter school under the terms of an agreement which commenced on August 1, 2019 and which ends on October 1, 2059. The facility was constructed using proceeds from a promissory note with the USDA (see note below). During the term of the agreement, the charter school will pay to the Foundation the same amount required to service the USDA loan. The lease may be terminated by the charter school after the USDA loan is repaid or it can continue to lease the facility for a reasonable market rate of rental. During the current period, monthly lease revenue received to offset required payments of principal and interest were $66,566.00 beginning on November 1, 2019. Prior to that date lease revenue received was $1,500.00 per month. An additional amount of $6,656.00 was paid monthly; however, in fiscal year 2021 only one payment was made in July 2020 to fund the reserve account. The reserve payment started back in October 2021 in the amount of $6,816.00 which is 10% of the required debt payment which increased to $68,159.00. $874,473.00 was received by the Foundation as rental revenue from the charter school under this agreement. Future minimum lease revenues for the next five years and thereafter are as follows:

Year Ending	Principal	Interest
2023	$ 336,203.00	$ 563,497.00
2024	346,429.00	553,271.00
2025	356,965.00	542,735.00
2026	367,823.00	531,877.00
2027	379,011.00	520,689.00
2028-2032	1,951,017.00	2,425,945.00
2033-2037	1,949,832.00	2,139,708.00
2038-2042	2,264,958.00	1,824,582.00
2043-2047	2,631,013.00	1,458,527.00
2048-2052	3,056,229.00	1,033,311.00
2053-2057	3,550,167.00	539,373.00
2058-2062	1,746,859.00	60,753.00
Total	$ 18,936,506.00	$ 12,194,268.00

Foundation's Intangible Assets

The Foundation incurred $466,307.00 in intangible costs during the construction phase of buildings which are leased to the Lake Oconee Academy charter school and an additional $11,469.00 in costs in connection with re-amortization of the USDA loan described in USDA Direct Loan note below. These fees are being amortized over a period of thirty-eight years using the straight-line method. Accumulated amortization at June 30 was $34,048.00. Amortization expense in the current period was $12,573.00.

Foundations' Long-Term Debt

Public Finance Authority

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

USDA Direct Loan

The Foundation executed a promissory note in the amount of $18,088,544.00 with the USDA through the USDA Community Facilities Direct Loan Fund. The proceeds of the loan were used to repay the Public Finance Authority note described above. Principal and interest payments in the amount of $66,566.00 were due beginning November 1, 2019 with interest at 3.0% per annum and continuing for a period of thirty-eight (38) years with all principal and accrued but unpaid interest being due on October 1, 2059. The loan is secured by land comprising approximately 22.92 acres and the attached buildings constructed for the high school and student life center and also by all personal property, equipment, fixtures, revenues, fees, charges, assessments, income, and accounts receivable of the Foundation. The Foundation is required to establish a debt service reserve fund in which it will deposit an amount equal to 10% of its monthly loan payments until the amount in the reserve is equivalent to one year of required principal and interest payments totaling $817,908.00. At June 30, 2022, the balance of this reserve fund was $121,526.00. This balance is considered to be restricted cash. The loan contains a due on default clause by which the USDA may declare the entire debt immediately due and payable if the Foundation fails to remit the required payments or fails to comply with any of the conditions and agreements contained in the promissory note or instruments securing it.

On July 20, 2020, the foundation was notified that the USDA had granted its request for deferral of loan payments; however, the Organization continued to pay lease payments under the leave for the use of the facility. Subsequently, on August 27, 2021, the foundation was notified that the USDA would begin requiring loan payments of $68,159.00 plus the additional $6,819.00 to fund the required reserve resulting in at totaling payment of $74,975.00 starting in October 2021.

On September 1, 2021, the Foundation executed an agreement to re-amortize the loan. During the period of deferment, interest accrued in the amount of $627,276.00 which was added to the loan balance. The outstanding principal balance on the date of re-amortization including the accrued interest was $18,521,432.73. As of June 30, 2022, $18,321,607.00 was outstanding on this loan. The charter school's lease payment to the component unit will be sufficient to meet this debt service requirement per the lease. The loan will mature on October 1, 2059. Future requirements to reduce long-term debt are as follows:

Year		Amount
2023	$	271,960.00
2024		280,232.00
2025		288,755.00
2026		297,538.00
2027		306,588.00
2028-2032		1,678,621.00
2033-2037		1,949,914.00
2038-2042		2,265,052.00
2043-2047		2,631,123.00
2048-2052		3,056,356.00
2053-2057		3,550,313.00
2058-2060		1,745,155.00
Total	$	18,321,607.00

