

ANNUAL FINANCIAL REPORT • FISCAL YEAR 2022

Liberty County Board of Education

Hinesville, Georgia

Including Independent Auditor's Report

Greg S. Griffin | State Auditor

DOAA
Georgia Department
of Audits & Accounts

Liberty 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. Franklin Perry, Superintendent and Members of the
Liberty County Board of Education

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and fiduciary activities of the Liberty 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, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and fiduciary activities 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.

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.

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.

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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or

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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 September 27, 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 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

September 27, 2023

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

INTRODUCTION

The discussion and analysis of Liberty County Board of Education's (School District) financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2022. 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 notes to the basic financial statements to enhance their understanding of the School District's financial performance.

FINANCIAL HIGHLIGHTS

Key financial highlights for fiscal year 2022 are as follows:

- On the government-wide financial statements, the assets and deferred outflows of the School District exceeded liabilities and deferred inflows by $81.7 million.
- General revenues accounted for $55.3 million in revenue or 36.6 percent of all revenues. Program specific revenues in the form of charges for services, operating and capital grants and contributions accounted for $95.9 million in revenue or 63.4 percent of total revenues. Total revenues were $151.3 million.
- The School District had $121.3 million in expenses relating to governmental activities; only $95.9 million of these expenses are offset by program specific charges for services and grants and contributions. General revenues (primarily property taxes and sales taxes) of $55.3 million were adequate to provide for these programs.
- On the government-wide financial statements, the School District reported deferred inflows of resources of $90.9 million and deferred outflows of resources of $43.0 million related to defined benefit pension plans recognized by the implementation of GASB No. 68 and GASB No. 71 and other postemployment benefits recognized by the implementation of GASB No. 75.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of several parts including management's discussion and analysis, the basic financial statements 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. This discussion and analysis of the School District's financial statements provides an overview of its financial activities for the year. Comparative data is provided for fiscal year 2022 and 2021.

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

The fund financial statements focus on the individual parts of the School District, reporting the School District's operation in more detail. The governmental fund financial statements disclose how basic services are financed in the short-term as well as what remains for future spending. The fiduciary funds statement provides information about the financial relationships in which the School District acts solely as an agent for the benefit of others. The fund financial statements reflect the School District's most significant funds. In the case of the Liberty County Board of Education, the general fund, and capital projects funds are 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 financial statements are basically a consolidation of all of the School District's operating funds into one column called governmental activities. In reviewing the government-wide financial statements, a reader might ask the question about whether the School District is in a better financial position than last year. The Statement of Net Position and the Statement of Activities provide the basis for answering this question. These financial statements include all of the School District's non-fiduciary assets and liabilities and use the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into consideration all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the School District's net position and any changes in net position. The change in net position is important because it tells the reader that, for the School District as a whole, the financial position of the School District has improved or diminished. The causes of this change may be the results of many factors, including those not under the School District's control, such as the property tax base, facility conditions, required educational programs, implementation of new accounting pronouncements and other factors.

The Statement of Net Position and the Statement of Activities reflect the School District's governmental activities.

Fund Financial Statements

The School District uses many funds to account for a multitude of financial transactions during the fiscal year. However, the fund financial statements presented in this report provide detailed information about only the School District's significant or major funds.

Governmental Funds - Most of the School District's activities are reported in governmental funds, which focus on how money flows in and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using the modified accrual basis 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 differences between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds are reconciled within the financial statements.

Fiduciary Funds - The School District is the trustee, or fiduciary, for assets that belong to others, such as school clubs and organizations within the school activity accounts. The School District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The School District excludes these activities from the government-wide financial statements because it cannot use these assets to finance its operations.

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE

The Statement of Net Position provides the perspective of the School District as a whole. Table 1 presents a summary of the School District's net position for fiscal year 2022 as compared to net position for fiscal year 2021.

Table 1
Net Position

	Governmental Activities		
	Fiscal Year 2022	Fiscal Year 2021	Net Change
Assets			
Current and Other Assets	$ 67,905,571	$ 55,015,006	$ 12,890,565
Capital Assets, Net	176,459,980	170,711,586	5,748,394
Total Assets	244,365,551	225,726,592	18,638,959
Deferred Outflows of Resources			
Related to Defined Benefit Pension Plan	29,817,680	30,981,037	(1,163,357)
Related to OPEB Plan	13,227,775	15,486,036	(2,258,261)
Total Deferred Outflows of Resources	43,045,455	46,467,073	(3,421,618)
Liabilities			
Current and Other Liabilities	19,678,408	15,897,078	3,781,330
Long-Term Liabilities	578,102	2,486,438	(1,908,336)
Net Pension Liability	40,086,497	110,104,472	(70,017,975)
Net OPEB Liability	54,553,361	73,408,540	(18,855,179)
Total Liabilities	114,896,368	201,896,528	(87,000,160)
Deferred Inflows of Resources			
Related to Defined Benefit Pension Plan	60,003,299	2,264,402	57,738,897
Related to OPEB Plan	30,853,177	16,338,328	14,514,849
Total Deferred Inflows of Resources	90,856,476	18,602,730	72,253,746
Net Position			
Net Investment in Capital Assets	172,139,830	169,873,691	2,266,139
Restricted	25,181,239	12,693,319	12,487,920
Unrestricted (Deficit)	(115,662,907)	(130,872,603)	15,209,696
Total Net Position	$ 81,658,162	$ 51,694,407	$ 29,963,755

Capital assets increased by $5.7 million in the current year. This was primarily attributable to numerous capital improvement projects ongoing throughout the school district, including school renovations and HVAC replacements.

As shown on Table 2, total net position increased by $30.0 million in fiscal year 2022. The change is primarily due to an increase in operating grants and contributions, especially federal funds. Expenditures decreased in several areas to include instruction, educational media services, and school administration.

Table 2 shows the changes in net position for fiscal year 2022 compared to the changes in net position for fiscal year 2021.