Bank South Line of Credit

The Foundation executed a promissory note line of credit agreement in the amount of $2,000,000.00 with Bank South on January 19, 2022, which was subsequently modified to $3,387,000.00 on May 19, 2022. The loan is secured by 22.92 acres of land. The purpose of the loan is to provide financing for a fine arts building to be leased to Lake Oconee Academy. The loan is guaranteed by Lake Oconee Academy. Monthly payments of only interest at 3.25% are payable on any loan advances outstanding until maturity on July 19, 2023, when all accrued but unpaid interest and principal are due in full. The loan contains a due on default clause by which Bank South may declare the entire debt immediately due and payable if the Foundation fails to remit the required payments or fails to comply with any of the conditions and agreements contained in the promissory note or instruments securing it.

NOTE 18: SUBSEQUENT EVENTS

On November 8, 2022, voters authorized the School District to continue collection of a 1% percent local option sales tax, not to exceed $39,000,000.00, and to issue general obligation bonds up to $29,500,000.00. The proceeds from these bonds will be used for the new elementary school. The local option sales tax will be used to supplement funding of the various capital outlay projects and to provide funds for debt service as those obligations become due.

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

For the Year Ended June 30	School District's proportion of the net pension liability	School District's proportionate share of the net pension liability	State of Georgia's proportionate share of the net pension liability associated with the School District	Total	School District's covered payroll	School District's proportionate share of the net pension liability as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2022	0.153305%	$ 13,558,805.00	$ 19,634.00	$ 13,578,439.00	$ 19,988,566.71	67.83%	92.03%
2021	0.152864%	$ 37,029,644.00	$ 10,659.00	$ 37,040,303.00	$ 19,714,115.24	187.83%	77.01%
2020	0.150737%	$ 32,412,531.00	$ 67,303.00	$ 32,479,834.00	$ 18,472,560.24	175.46%	78.56%
2019	0.144669%	$ 26,853,665.00	$ 165,760.00	$ 27,019,425.00	$ 17,431,278.52	154.05%	80.27%
2018	0.141084%	$ 26,220,896.00	$ 478,200.00	$ 26,699,096.00	$ 16,485,900.49	159.05%	79.33%
2017	0.136025%	$ 28,063,474.00	$ 735,706.00	$ 28,799,180.00	$ 15,311,822.79	183.28%	76.06%
2016	0.132034%	$ 20,100,865.00	$ 600,283.00	$ 20,701,148.00	$ 14,357,962.71	140.00%	81.44%
2015	0.131414%	$ 16,602,426.00	$ 509,137.00	$ 17,111,563.00	$ 13,816,894.27	120.16%	84.03%

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

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

For the Year Ended June 30	Contractually required contribution	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	School District's covered payroll	Contribution as a percentage of covered payroll
2022	$ 4,307,246.52	$ 4,307,246.52	$ -	$ 21,779,829.73	19.78%
2021	$ 3,804,315.79	$ 3,804,315.79	$ -	$ 19,988,566.71	19.03%
2020	$ 4,166,366.88	$ 4,166,366.88	$ -	$ 19,714,115.24	21.13%
2019	$ 3,850,981.49	$ 3,850,981.49	$ -	$ 18,472,560.24	20.85%
2018	$ 2,911,460.22	$ 2,911,460.22	$ -	$ 17,431,278.52	16.70%
2017	$ 2,311,700.42	$ 2,311,700.42	$ -	$ 16,485,900.49	14.02%
2016	$ 2,129,171.85	$ 2,129,171.85	$ -	$ 15,311,822.79	13.91%
2015	$ 1,835,628.79	$ 1,835,628.79	$ -	$ 14,357,962.71	12.78%

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

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

For the Year Ended June 30	School District's proportion of the net pension liability	School District's proportionate share of the net pension liability	School District's covered payroll	School District's proportionate share of the net pension liability as a percentage of covered payroll	Plan fiduciary net position as a percentage of total pension liability
2022	0.007339%	$ 171,652.00	$ 175,926.60	97.57%	87.62%
2021	0.005346%	$ 225,332.00	$ 134,797.64	167.16%	76.21%
2020	0.003029%	$ 124,993.00	$ 76,350.83	163.71%	76.74%
2019	0.001871%	$ 76,917.00	$ 47,718.60	161.19%	76.68%
2018	0.002316%	$ 94,061.00	$ 56,808.87	165.57%	76.33%
2017	0.002463%	$ 116,510.00	$ 57,272.78	203.43%	72.34%
2016	0.004508%	$ 182,637.00	$ 97,835.48	186.68%	76.20%
2015	0.005517%	$ 206,992.00	$ 125,181.67	165.35%	77.99%