Table 2
Change in Net Position

	Governmental Activities		
	Fiscal Year 2022	Fiscal Year 2021	Net Change
Revenues			
Program Revenues:			
Charges for Services and Sales	$ 338,115	$ 165,047	$ 173,068
Operating Grants and Contributions	93,621,964	74,884,802	18,737,162
Capital Grants and Contributions	1,962,970	1,689,515	273,455
Total Program Revenues	95,923,049	76,739,364	19,183,685
General Revenues:			
Taxes			
Property Taxes			
For Maintenance and Operations	27,442,236	27,962,849	(520,613)
Railroad Cars	36,980	36,413	567
Sales Taxes			
Special Purpose Local Option Sales Tax For Capital Projects	12,245,631	11,165,351	1,080,280
Other Sales Tax	700,070	658,326	41,744
Grants and Contributions not Restricted to Specific Programs	13,184,068	11,959,203	1,224,865
Investment Earnings	59,221	58,594	627
Miscellaneous	1,673,068	2,631,646	(958,578)
Special Item: Sale of Equipment	-	4,615	(4,615)
Total General Revenues and Special Item	55,341,274	54,476,997	864,277
Total Revenues	151,264,323	131,216,361	20,047,962
Program Expenses:			
Instruction	69,732,323	81,404,712	(11,672,389)
Support Services			
Pupil Services	8,721,848	8,521,515	200,333
Improvement of Instructional Services	4,426,483	3,774,347	652,136
Educational Media Services	2,193,406	3,959,702	(1,766,296)
General Administration	1,520,392	1,860,439	(340,047)
School Administration	6,500,367	7,753,823	(1,253,456)
Business Administration	790,419	882,511	(92,092)
Maintenance and Operation of Plant	9,835,199	8,440,005	1,395,194
Student Transportation Services	7,887,201	7,004,641	882,560
Central Support Services	1,347,145	919,488	427,657
Other Support Services	464,268	520,793	(56,525)
Operations of Non-Instructional Services			
Enterprise Operations	190,234	109,695	80,539
Food Services	7,667,413	5,665,103	2,002,310
Interest on Long-Term Debt	23,870	59,544	(35,674)
Total Expenses	121,300,568	130,876,318	(9,575,750)
Increase in Net Position	$ 29,963,755	$ 340,043	$ 29,623,712

Governmental Activities

The School District is dependent upon operating grants and property taxes to support governmental activities. Instruction comprises 57.5 percent, Support Services 36.0 percent, Enterprise Operations and Food Services 6.5 percent of government program expenses. Although program revenue makes up 63.4 percent of all revenues, the School District is still dependent upon tax revenues and other general revenues which comprise 36.6 percent of all revenues.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting these services. Table 3 shows, for governmental activities, the total cost of services and the net cost of services. It identifies the cost of these services supported by tax revenue and unrestricted State entitlements.

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	$ 69,732,323	$ 81,404,712	$ 3,024,034	$ 28,156,820
Support Services				
Pupil Services	8,721,848	8,521,515	5,308,593	6,004,276
Improvement of Instructional Services	4,426,483	3,774,347	1,756,586	1,183,083
Educational Media Services	2,193,406	3,959,702	656,556	2,570,338
General Administration	1,520,392	1,860,439	(394,213)	68,730
School Administration	6,500,367	7,753,823	3,016,141	4,871,347
Business Administration	790,419	882,511	752,177	546,041
Maintenance and Operation of Plant	9,835,199	8,440,005	6,144,497	4,884,332
Student Transportation Services	7,887,201	7,004,641	5,822,622	4,906,062
Central Support Services	1,347,145	919,488	1,275,445	437,897
Other Support Services	464,268	520,793	341,188	438,058
Operations of Non-Instructional Services				
Enterprise Operations	190,234	109,695	-	-
Food Services	7,667,413	5,665,103	(2,349,977)	10,426
Interest on Long-Term Debt	23,870	59,544	23,870	59,543
Total Expenses	$ 121,300,568	$ 130,876,318	$ 25,377,519	$ 54,136,953

Financial Analysis of the School District's Funds

The School District's governmental funds are accounted for using the modified accrual basis of accounting. The governmental funds had total revenues of $149.6 million and total expenditures of $142.4 million. The excess of revenues over expenditures was primarily due to an increase in state and federal grants.

General Fund Budgeting Highlights

The School District's budget is prepared in accordance with Georgia law. The most significant budgeted fund is the general fund, which includes local, state and federal funds collected and disbursed for the purpose of operating the School District.

The School District's budget is based on its overall mission and incorporates site-based budgeting into the budget process that provides flexibility for site management. For the general fund, the final actual revenues of $135.5 million were less than the final budgeted revenues of $150.2 million by $14.7 million. This difference between actual revenues and final budget revenues was due to several reasons. While state funds were higher than expected, federal funds, primarily Impact Aid funds, were substantially lower than budgeted. Several federal grants budgeted for by the School District are multi-year grants which cover several years. The School District budgeted the entire grant in the year it was awarded but did not expend the funds in the current year. The grants budgeted for but not expended in the current year include a Comprehensive Literacy Development grant and the ESSER III-ARP grant. Each of these grants cover multiple years.

The final budgeted expenditures of $140.8 million exceeded the actual expenditures of $131.5 million by $9.3 million as a result of expenditures budgeted for the multi-year grants but not expended in the current year.

Capital Assets

At fiscal year end June 30, 2022, the School District had $176.5 million invested in capital assets, net of accumulated depreciation, in the governmental activities. Table 4 reflects a summary of these balances net of accumulated depreciation. The School District's capital assets, net of accumulated depreciation, totaling $176.5 million are comprised of buildings and building improvements (83.7%), land and land improvements (7.7%), construction in progress (4.5%), and equipment (4.1%).

Due to the steady collection of Educational Special Purpose Local Option Sales Tax (ESPLOST) revenues, the School District has completed numerous construction projects and continues with the capital improvements program as well as improvement of technology and purchase of digital textbooks as outlined in the referendum approved by local voters.

Table 4
Capital Assets
(Net of Depreciation)

	Governmental Activities	
	Fiscal Year 2022	Fiscal Year 2021
Land	$ 3,662,547	$ 3,663,262
Construction in Progress	8,043,605	1,978,376
Buildings and Improvements	147,615,723	147,338,748
Equipment	7,287,058	7,007,963
Land Improvements	9,851,047	10,723,237
Total	$ 176,459,980	$ 170,711,586

Long-Term Liabilities

At fiscal year end June 30, 2022, the School District had $578 thousand in long-term debt which was comprised of compensated absences.

Current Issues

The following statements should help to explain the current financial position of the Liberty County School District and the effects the economic recession have had on it. Like most school districts in the State of Georgia, the Liberty County School District has been negatively impacted by the effects of the economic recession. Beginning in fiscal year 2023, the state authorized austerity cuts (or amended formula adjustments), which negatively impacted the QBE funding formula funds that help to fund the education of our students. While the economic conditions of the State of Georgia continue to improve, the state continues to underfund education. In addition, employer health insurance costs and employer retirement plan costs funded by the School District have risen over the past few years which have negatively impacted our financial position. Despite these challenges, the general fund balance has continued to accumulate. This additional fund balance will allow the School District to absorb rising healthcare and retirement costs, prevent future staff reductions, prevent future furlough days, and maintain an educational environment to meet the needs of our students. It has also allowed the School District to maintain or lower its local millage rate.

The School District will continue to look for ways to align resources and costs in a way to ensure the best opportunity for student success.

Contacting the Board'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 information, contact Stephanie Clark, Chief Financial Officer at the Liberty County Board of Education, 200 Bradwell Street, Hinesville, Georgia 31313. You may also email your questions to Mrs. Clark at sclark@liberty.k12.ga.us.

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Liberty County Board of Education

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

EXHIBIT "A"

	GOVERNMENTAL ACTIVITIES
ASSETS	
Cash and Cash Equivalents	$ 49,051,134.26
Accounts Receivable, Net	
Taxes	3,376,104.01
State Government	8,733,647.38
Federal Government	6,489,033.85
Other	209,723.30
Inventories	44,937.72
Prepaid Items	990.00
Capital Assets, Non-Depreciable	11,706,152.20
Capital Assets, Depreciable (Net of Accumulated Depreciation)	164,753,827.63
Total Assets	244,365,550.35
DEFERRED OUTFLOWS OF RESOURCES	
Related to Defined Benefit Pension Plan	29,817,680.00
Related to OPEB Plan	13,227,775.00
Total Deferred Outflows of Resources	43,045,455.00
LIABILITIES	
Accounts Payable	1,347,925.58
Salaries and Benefits Payable	13,328,667.73
Payroll Withholdings Payable	711,492.76
Contracts Payable	3,563,033.60
Retainages Payable	727,288.22
Net Pension Liability	40,086,497.00
Net OPEB Liability	54,553,361.00
Long-Term Liabilities	
Due in More Than One Year	578,101.86
Total Liabilities	114,896,367.75
DEFERRED INFLOWS OF RESOURCES	
Related to Defined Benefit Pension Plan	60,003,299.00
Related to OPEB Plan	30,853,177.00
Total Deferred Inflows of Resources	90,856,476.00
NET POSITION	
Net Investment in Capital Assets	172,139,829.92
Restricted for	
Continuation of Federal Programs	7,361,534.55
Capital Projects	17,819,704.35
Unrestricted (Deficit)	(115,662,907.22)
Total Net Position	$ 81,658,161.60

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

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

	EXPENSES	PROGRAM REVENUES: CHARGES FOR SERVICES	PROGRAM REVENUES: OPERATING GRANTS AND CONTRIBUTIONS	PROGRAM REVENUES: CAPITAL GRANTS AND CONTRIBUTIONS	NET (EXPENSES) REVENUES AND CHANGES IN NET POSITION
GOVERNMENTAL ACTIVITIES					
Instruction	$ 69,732,323.27	$ -	$ 65,949,804.41	$ 758,484.55	$ (3,024,034.31)
Support Services					
Pupil Services	8,721,848.46	-	2,700,459.86	712,795.86	(5,308,592.74)
Improvement of Instructional Services	4,426,482.90	-	2,655,798.69	14,097.96	(1,756,586.25)
Educational Media Services	2,193,405.81	-	1,495,728.40	41,121.11	(656,556.30)
General Administration	1,520,391.95	-	1,905,277.57	9,327.65	394,213.27
School Administration	6,500,366.99	-	3,440,718.17	43,508.14	(3,016,140.68)
Business Administration	790,418.98	-	35,577.89	2,664.52	(752,176.57)
Maintenance and Operation of Plant	9,835,198.98	69,797.09	3,528,034.04	92,870.49	(6,144,497.36)
Student Transportation Services	7,887,200.72	-	2,064,578.70	-	(5,822,622.02)
Central Support Services	1,347,144.83	-	65,739.46	5,960.73	(1,275,444.64)
Other Support Services	464,267.50	-	1,170.72	121,909.27	(341,187.51)
Operations of Non-Instructional Services					
Enterprise Operations	190,233.87	190,233.87	-	-	-
Food Services	7,667,413.26	78,084.03	9,779,076.16	160,229.77	2,349,976.70
Interest on Long-Term Debt	23,870.36	-	-	-	(23,870.36)
Total Governmental Activities	$ 121,300,567.88	$ 338,114.99	$ 93,621,964.07	$ 1,962,970.05	(25,377,518.77)
General Revenues					
Taxes					
Property Taxes					
For Maintenance and Operations					27,442,235.87
Railroad Cars					36,980.12
Sales Taxes					
Special Purpose Local Option Sales Tax					
For Capital Projects					12,245,630.76
Other Sales Tax					700,070.42
Grants and Contributions not Restricted to Specific Programs					13,184,068.00
Investment Earnings					59,220.74
Miscellaneous					1,673,067.60
Total General Revenues					55,341,273.51
Change in Net Position					29,963,754.74
Net Position - Beginning of Year					51,694,406.86
Net Position - End of Year					$ 81,658,161.60

LIBERTY COUNTY BOARD OF EDUCATION
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2022

EXHIBIT "C"

	GENERAL FUND	CAPITAL PROJECTS FUND	TOTAL
ASSETS			
Cash and Cash Equivalents	$ 32,474,637.97	$ 16,576,496.29	$ 49,051,134.26
Accounts Receivable, Net			
Taxes	2,316,555.95	1,059,548.06	3,376,104.01
State Government	8,549,987.38	183,660.00	8,733,647.38
Federal Government	6,489,033.85	-	6,489,033.85
Other	209,723.30	-	209,723.30
Inventories	44,937.72	-	44,937.72
Prepaid Items	990.00	-	990.00
Total Assets	$ 50,085,866.17	$ 17,819,704.35	$ 67,905,570.52
LIABILITIES			
Accounts Payable	$ 1,318,097.49	$ 29,828.09	$ 1,347,925.58
Salaries and Benefits Payable	13,328,667.73	-	13,328,667.73
Payroll Withholdings Payable	711,492.76	-	711,492.76
Contracts Payable	1,279,637.62	2,283,395.98	3,563,033.60
Retainages Payable	205,956.83	521,331.39	727,288.22
Total Liabilities	16,843,852.43	2,834,555.46	19,678,407.89
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue - Property Taxes	1,618,620.79	-	1,618,620.79
Unavailable Revenue - Federal Funds	1,872,865.97	-	1,872,865.97
Total Deferred Inflows of Resources	3,491,486.76	-	3,491,486.76
FUND BALANCES			
Nonspendable	45,927.72	-	45,927.72
Restricted	3,958,136.41	14,985,148.89	18,943,285.30
Assigned	843,115.83	-	843,115.83
Unassigned	24,903,347.02	-	24,903,347.02
Total Fund Balances	29,750,526.98	14,985,148.89	44,735,675.87
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 50,085,866.17	$ 17,819,704.35	$ 67,905,570.52

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

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

Total fund balances - governmental funds (Exhibit "C")			$ 44,735,675.87
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	$	3,662,547.34	
Construction in progress		8,043,604.86	
Buildings and improvements		209,179,219.04	
Equipment		21,316,334.09	
Land improvements		25,421,577.94	
Accumulated depreciation		(91,163,303.44)	176,459,979.83
Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds.			
Net pension liability	$	(40,086,497.00)	
Net OPEB liability		(54,553,361.00)	(94,639,858.00)
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	$	(30,185,619.00)	
Related to OPEB		(17,625,402.00)	(47,811,021.00)
Taxes that are not available to pay for current period expenditures are deferred in the funds.			1,618,620.79
Federal funds that are not available to pay current period expenditures are deferred in the funds.			1,872,865.97
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.			
Compensated absences payable			(578,101.86)
Net position of governmental activities (Exhibit "A")			$ 81,658,161.60