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

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

For the Year Ended June 30	Contractually required contribution	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	School District's covered payroll	Contribution as a percentage of covered payroll
2022	$ 32,077.20	$ 32,077.20	$ -	$ 130,236.72	24.63%
2021	$ 43,383.48	$ 43,383.48	$ -	$ 175,926.60	24.66%
2020	$ 33,241.15	$ 33,241.15	$ -	$ 134,797.64	24.66%
2019	$ 18,919.73	$ 18,919.73	$ -	$ 76,350.83	24.78%
2018	$ 11,838.96	$ 11,838.96	$ -	$ 47,718.60	24.81%
2017	$ 14,094.28	$ 14,094.28	$ -	$ 56,808.87	24.81%
2016	$ 14,157.84	$ 14,157.84	$ -	$ 57,272.78	24.72%
2015	$ 21,484.66	$ 21,484.66	$ -	$ 97,835.48	21.96%

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

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

For the Year Ended June 30	School District's proportion of the net pension liability	School District's proportionate share of the net pension liability	State of Georgia's proportionate share of the net pension liability associated with the School District	Total	School District's covered payroll	School District's proportionate share of the net pension liability as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2022	0.00%	$ -	$ 36,490.00	$ 36,490.00	$ 776,062.57	N/A	98.00%
2021	0.00%	$ -	$ 279,427.00	$ 279,427.00	$ 861,138.02	N/A	84.45%
2020	0.00%	$ -	$ 281,548.00	$ 281,548.00	$ 921,592.40	N/A	85.02%
2019	0.00%	$ -	$ 289,352.00	$ 289,352.00	$ 961,501.92	N/A	85.26%
2018	0.00%	$ -	$ 261,394.00	$ 261,394.00	$ 951,641.31	N/A	85.69%
2017	0.00%	$ -	$ 346,042.00	$ 346,042.00	$ 956,860.21	N/A	81.00%
2016	0.00%	$ -	$ 235,801.00	$ 235,801.00	$ 998,454.91	N/A	87.00%
2015	0.00%	$ -	$ 200,687.00	$ 200,687.00	$ 980,963.47	N/A	88.29%

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

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

For the Year Ended June 30	School District's proportion of the net OPEB liability	School District's proportionate share of the net OPEB liability	State of Georgia's proportionate share of the net OPEB liability associated with the School District	Total	School District's covered-employee payroll	School District's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll	Plan fiduciary net position as a percentage of the total OPEB liability
2022	0.194495%	$ 21,065,418.00	$ -	$ 21,065,418.00	$ 19,131,188.65	110.11%	6.14%
2021	0.198034%	$ 29,086,583.00	$ -	$ 29,086,583.00	$ 18,463,265.80	157.54%	3.99%
2020	0.197947%	$ 24,292,344.00	$ -	$ 24,292,344.00	$ 17,365,462.11	139.89%	4.63%
2019	0.194821%	$ 24,761,151.00	$ -	$ 24,761,151.00	$ 16,631,062.70	148.88%	2.93%
2018	0.188558%	$ 26,492,323.00	$ -	$ 26,492,323.00	$ 15,778,694.87	167.90%	1.61%

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

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

For the Year Ended June 30	Contractually required contribution	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	School District's covered-employee payroll	Contribution as a percentage of covered-employee payroll
2022	$ 720,214.00	$ 720,214.00	$ -	$ 21,133,616.27	3.41%
2021	$ 723,488.00	$ 723,488.00	$ -	$ 19,131,188.65	3.78%
2020	$ 669,703.00	$ 669,703.00	$ -	$ 18,463,265.80	3.63%
2019	$ 1,066,082.00	$ 1,066,082.00	$ -	$ 17,365,462.11	6.14%
2018	$ 1,009,734.00	$ 1,009,734.00	$ -	$ 16,631,062.70	6.07%
2017	$ 983,157.00	$ 983,157.00	$ -	$ 15,778,694.87	6.23%

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Teachers Retirement System

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

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

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

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

Employees' Retirement System

Changes of benefit terms: A new benefit tier was added for members joining the System on and after July 1, 2009. A one-time 3% payment was granted to certain retirees and beneficiaries effective July 2016, and a one-time 3% payment was granted to certain retirees and beneficiaries effective July 2017. Two one-time 2% payments were granted to certain retirees and beneficiaries effective July 2018 and January 2019. Two one-time 3% payments were granted to certain retirees and beneficiaries effective July 2019 and January 2020.