LIBERTY COUNTY BOARD OF EDUCATION

EXHIBIT "E"

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30, 2022

	GENERAL FUND	CAPITAL PROJECTS FUND	TOTAL
REVENUES			
Property Taxes	$ 25,610,851.77	$ -	$ 25,610,851.77
Sales Taxes	700,070.42	12,245,630.76	12,945,701.18
State Funds	78,269,938.36	1,859,945.57	80,129,883.93
Federal Funds	28,892,608.86	-	28,892,608.86
Charges for Services	338,114.99	-	338,114.99
Investment Earnings	29,321.10	29,899.64	59,220.74
Miscellaneous	1,673,067.60	-	1,673,067.60
Total Revenues	135,513,973.10	14,135,475.97	149,649,449.07
EXPENDITURES			
Current			
Instruction	77,003,102.45	143,402.00	77,146,504.45
Support Services			
Pupil Services	7,090,662.70	-	7,090,662.70
Improvement of Instructional Services	4,693,480.75	-	4,693,480.75
Educational Media Services	2,328,075.18	10,314.80	2,338,389.98
General Administration	1,834,283.16	-	1,834,283.16
School Administration	7,393,905.37	-	7,393,905.37
Business Administration	870,900.71	-	870,900.71
Maintenance and Operation of Plant	9,476,798.79	478,012.53	9,954,811.32
Student Transportation Services	7,640,939.44	808,320.00	8,449,259.44
Central Support Services	1,403,569.62	12,395.28	1,415,964.90
Other Support Services	60,489.59	-	60,489.59
Enterprise Operations	190,233.87	-	190,233.87
Food Services Operation	7,895,400.13	-	7,895,400.13
Capital Outlay	2,362,140.79	8,803,795.28	11,165,936.07
Debt Services			
Principal	1,213,215.28	696,146.76	1,909,362.04
Interest	12,254.70	11,615.66	23,870.36
Total Expenditures	131,469,452.53	10,964,002.31	142,433,454.84
Net Change in Fund Balances	4,044,520.57	3,171,473.66	7,215,994.23
Fund Balances - Beginning	25,706,006.41	11,813,675.23	37,519,681.64
Fund Balances - Ending	$ 29,750,526.98	$ 14,985,148.89	$ 44,735,675.87

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

LIBERTY 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")		$ 7,215,994.23
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 is allocated over their estimated useful lives as depreciation expense.		
Capital outlay	$ 12,289,734.35	
Depreciation expense	(6,532,707.24)	5,757,027.11
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, donations, and disposals) is to decrease net position.		(8,633.51)
Taxes reported in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.		20,375.22
Grants and contributions reported in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.		1,872,865.97
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.		
Lease liability payments		1,909,362.04
District pension/OPEB contributions are reported as expenditures in the governmental funds when made. However, they are reported as deferred outflows of resources in the Statement of Net Position because the reported net pension/OPEB liability is measured a year before the District's report date. Pension/OPEB expense, which is the change in the net pension/OPEB liability adjusted for changes in deferred outflows and inflows of resources related to pensions/OPEB, is reported in the Statement of Activities.		
Pension expense	$ 11,115,721.00	
OPEB expense	2,082,069.00	13,197,790.00
Some items reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Compensated absences		(1,026.32)
Change in net position of governmental activities (Exhibit "B")		$ 29,963,754.74

LIBERTY COUNTY BOARD OF EDUCATION
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2022

EXHIBIT "G"

	CUSTODIAL FUNDS
ASSETS	
Cash and Cash Equivalents	$ 13,426.94
NET POSITION	
Restricted	
Individuals, Organizations, and Other Governments	$ 13,426.94

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

LIBERTY COUNTY BOARD OF EDUCATION
STATEMENT OF CHANGES IN FIDCUCIARY NET POSITION
FIDUCIARY FUNDS
YEAR ENDED JUNE 30, 2022

EXHIBIT "H"

	CUSTODIAL FUNDS
ADDITIONS	
Miscellaneous	$ 23,571.80
DEDUCTIONS	
Other Deductions	23,423.39
Change in Net Position	148.41
Net Position - Beginning	13,278.53
Net Position - Ending	$ 13,426.94

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

NOTE 1: DESCRIPTION OF SCHOOL DISTRICT AND REPORTING ENTITY

Reporting Entity

The Liberty 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.

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, except for fiduciary activities. 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 non-fiduciary 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, including fiduciary funds. Eliminations have been made to minimize the double counting of internal activities. Separate financial statements are presented for governmental and fiduciary funds. 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) and grants from Georgia State Financing and Investment Commission that are restricted, committed or assigned for capital outlay expenditures, including the acquisition or construction of capital facilities and other capital assets.

The School District reports the following fiduciary fund type:

- Custodial funds are used to report resources held by the School District in a purely custodial capacity.

Basis of Accounting

The basis of accounting determines when transactions are reported on the financial statements. The government-wide and fiduciary fund 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, grants and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from sales taxes is recognized in the fiscal year in which the underlying transaction (sale) takes place. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

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

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The School District considers certain revenues reported in the governmental funds to be available if they are collected within 60 days after year-end. The School District considers all intergovernmental revenues to be available if they are collected within 120 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 compensated absences, which are recognized as expenditures to the extent they have matured. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term liabilities and acquisitions under leases 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 an 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		All	N/A
Land Improvements	$	10,000.00	Up to 60 years
Buildings and Improvements	$	10,000.00	Up to 60 years
Equipment	$	10,000.00	10 to 50 years
Intangible Assets			
Software	$	250,000.00	Evaluated by case
Easements	$	200,000.00	Evaluated by case
Land Use Rights	$	200,000.00	Evaluated by case
Patents, Trademarks, Copyrights	$	200,000.00	Evaluated by case

Deferred Outflows/Inflows of Resources

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

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

Compensated Absences

Compensated absences payable consists of vacation leave employees earned based on services already rendered.

Vacation leave of 5, 10 or 15 days is awarded on a fiscal year basis to all full-time personnel employed on a twelve-month basis. The rate of accrual is dependent upon the pay level of the employee on their respective salary scale. No other employees are eligible to earn vacation leave. Vacation leave not utilized during the fiscal year may be carried over to the next fiscal year, providing such vacation leave does not exceed 30 days. Upon terminating employment, the School District pays all unused and unforfeited vacation benefits to employees. Accordingly, vacation benefits are accrued as a liability in the government-wide financial statements. A liability for these amounts is reported in the governmental fund financial statements only if they have matured, for example, as a result of employee resignations and retirements by fiscal-year end.

Members of the Teachers Retirement System of Georgia (TRS) may apply unused sick leave toward early retirement. The liability for early retirement will be borne by TRS rather than by the individual School Districts. Otherwise, sick leave does not vest with the employee, and no liability is reported in the School District's financial statements.

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 Liberty County Board of Commissioners adopted the property tax levy for the 2021 tax digest year (calendar year) on November 21, 2021 (levy date) based on property values as of January 1, 2021. Taxes were due on January 25, 2022 (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 Liberty 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 $21,520,530.54.

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	15.902 mills

Additionally, Title Ad Valorem Tax revenues, at the fund reporting level, amounted to $4,053,341.11 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 $12,245,630.76 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 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 and function. 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 Board must approve any changes between the appropriations by fund; however, the Superintendent or his/her designee shall have the authority to transfer appropriations within the fund level. 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, the School District had deposits with a carrying amount of $49,062,043.69, and a bank balance of $51,567,002.07. The bank balances insured by Federal depository insurance were $250,000.00.

At June 30, 2022, $51,317,002.07 of the School District’s bank balances was exposed to custodial credit risk. This balance was in the State’s Secure Deposit Program (SDP).

The School District participates in the State’s Secure Deposit Program (SDP), a multi-bank pledging pool. The SDP requires participating banks that accept public deposits in Georgia to operate under the policy and procedures of the program. The Georgia Office of State Treasurer (OST) sets the collateral requirements and pledging level for each covered depository. There are four tiers of collateralization levels specifying percentages of eligible securities to secure covered deposits: 25%, 50%, 75%, and 110%.

The SDP also provides for collateral levels to be increased in 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's 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	$	49,051,134.26
Statement of Fiduciary Net Position		13,426.94
Total cash and cash equivalents		49,064,561.20
Less:		
Investment pools reported as cash and cash equivalents		
Georgia Fund 1		2,517.51
Total carrying value of deposits - June 30, 2022	$	49,062,043.69

Categorization of Cash Equivalents

The School District reported cash equivalents of $2,517.51 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

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	$ 3,663,261.85	$ -	$ 714.51	$ 3,662,547.34
Construction in Progress	1,978,376.14	10,686,397.31	4,621,168.59	8,043,604.86
Total Capital Assets				
Not Being Depreciated	5,641,637.99	10,686,397.31	4,621,883.10	11,706,152.20
Capital Assets,				
Being Depreciated				
Buildings and Improvements	205,145,986.69	4,215,189.14	181,956.79	209,179,219.04
Equipment	20,220,091.02	1,485,201.15	388,958.08	21,316,334.09
Land Improvements	24,897,462.60	524,115.34	-	25,421,577.94
Buildings and Improvements	57,807,238.33	3,938,214.42	181,956.79	61,563,495.96
Equipment	13,212,128.27	1,198,187.06	381,039.08	14,029,276.25
Land Improvements	14,174,225.47	1,396,305.76	-	15,570,531.23
Total Capital Assets,				
Being Depreciated, Net	165,069,948.24	(308,201.61)	7,919.00	164,753,827.63
Governmental Activities				
Capital Assets - Net	$ 170,711,586.23	$ 10,378,195.70	$ 4,629,802.10	$ 176,459,979.83

Current year depreciation expense by function is as follows:

Instruction		$ 2,357,366.96
Support Services		
Pupil Services	$ 2,083,051.58	
Improvements of Instructional Services	43,816.39	
Educational Media Services	127,804.26	
General Administration	28,990.31	
School Administration	135,223.14	
Business Administration	8,281.30	
Maintenance and Operation of Plant	288,641.13	
Student Transportation Services	752,003.71	
Central Support Services	18,525.92	
Other Support Services	378,893.54	3,865,231.28
Food Services		310,109.00
		$ 6,532,707.24

NOTE 6: 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
Leases	$ 1,909,362.04	$ -	$ 1,909,362.04	$ -	$ -
Compensated Absences(1)	577,075.54	401,865.88	400,839.56	578,101.86	-
	$ 2,486,437.58	$ 401,865.88	$ 2,310,201.60	$ 578,101.86	$ -

(1) The portion of compensated absences due within one year has been determined to be immaterial to the basic financial statements.

Compensated Absences

Compensated absences represent obligations of the School District relating to employees' rights to receive compensation for future absence based upon service already rendered. This obligation relates only to vesting accumulating leave in which payment is probable and can be reasonably estimated. Typically, the general fund is the fund used to liquidate this long-term debt. The School District uses the vesting method to compute compensated absences.

NOTE 7: RISK MANAGEMENT

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.

Georgia School Boards Association Risk Management Fund

The School District participates in the Georgia School Boards Association Risk Management Fund (the Fund), a public entity risk pool organized on August 1, 1994, to develop and administer a plan to reduce risk of loss on account of general liability, motor vehicle liability, errors and omissions liability, cyber risk and property damage, including safety engineering and other loss prevention and control techniques, and to administer the Fund including the processing and defense of claims brought against members of the Fund. The School District pays an annual contribution to the Fund for coverage. Reinsurance is provided to the Fund through agreements by the Fund with insurance companies according to their specialty for property (including coverage for flood and earthquake), machinery breakdown, general liability, errors and omissions, crime, cyber risk and automobile risks. Reinsurance limits and retentions vary by line of coverage.

Workers' Compensation

Georgia Education Workers' Compensation Trust

The School District participates in the Georgia Education Workers' Compensation Trust (the Trust), a public entity risk pool organized on December 1, 1991, to develop, implement and administer a program of workers' compensation self-insurance for its member organizations. The School District pays an annual premium to the Trust for its general workers' compensation insurance coverage. Specific excess of loss insurance coverage is provided through an agreement by the Trust with the Safety National Casualty Company to provide coverage for potential losses sustained by the Trust in excess of $1.0 million loss per occurrence, up to the statutory limit. Employers' Liability insurance coverage is also provided with limits of $2.0 million. The Trust covers the first $1.0 million of each Employers Liability claim with Safety National providing additional Employers Liability limits up to a $2.0 million per occurrence maximum. Safety National Casualty Company also provides $2.0 million in aggregate coverage to the Trust, attaching at 107% of the loss fund and based on the Fund's annual normal premium.

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.

Changes in the unemployment compensation claims liability during the last two fiscal years are as follows:

	Beginning of Year Liability	Claims and Changes in Estimates	Claims Paid	End of Year Liability
2021	$ -	$ 104,302.36	$ 104,302.36	$ -
2022	$ -	$ 20,193.06	$ 20,193.06	$ -

Surety Bond

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

Position Covered	Amount
Superintendent	$ 50,000.00

NOTE 8: FUND BALANCE CLASSIFICATION DETAILS

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

Nonspendable		
Inventories	$ 44,937.72	
Prepaid Assets	990.00	$ 45,927.72
Restricted		
Continuation of Federal Programs	$ 3,958,136.41	
Capital Projects	14,985,148.89	18,943,285.30
Assigned		
School Activity Accounts		843,115.83
Unassigned		24,903,347.02
Fund Balance, June 30, 2022		$ 44,735,675.87

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.