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

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

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

Public School Employees Retirement System

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

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

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

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

School OPEB Fund

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

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

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

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

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

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

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

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

GREENE COUNTY BOARD OF EDUCATION
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2022

	NONAPPROPRIATED BUDGETS		ACTUAL	VARIANCE
	ORIGINAL (1)	FINAL (1)	AMOUNTS	OVER/UNDER
REVENUES				
Property Taxes	$ 26,567,123.00	$ 26,567,123.00	$ 27,216,731.19	$ 649,608.19
Sales Taxes	1,250,000.00	1,250,000.00	1,338,042.56	88,042.56
State Funds	10,685,622.71	11,376,949.00	11,558,250.37	181,301.37
Federal Funds	10,290,435.60	10,856,980.15	11,396,932.44	539,952.29
Charges for Services	45,000.00	45,000.00	200,669.46	155,669.46
Investment Earnings	26,200.00	26,200.00	26,779.05	579.05
Miscellaneous	253,000.00	255,500.00	796,582.36	541,082.36
Total Revenues	49,117,381.31	50,377,752.15	52,533,987.43	2,156,235.28
EXPENDITURES				
Current				
Instruction	21,732,267.33	20,901,385.60	32,639,183.78	(11,737,798.18)
Support Services				
Pupil Services	1,260,611.30	1,487,678.05	1,798,711.67	(311,033.62)
Improvement of Instructional Services	1,082,974.41	2,177,323.74	2,532,764.98	(355,441.24)
Educational Media Services	469,342.83	469,342.83	458,780.18	10,562.65
General Administration	886,983.60	906,809.60	880,730.83	26,078.77
School Administration	1,417,492.22	1,417,492.22	1,504,939.60	(87,447.38)
Business Administration	833,532.76	833,532.76	742,043.20	91,489.56
Maintenance and Operation of Plant	3,198,517.48	3,648,517.48	3,232,628.18	415,889.30
Student Transportation Services	1,625,515.14	1,639,515.14	1,603,680.19	35,834.95
Central Support Services	16,208.58	16,208.58	16,094.07	114.51
Other Support Services	452,214.20	454,464.20	531,370.22	(76,906.02)
Enterprise Operations	-	-	305,079.73	(305,079.73)
Food Services Operation	1,465,778.04	1,465,778.04	1,920,566.27	(454,788.23)
Capital Outlay	4,932,423.66	4,482,423.66	400,000.00	4,082,423.66
Debt Service				
Principal	-	-	23,306.95	(23,306.95)
Interest	-	-	1,029.05	(1,029.05)
Total Expenditures	39,373,861.55	39,900,471.90	48,590,908.90	(8,690,437.00)
Excess of Revenues over (under) Expenditures	9,743,519.76	10,477,280.25	3,943,078.53	(6,534,201.72)
OTHER FINANCING SOURCES(USES)				
Lease Liability Proceeds	-	-	188,313.60	188,313.60
Other Sources	424,923.07	424,923.07	-	(424,923.07)
Other Uses	(12,973,769.56)	(12,973,769.56)	-	12,973,769.56
Total Other Financing Sources (Uses)	(12,548,846.49)	(12,548,846.49)	188,313.60	12,737,160.09
Net Change in Fund Balances	(2,805,326.73)	(2,071,566.24)	4,131,392.13	6,202,958.37
Fund Balances - Beginning	14,599,976.91	14,599,976.91	14,846,634.18	246,657.27
Adjustments	14,599.46	1,445.14	-	(1,445.14)
Fund Balances - Ending	$ 11,809,249.64	$ 12,529,855.81	$ 18,978,026.31	$ 6,448,170.50

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

(1) Original and Final Budget amounts do not include the budgeted revenues or expenditures of the various principal accounts.
The actual revenues and expenditures of the various principal accounts are $598,004.66 and $497,138.13, respectively.