It is the goal of the School District to achieve and maintain a committed, assigned, and unassigned fund balance in the general fund at fiscal year-end of not less than 5% of expenditures, not to exceed 15% of the total budget of the subsequent fiscal year, in compliance with O.C.G.A. § 20-2-167(a)5. If the unassigned fund balance at fiscal year-end falls below the goal, the School District shall develop a restoration plan to achieve and maintain the minimum fund balance.

NOTE 9: 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:

Project	Unearned Executed Contracts (1)	Payments through June 30, 2022 (2)
Liberty County High School Stadium Improvements	$ 105,600.17	$ 469,899.83
Bradwell Institute Roofing Repairs	1,750.00	515,996.00
Liberty County High School Roofing Repairs	2,904.20	227,870.80
Liberty Elementary Solar Panels	1,500.00	158,481.00
Liberty County PreK Interior Renovations	910,671.50	664,591.87
Taylors Creek Elementary Interior Renovations	1,856,928.50	1,411,914.00
Waldo Pafford Elementary Interior Renovations	1,511,411.81	1,770,180.69
Freedom Field Stadium Improvements	11,767.47	88,741.78
Olvey Field Stadium Improvements	29,961.22	443,548.03
Snelson Golden Middle School HVAC	5,000.00	20,000.00
Lewis Frasier Middle School HVAC	5,000.00	20,000.00
Midway Middle School HVAC	5,000.00	20,000.00
Joseph Martin Elementary HVAC	1,189,286.72	1,339,713.28
Liberty Elementary HVAC	969,144.99	919,855.01
	$ 6,605,926.58	$ 8,070,792.29

(1) The amounts described are not reflected in the basic financial statements.
(2) Payments include contracts and retainages payable at year end.

NOTE 10: SIGNIFICANT CONTINGENT LIABILITIES

Federal Grants

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

Litigation

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

NOTE 11: 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 $1,825,710.00 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 $54,553,361.00 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 0.503686%, which was an increase of 0.003889% from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the School District recognized OPEB expense of ($256,359.00). 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	$ -	$ 24,908,891.00
Changes of assumptions	9,989,562.00	4,451,520.00
Net difference between projected and actual earnings on OPEB plan investments	-	86,504.00
Changes in proportion and differences between School District contributions and proportionate share of contributions	1,412,503.00	1,406,262.00
School District contributions subsequent to the measurement date	1,825,710.00	-
Total	$ 13,227,775.00	$ 30,853,177.00

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	$ (4,965,398.00)
2024	$ (4,517,606.00)
2025	$ (3,443,496.00)
2026	$ (2,576,709.00)
2027	$ (3,059,057.00)
Thereafter	$ (888,846.00)

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 Fund, 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	$ 62,366,726.00	$ 54,553,361.00	$ 48,012,835.00

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	$ 46,290,642.00	$ 54,553,361.00	$ 64,882,409.00

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 12: 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 19.77% of payroll was required from the School District and 0.04% of payroll was required from the State. For the current fiscal year, employer contributions to the pension plan were $11,864,291.00 and $25,983.64 from the School District and the State, respectively.

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 $247,007.00.

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 $40,086,497.00 for its proportionate share of the net pension liability for TRS.

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	$	40,086,497.00
State of Georgia's proportionate share of the net pension liability associated with the School District		87,382.00
Total	$	40,173,879.00

The net pension liability for TRS 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 during the fiscal year ended June 30, 2021.

At June 30, 2021, the School District's TRS proportion was 0.453245%, which was a decrease of 0.001283% 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 $193,853.00.

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 $741,155.00 for TRS and $2,038.00 for PSERS and revenue of ($7,415.00) for TRS and $2,038.00 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	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 9,565,912.00	$ -
Changes of assumptions	7,758,612.00	-
Net difference between projected and actual earnings on pension plan investments	-	58,635,222.00
Changes in proportion and differences between School District contributions and proportionate share of contributions	628,865.00	1,368,077.00
School District contributions subsequent to the measurement date	11,864,291.00	-
Total	$ 29,817,680.00	$ 60,003,299.00

The School District contributions subsequent to the measurement date for TRS are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ended June 30, 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 ending June 30:	TRS
2023	(8,006,496.00)
2024	(7,833,342.00)
2025	(11,714,687.00)
2026	(14,495,385.00)

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.

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 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*	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 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 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% 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%)or 1-percentage-point higher (8.25%) 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	$ 107,982,403.00	$ 40,086,497.00	$ (15,549,512.00)

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

Defined Contribution Plan

On December 1, 2009, 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 3% of the employee's base pay.

The employee becomes vested in the plan with 3 years of experience. Employees who had already achieved 3 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 3 years of service to the School District. If an employee terminates employment prior to achieving 3 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 preceding two fiscal years are as follows:

Fiscal Year	Percentage Contributed	Required Contribution
2022	100%	$ 69,911.73
2021	100%	$ 62,608.44
2020	100%	$ 67,827.98

NOTE 13: TAX ABATEMENTS

The Liberty County Industrial Authority enters into property tax abatement agreements with local businesses for the purpose of attracting or retaining businesses within Liberty County. For the year ended June 30, 2022, property tax revenues levied on November 21, 2021 were abated in the amount of $2,215,868.00.

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LIBERTY 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 (NPL)	School District's proportionate share of the NPL	State of Georgia's proportionate share of the NPL associated with the School District	Total	School District's covered payroll	School District's proportionate share of the NPL as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2022	0.453245%	$ 40,086,497.00	$ 87,382.00	$ 40,173,879.00	$ 59,122,022.32	67.80%	92.03%
2021	0.454528%	$ 110,104,472.00	$ 259,196.00	$ 110,363,668.00	$ 58,787,141.70	187.29%	77.01%
2020	0.464781%	$ 99,940,483.00	$ 252,227.00	$ 100,192,710.00	$ 56,851,669.91	175.79%	78.56%
2019	0.455916%	$ 84,627,775.00	$ 194,346.00	$ 84,822,121.00	$ 54,479,856.03	155.34%	80.27%
2018	0.455790%	$ 84,709,975.00	$ 205,554.00	$ 84,915,529.00	$ 52,458,515.24	161.48%	79.33%
2017	0.473803%	$ 97,750,842.00	$ 228,180.00	$ 97,979,022.00	$ 52,072,438.79	187.72%	76.06%
2016	0.486293%	$ 74,033,280.00	$ 302,044.00	$ 74,335,324.00	$ 51,575,912.59	143.54%	81.44%
2015	0.494066%	$ 62,418,722.00	$ 250,273.00	$ 62,668,995.00	$ 50,628,646.00	123.29%	84.03%

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

LIBERTY 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	$ 11,864,291.00	$ 11,864,291.00	$ -	$ 60,020,473.86	19.77%
2021	$ 11,247,918.00	$ 11,247,918.00	$ -	$ 59,122,022.32	19.02%
2020	$ 12,404,122.00	$ 12,404,122.00	$ -	$ 58,787,141.70	21.10%
2019	$ 11,868,622.00	$ 11,868,622.00	$ -	$ 56,851,669.91	20.88%
2018	$ 9,140,168.00	$ 9,140,168.00	$ -	$ 54,479,856.03	16.78%
2017	$ 7,462,878.53	$ 7,462,878.53	$ -	$ 52,458,515.24	14.23%
2016	$ 7,413,421.66	$ 7,413,421.66	$ -	$ 52,072,438.79	14.24%
2015 (1)	$ 6,782,232.51	$ 6,782,232.51	$ -	$ 51,575,912.59	13.15%
2014 (1)	$ 6,216,621.53	$ 6,216,621.53	$ -	$ 50,628,646.00	12.28%
2013 (1)	$ 6,209,789.18	$ 6,209,789.18	$ -	$ 54,424,094.48	11.41%

(1) For years 2015 and earlier, the contribution amounts include payments made on-behalf of the School District employees by the Georgia Department of Education.