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

FUNDING AGENCY PROGRAM/GRANT	ASSISTANCE LISTING NUMBER	PASS-THROUGH ENTITY IDENTIFYING NUMBER	FEDERAL EXPENDITURES
Agriculture, U. S. Department of			
Child Nutrition Cluster			
Pass-Through From Georgia Department of Education			
Food Services			
School Breakfast Program	10.553	225GA324N1199	$ 524,923.74
National School Lunch Program	10.555	225GA324N1199	1,153,475.98
Fresh Fruit and Vegetable Program	10.582	225GA324L1603	22,802.70
COVID-19 - National School Lunch Program	10.555	226UT400N8903	52,053.47
Summer Food Service Program For Children	10.559	226UT831Y8105	77,353.10
Total Child Nutrition Cluster			1,830,608.99
Forest Service Schools and Roads Cluster			
Pass-Through From Office of the State Treasurer			
Schools and Roads - Grants to States	10.665	486Forest	17,035.21
Other Programs			
Pass-Through From Georgia Department of Education			
Food Services			
State Administrative Expenses for Child Nutrition	10.560	205GA904N2533	2,475.71
Total U. S. Department of Agriculture			1,850,119.91
Education, U. S. Department of			
Education Stabilization Fund			
Pass-Through From Georgia Department of Education			
COVID-19 - Elementary and Secondary School Emergency Relief Fund	84.425D	S425D200012	14,124.53
COVID-19 - Elementary and Secondary School Emergency Relief Fund	84.425D	S425D210012	2,874,037.20
COVID-19 - American Rescue Plan Elementary and Secondary School Emergency Relief Fund	84.425U	S425U210012	3,417,248.36
COVID-19 - American Rescue Plan Elementary and Secondary School Emergency Relief Fund - Homeless Children and Youth	84.425W	S425W210011	3,843.11
Total Education Stabilization Fund			6,309,253.20
Special Education Cluster			
Pass-Through From Georgia Department of Education			
Special Education			
Grants to States	84.027A	H027A200073	78,178.00
Grants to States	84.027A	H027A210073	560,820.39
COVID-19 - American Rescue Plan - Grants to States	84.027X	H027X210073	39,522.05
Preschool Grants	84.173A	H173A200081	28,971.00
Preschool Grants	84.173A	H173A210081	33,284.31
COVID-19 - American Rescue Plan - Preschool Grants	84.173X	H173X210081	839.52
Total Special Education Cluster			741,615.27
Other Programs			
Pass-Through From Georgia Department of Education			
Career and Technical Education - Basic Grants to States	84.048A	V048A210010	32,991.00
English Language Acquisition State Grants	84.365A	S365A200010	24,093.00
English Language Acquisition State Grants	84.365A	S365A210010	5,223.98
Rural and Low-Income School Program	84.358B	S358B200010	45,013.00
Rural and Low-Income School Program	84.358B	S358B210010	35,172.16
Student Support and Academic Enrichment Program	84.424A	S424A200011	21,978.62
Student Support and Academic Enrichment Program	84.424A	S424A210011	51,453.66
Supporting Effective Instruction State Grants	84.367A	S367A200001	48,344.00
Supporting Effective Instruction State Grants	84.367A	S367A210001	102,089.61

GREENE COUNTY BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2022

FUNDING AGENCY PROGRAM/GRANT	ASSISTANCE LISTING NUMBER	PASS-THROUGH ENTITY IDENTIFYING NUMBER	FEDERAL EXPENDITURES
Title I Grants to Local Educational Agencies	84.010A	S010A200010	20,017.91
Title I Grants to Local Educational Agencies	84.010A	S010A210010-21A	943,237.58
Total Other Programs			1,329,614.52
Total U. S. Department of Education			8,380,482.99
Federal Communications Commission, U. S.			
Direct			
Emergency Connectivity Fund Program	32.009	ECF202104696	704,238.00
Health and Human Services, U. S. Department of			
Child Care and Development Fund Cluster			
Pass-Through From Bright From the Start:			
Georgia Department of Early Care and Learning			
COVID-19 - Child Care and Development Block Grant	93.575	2110GACCC5	16,232.00
Defense, U. S. Department of			
Direct			
Department of the Air Force			
R.O.T.C. Program	12.UNKNOWN		43,911.44
Total Expenditures of Federal Awards			$ 10,994,984.34

Notes to the Schedule of Expenditures of Federal Awards

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of the Greene County Board of Education (the "Board") under programs of the federal government for the year ended June 30, 2022. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Board, it is not intended to and does not present the financial position or changes in net position of the Board.

Note 2. Summary of Significant Accounting Policies

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

Note 3. Indirect Cost Rate

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

Note 4: Elementary and Secondary School Emergency Relief Fund Activity

For the year ended June 30, 2022, the amount reflected on the Schedule for the Elementary and Secondary School Emergency Relief Fund/American Rescue Plan Elementary and Secondary School Emergency Relief Fund (ALN 84.425D/U) includes $1,221,259.34 of approved eligible expenditures that were incurred in a prior fiscal year.

AGENCY/FUNDING	GOVERNMENTAL FUND TYPE GENERAL FUND
GRANTS	
Bright From the Start:	
Georgia Department of Early Care and Learning	
Pre-Kindergarten Program	$ 421,566.20
Education, Georgia Department of	
Quality Basic Education	
Direct Instructional Cost	
Kindergarten Program	689,102.00
Kindergarten Program - Early Intervention Program	28,351.00
Primary Grades (1-3) Program	1,527,675.00
Primary Grades - Early Intervention (1-3) Program	136,347.00
Upper Elementary Grades (4-5) Program	750,541.00
Upper Elementary Grades - Early Intervention (4-5) Program	45,715.00
Middle Grades (6-8) Program	1,331,395.00
High School General Education (9-12) Program	1,170,491.00
Vocational Laboratory (9-12) Program	230,828.00
Students with Disabilities	1,350,216.00
Gifted Student - Category VI	91,885.00
Remedial Education Program	59,104.00
Alternative Education Program	92,253.00
English Speakers of Other Languages (ESOL)	179,053.00
Media Center Program	210,890.00
20 Days Additional Instruction	68,127.00
Staff and Professional Development	30,631.00
Principal Staff and Professional Development	894.00
Indirect Cost	
Central Administration	320,708.00
School Administration	511,912.00
Facility Maintenance and Operations	384,280.00
One Time QBE Adjustment	642,503.00
Mid Term Hold Harmless	134,537.00
Amended Formula Adjustment	63,687.00
Categorical Grants	
Pupil Transportation	
Regular	441,823.53
Nursing Services	52,974.00
Sparsity	141,945.00
Other State Programs	
Charter Schools - Facilities	50,528.00
Computer Science Capacity Grant (CS4GA) Grant	7,630.00
Food Services	90,105.00
Hygiene Products	2,576.00
Math and Science Supplements	23,862.00
Preschool Disability Services	99,496.60
Teachers Retirement	7,200.12
Vocational Education	67,014.00
Office of the State Treasurer	
Public School Employees Retirement	52,422.00
CONTRACT	
Human Resources, Georgia Department of	
Family Connection	47,982.92
	$ 11,558,250.37

GREENE COUNTY BOARD OF EDUCATION
SCHEDULE OF APPROVED LOCAL OPTION SALES TAX PROJECTS
YEAR ENDED JUNE 30, 2022

SCHEDULE "12"