LIBERTY 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 (NPL)	School District's proportionate share of the NPL	State of Georgia's proportionate share of the NPL associated with the School District	Total	School District's covered payroll	School District's proportionate share of the NPL as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2022	0.00%	$ -	$ 193,853.00	$ 193,853.00	$ 1,958,818.90	N/A	98.00%
2021	0.00%	$ -	$ 1,453,020.00	$ 1,453,020.00	$ 1,853,066.34	N/A	84.45%
2020	0.00%	$ -	$ 1,326,615.00	$ 1,326,615.00	$ 1,738,553.56	N/A	85.02%
2019	0.00%	$ -	$ 1,284,001.00	$ 1,284,001.00	$ 1,827,103.55	N/A	85.26%
2018	0.00%	$ -	$ 1,143,600.00	$ 1,143,600.00	$ 1,857,137.97	N/A	85.69%
2017	0.00%	$ -	$ 1,584,221.00	$ 1,584,221.00	$ 1,810,800.89	N/A	81.00%
2016	0.00%	$ -	$ 1,040,299.00	$ 1,040,299.00	$ 1,826,085.54	N/A	87.00%
2015	0.00%	$ -	$ 943,529.00	$ 943,529.00	$ 1,818,492.63	N/A	88.29%

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

LIBERTY 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 (NOL)	School District's proportionate share of the NOL	State of Georgia's proportionate share of the NOL associated with the School District	Total	School District's covered-employee payroll	School District's proportionate share of the NOL as a percentage of its covered-employee payroll	Plan fiduciary net position as a percentage of the total OPEB liability
2022	0.503686%	$ 54,553,361.00	$ -	$ 54,553,361.00	$ 44,595,034.68	122.33%	6.14%
2021	0.499797%	$ 73,408,540.00	$ -	$ 73,408,540.00	$ 43,121,211.15	170.24%	3.99%
2020	0.511795%	$ 62,808,227.00	$ -	$ 62,808,227.00	$ 41,266,685.32	152.20%	4.63%
2019	0.512394%	$ 65,123,705.00	$ -	$ 65,123,705.00	$ 40,402,463.32	161.19%	2.93%
2018	0.496718%	$ 69,788,679.00	$ -	$ 69,788,679.00	$ 38,506,811.15	181.24%	1.61%

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

LIBERTY 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	$ 1,825,710.00	$ -	$ 1,825,710.00	$ 46,869,314.31	3.90%
2021	$ 1,873,627.00	$ -	$ 1,873,627.00	$ 44,595,034.68	4.20%
2020	$ 1,690,195.00	$ -	$ 1,690,195.00	$ 43,121,211.15	3.92%
2019	$ 2,756,371.00	$ -	$ 2,756,371.00	$ 41,266,685.32	6.68%
2018	$ 2,655,690.00	$ -	$ 2,655,690.00	$ 40,402,463.32	6.57%
2017	$ 2,589,927.00	$ -	$ 2,589,927.00	$ 38,506,811.15	6.73%

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.

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 of 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% as of June 30, 2019, and to 2.22% as of June 30, 2020.

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

SCHEDULE "7"

	NONAPPROPRIATED BUDGETS		ACTUAL	VARIANCE
	ORIGINAL (1)	FINAL (1)	AMOUNTS	OVER/UNDER
REVENUES				
Property Taxes	$ 23,454,376.00	$ 23,454,376.00	$ 25,610,851.77	$ 2,156,475.77
Sales Taxes	275,000.00	275,000.00	700,070.42	425,070.42
State Funds	71,248,716.00	77,017,800.00	78,269,938.36	1,252,138.36
Federal Funds	45,414,338.00	48,999,311.47	28,892,608.86	(20,106,702.61)
Charges for Services	64,250.00	64,250.00	338,114.99	273,864.99
Investment Earnings	35,500.00	35,500.00	29,321.10	(6,178.90)
Miscellaneous	315,000.00	315,000.00	1,673,067.60	1,358,067.60
Total Revenues	140,807,180.00	150,161,237.47	135,513,973.10	(14,647,264.37)
EXPENDITURES				
Current				
Instruction	86,992,941.00	84,962,100.75	77,003,102.45	7,958,998.30
Support Services				
Pupil Services	8,991,653.00	7,864,216.20	7,090,662.70	773,553.50
Improvement of Instructional Services	4,936,739.00	5,926,425.28	4,693,480.75	1,232,944.53
Educational Media Services	2,250,431.00	2,298,311.14	2,328,075.18	(29,764.04)
General Administration	1,691,654.00	1,735,124.11	1,834,283.16	(99,159.05)
School Administration	6,889,882.00	7,522,445.74	7,393,905.37	128,540.37
Business Administration	932,242.00	943,711.37	870,900.71	72,810.66
Maintenance and Operation of Plant	10,705,098.00	8,144,231.47	9,476,798.79	(1,332,567.32)
Student Transportation Services	6,281,921.00	7,189,091.42	7,640,939.44	(451,848.02)
Central Support Services	1,426,566.00	1,448,040.18	1,403,569.62	44,470.56
Other Support Services	77,250.00	77,250.00	60,489.59	16,760.41
Enterprise Operations	-	-	190,233.87	(190,233.87)
Food Services Operation	5,717,942.00	5,639,603.77	7,895,400.13	(2,255,796.36)
Capital Outlay	-	7,020,968.00	2,362,140.79	4,658,827.21
Debt Service				
Principal	-	-	1,213,215.28	(1,213,215.28)
Interest	-	-	12,254.70	(12,254.70)
Total Expenditures	136,894,319.00	140,771,519.43	131,469,452.53	9,302,066.90
Excess of Revenues over Expenditures	3,912,861.00	9,389,718.04	4,044,520.57	(5,345,197.47)
OTHER FINANCING SOURCES(USES)				
Other Sources	312,523.00	312,523.00	-	(312,523.00)
Other Uses	(312,523.00)	(312,523.00)	-	312,523.00
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	3,912,861.00	9,389,718.04	4,044,520.57	(5,345,197.47)
Fund Balances - Beginning	20,397,140.80	25,586,935.80	25,706,006.41	119,070.61
Fund Balances - Ending	$ 24,310,001.80	$ 34,976,653.84	$ 29,750,526.98	$ (5,226,126.86)