PROJECT	ORIGINAL ESTIMATED COST (1)	CURRENT ESTIMATED COSTS (2)	ESTIMATED COMPLETION DATE
2014 ESPLOST			
1. Adding to, renovating, repairing, improving, and equipping school system buildings and facilities including Greene County High School,	$ 4,820,096.00	$ 8,801,117.72	Completed
2. Acquiring land for school system facilities,	-	425.00	Completed
3. Acquiring miscellaneous new equipment, fixtures and furnishings for the school system, including technology equipment and safety and security equipment,	1,671,639.00	4,526,527.77	Completed
4. Acquiring school buses and transportation and maintenance equipment,	398,785.00	820,248.78	Completed
5. Acquiring textbooks for the school system,	975,000.00	654,247.73	Completed
6. Acquiring portable school classroom facilities,	3,500,000.00	3,258,316.33	Completed
7. Paying a portion of the lease-purchase payments due under the Intergovernmental Agreement securing the Greene County Development Authority Revenue Bonds (Lake Oconee Academy Project), Series 2009, from January, 2015 through February, 2020 (the maximum amount of such payments not to exceed $6,660,213.00),	6,660,213.00	6,659,974.11	Completed
8. Paying a portion of the purchase payments due under the Intergovernmental Agreement between the School District and Northeast Georgia Regional Educational Service Agency relating to the Rutland Center (the maximum amount of such payments not to exceed $189,267.00),	189,267.00	187,388.50	Completed
9. Paying any general obligation debt of the School District issued in conjunction with the imposition of said sales and use tax, and	5,000,000.00	5,192,914.19	Completed
10. Paying any expenses incident to accomplishing the foregoing.	185,000.00	119,519.00	Completed
Subtotal 2014 Projects	23,400,000.00	30,220,679.13	
2019 ESPLOST			
1. Acquiring land and performing site preparation related to the construction of new school facilities, and the expansion of existing school system facilities,	4,875,500.00	4,875,000.00	June 30, 2024
2. Adding to, renovating, repairing, improving, and equipping existing school system buildings and instructional facilities system-wide,	1,325,000.00	1,325,000.00	June 30, 2024
3. Expanding, replacing, renovating, repairing, improving, and equipping existing school buildings, parking lots, restrooms, theatres, science labs, outdoor spaces and other school system facilities,	1,630,000.00	1,630,000.00	June 30, 2024
4. Acquiring miscellaneous new equipment, fixtures and furnishings for the school system, including heating and air conditioning equipment, plumbing, LED lighting, flooring, roofing and similar infrastructure improvements,	4,023,000.00	4,023,000.00	June 30, 2024
5. Acquiring technology equipment and software and safety and security equipment,	2,641,500.00	2,641,500.00	June 30, 2024
6. Acquiring school buses and transportation and maintenance equipment,	1,500,000.00	1,500,000.00	June 30, 2024
7. Acquiring textbooks, e-books and e-book readers for the school system,	1,000,000.00	1,000,000.00	June 30, 2024
8. Paying a portion of the purchase payments due under the Intergovernmental Agreement securing the Greene County Development Authority Revenue Bonds (Lake Oconee Academy Project), Series 2009, from January, 2020 through February, 2025 (the maximum amount of such payments not to exceed $10,000,000.00),	10,000,000.00	10,000,000.00	June 30, 2024
9. Paying any general obligation debt of the School District issued in conjunction with the imposition of said sales and use tax, and	-	-	June 30, 2024
10. Paying any expenses incident to accomplishing the foregoing.	5,000.00	5,500.00	June 30, 2024
Subtotal 2019 Projects	27,000,000.00	27,000,000.00	
Total	$ 50,400,000.00	$ 57,220,679.13	

GREENE COUNTY BOARD OF EDUCATION
SCHEDULE OF APPROVED LOCAL OPTION SALES TAX PROJECTS
YEAR ENDED JUNE 30, 2022

PROJECT	AMOUNT EXPENDED IN CURRENT YEAR (3)	AMOUNT EXPENDED IN PRIOR YEARS (3)(4)(5)	TOTAL COMPLETION COST	EXCESS PROCEEDS NOT EXPENDED
2014 ESPLOST				
1. Adding to, renovating, repairing, improving, and equipping school system buildings and facilities including Greene County High School,	$ 45,237.17	$ 8,755,880.55	$ 8,801,117.72	$ -
2. Acquiring land for school system facilities,	-	425.00	425.00	-
3. Acquiring miscellaneous new equipment, fixtures and furnishings for the school system, including technology equipment and safety and security equipment,	6,362.72	4,520,165.05	4,526,527.77	-
4. Acquiring school buses and transportation and maintenance equipment,	-	820,248.78	820,248.78	-
5. Acquiring textbooks for the school system,	-	654,247.73	654,247.73	-
6. Acquiring portable school classroom facilities,	-	3,258,316.33	3,258,316.33	-
7. Paying a portion of the lease-purchase payments due under the Intergovernmental Agreement securing the Greene County Development Authority Revenue Bonds (Lake Oconee Academy Project), Series 2009, from January, 2015 through February, 2020 (the maximum amount of such payments not to exceed $6,660,213.00),	-	6,659,974.11	6,659,974.11	-
8. Paying a portion of the purchase payments due under the Intergovernmental Agreement between the School District and Northeast Georgia Regional Educational Service Agency relating to the Rutland Center (the maximum amount of such payments not to exceed $189,267.00),	-	187,388.50	187,388.50	-
9. Paying any general obligation debt of the School District issued in conjunction with the imposition of said sales and use tax, and	-	5,192,914.19	5,192,914.19	-
10. Paying any expenses incident to accomplishing the foregoing.	-	119,519.00	119,519.00	-
Subtotal 2014 Projects	51,599.89	30,169,079.24	30,220,679.13	-
2019 ESPLOST				
1. Acquiring land and performing site preparation related to the construction of new school facilities, and the expansion of existing school system facilities,	550,405.44	67,178.75	-	-
2. Adding to, renovating, repairing, improving, and equipping existing school system buildings and instructional facilities system-wide,	105,002.38	28,536.38	-	-
3. Expanding, replacing, renovating, repairing, improving, and equipping existing school buildings, parking lots, restrooms, theatres, science labs, outdoor spaces and other school system facilities,	70,978.08	91,914.43	-	-
4. Acquiring miscellaneous new equipment, fixtures and furnishings for the school system, including heating and air conditioning equipment, plumbing, LED lighting, flooring, roofing and similar infrastructure improvements,	85,964.75	39,618.87	-	-
5. Acquiring technology equipment and software and safety and security equipment,	210,315.52	635,635.97	-	-
6. Acquiring school buses and transportation and maintenance equipment,	67,941.56	301,676.00	-	-
7. Acquiring textbooks, e-books and e-book readers for the school system,	3,662.91	28,709.62	-	-
8. Paying a portion of the purchase payments due under the Intergovernmental Agreement securing the Greene County Development Authority Revenue Bonds (Lake Oconee Academy Project), Series 2009, from January, 2020 through February, 2025 (the maximum amount of such payments not to exceed $10,000,000.00),	1,345,410.00	2,454,971.07	-	-
9. Paying any general obligation debt of the School District issued in conjunction with the imposition of said sales and use tax, and	-	-	-	-
10. Paying any expenses incident to accomplishing the foregoing.	4,790.12	4,675.00	-	-
Subtotal 2019 Projects	2,444,470.76	3,652,916.09	-	-
Total	$ 2,496,070.65	$ 33,821,995.33	$ 30,220,679.13	$ -

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

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

(3) The voters of Greene County approved the imposition of a 1% sales tax to fund the above projects and retire associated debt. Amounts expended for these projects may include sales tax proceeds, state, local property taxes and/or other funds over the life of the projects.

(4) Project 7/SPLOST 2014 was completed in June 2020 with total actual expenditures of $6,659,974.11.
The previous estimated cost was $6,660,213.00. The surplus of SPLOST proceeds will be used for Project 8 for SPLOST 2019.

(5) Project 8/SPLOST 2014 was completed in fiscal year 2021 with total actual expenditures of $187,388.50
The previous estimated cost was $188,327.75. The difference of $939.25 was taken against interest expense in the prior year.

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Section II

Compliance and Internal Control Reports

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DOAA
Georgia Department
of Audits & Accounts

Greg S. Griffin
State Auditor

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

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

We have audited the financial statements of the governmental activities, discretely presented component units, and each major fund of the Greene County Board of Education (School District) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated March 22, 2023. We conducted our audit in accordance with the auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States.

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

Report on Internal Control Over Financial Reporting

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

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

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material misstatement of the School District's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Respectfully submitted,



Greg S. Griffin
State Auditor

March 22, 2023

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DOAA
Georgia Department
of Audits & Accounts

Greg S. Griffin
State Auditor

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

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Greene County Board of Education's (School District) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the School District's major federal programs for the year ended June 30, 2022. The School District's major federal programs are identified in the *Summary of Auditor's Results* section of the accompanying *Schedule of Findings and Questioned Costs*.

In our opinion, the School District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

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

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

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Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control over Compliance

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

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

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

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

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

Respectfully submitted,



Greg S. Griffin
State Auditor

March 22, 2023

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Section III

Auditee's Response to Prior Year Findings and Questioned Costs

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GREENE COUNTY BOARD OF EDUCATION
AUDITEE'S RESPONSE
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2022

PRIOR YEAR FINANCIAL STATEMENT FINDINGS

No matters were reported.

PRIOR YEAR FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No matters were reported.

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Section IV

Findings and Questioned Costs

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GREENE COUNTY BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2022

I SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued:	
Governmental Activities, Discretely Presented Component Units, and Each Major Fund	Unmodified
Internal control over financial reporting:	
▪ Material weakness(es) identified?	No
▪ Significant deficiency(ies) identified?	None Reported
Noncompliance material to financial statements noted:	No

Federal Awards

Internal Control over major programs:	
▪ Material weakness(es) identified?	No
▪ Significant deficiency(ies) identified?	None Reported
Type of auditor's report issued on compliance for major programs:	
All major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	No

Identification of major programs:

Assistance Listing Number	Assistance Listing Program or Cluster Title
10.553, 10.555	Child Nutrition Cluster
84.425	Education Stabilization Fund

Dollar threshold used to distinguish between Type A and Type B programs:	$750,000.00
Auditee qualified as low-risk auditee?	Yes

II FINANCIAL STATEMENT FINDINGS

No matters were reported.

III FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No matters were reported.