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 $1,216,456.63 and $1,020,912.63, 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 ID NUMBER	EXPENDITURES IN PERIOD
Agriculture, U. S. Department of			
Child Nutrition Cluster			
Pass-Through From Georgia Department of Education			
Food Services			
School Breakfast Program	10.553	225GA324N1199	$ 2,355,624.15
National School Lunch Program	10.555	225GA324N1199	4,304,087.61
COVID-19 - National School Lunch Program	10.555	225GA324N1009	521,695.71
Total Child Nutrition Cluster			7,181,407.47
Other Programs			
Pass-Through From Georgia Department of Education			
Food Services			
Child Nutrition Discretionary Grants Limited Availability	10.579	21GA350N8103	60,451.98
State Administrative Expenses for Child Nutrition	10.560	21GA904N2533	8,039.63
Total Other Programs			68,491.61
Total U. S. Department of Agriculture			7,249,899.08
Education, U. S. Department of			
Direct			
Impact Aid			
Payments for Federal Property - Section 7002	84.041A		694,010.00
Payments for Federally Connected Children - Section 7003	84.041B		1,153,979.00
Total Impact Aid			1,847,989.00
Education Stabilization Fund			
Pass-Through From Georgia Department of Education			
COVID-19 - Elementary and Secondary School Emergency Relief Fund	84.425D	S425D200012	4,530,608.97
COVID-19 - American Rescue Plan Elementary and Secondary School Emergency Relief Fund	84.425U	S425U210012	7,180,446.78
COVID-19 - American Rescue Plan Elementary and Secondary School Emergency Relief Fund - Homeless Children and Youth	84.425W	S425W210011	263.32
Total Education Stabilization Fund			11,711,319.07
Special Education Cluster			
Pass-Through From Georgia Department of Education			
Special Education			
Grants to States	84.027A	H027A200073	698,213.90
Grants to States	84.027A	H027A210073	917,629.61
COVID-19 - American Rescue Plan - Grants to States	84.027X	H027X210073	292,022.90
Preschool Grants	84.173A	H173A200081	843.00
Preschool Grants	84.173A	H173A210081	43,791.93
COVID-19 - American Rescue Plan - Preschool	84.173X	H173X210081	24,383.90
Total Special Education Cluster			1,976,885.24
Other Programs			
Pass-Through From Georgia Department of Education			
Career and Technical Education - Basic Grants to States	84.048A	V048A210010	150,578.70
Comprehensive Literacy Development	84.371C	S371C190016-19A	570,270.32
Education for Homeless Children and Youth	84.196A	S196A200011	4,283.83
Education for Homeless Children and Youth	84.196A	S196A210011	45,420.56

FUNDING AGENCY PROGRAM/GRANT	ASSISTANCE LISTING NUMBER	PASS-THROUGH ENTITY ID NUMBER	EXPENDITURES IN PERIOD
English Language Acquisition State Grants	84.365A	S365A200010	10,629.16
English Language Acquisition State Grants	84.365A	S365A210010	8,867.80
Student Support and Academic Enrichment Program	84.424A	S424A200011	78,526.78
Student Support and Academic Enrichment Program	84.424A	S424A210011	199,543.95
Supporting Effective Instruction State Grants	84.367A	S367A200001	185,344.72
Supporting Effective Instruction State Grants	84.367A	S367A210001	191,315.92
Title I Grants to Local Educational Agencies	84.010A	S010A200010	294,371.04
Title I Grants to Local Educational Agencies	84.010A	S010A210010-21A	2,408,678.50
Pass-Through From Georgia Institute of Technology			
Gaining Early Awareness and Readiness for Undergradutate Programs	84.334S	P334S160030-20	3,712.71
Total Other Programs			4,151,543.99
Total U. S. Department of Education			19,687,737.30
Federal Communications Commission, U.S.			
Direct			
COVID-19 - Emergency Connectivity Fund Program	32.009		1,585,236.48
Health and Human Services, U. S. Department of			
Pass-Through From Bright From the Start			
Georgia Department of Early Care and Learning			
COVID-19 - Child Care and Development Block Grant	93.575	2210GACCC5	83,189.00
Defense, U. S. Department of			
Direct			
Department of the Army			
R.O.T.C. Program	12. UNKNOWN		153,821.37
Total Expenditures of Federal Awards			$ 28,759,883.23

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 Liberty 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 84.425U) includes $103,167.38 of approved eligible expenditures that were incurred in a prior fiscal year.

AGENCY/FUNDING	GOVERNMENTAL FUND TYPES GENERAL FUND	CAPITAL PROJECTS FUND	TOTAL
GRANTS			
Bright From the Start:			
Georgia Department of Early Care and Learning			
Pre-Kindergarten Program	$ 2,020,035.91	$ -	$ 2,020,035.91
Education, Georgia Department of			
Quality Basic Education			
Direct Instructional Cost			
Kindergarten Program	3,627,069.00	-	3,627,069.00
Kindergarten Program - Early Intervention Program	853,351.00	-	853,351.00
Primary Grades (1-3) Program	7,436,357.00	-	7,436,357.00
Primary Grades - Early Intervention (1-3) Program	2,138,112.00	-	2,138,112.00
Upper Elementary Grades (4-5) Program	3,243,513.00	-	3,243,513.00
Upper Elementary Grades - Early Intervention (4-5) Program	1,311,123.00	-	1,311,123.00
Middle School (6-8) Program	7,244,036.00	-	7,244,036.00
High School General Education (9-12) Program	5,000,315.00	-	5,000,315.00
Vocational Laboratory (9-12) Program	3,150,122.00	-	3,150,122.00
Students with Disabilities	11,162,128.00	-	11,162,128.00
Gifted Student - Category VI	2,700,738.00	-	2,700,738.00
Remedial Education Program	178,983.00	-	178,983.00
Alternative Education Program	507,759.00	-	507,759.00
English Speakers of Other Languages (ESOL)	190,783.00	-	190,783.00
Media Center Program	1,234,538.00	-	1,234,538.00
20 Days Additional Instruction	370,432.00	-	370,432.00
Staff and Professional Development	228,338.00	-	228,338.00
Principal Staff and Professional Development	3,541.00	-	3,541.00
Indirect Cost			
Central Administration	1,544,437.00	-	1,544,437.00
School Administration	2,323,614.00	-	2,323,614.00
Facility Maintenance and Operations	2,642,299.00	-	2,642,299.00
Amended Formula Adjustment	347,149.00	-	347,149.00
Charter System Adjustment	1,059,054.00	-	1,059,054.00
One Time QBE Adjustment	2,217,303.00	-	2,217,303.00
Categorical Grants			
Pupil Transportation			
Regular	1,076,892.76	-	1,076,892.76
Nursing Services	203,828.00	-	203,828.00
Education Equalization Funding Grant	13,184,068.00	-	13,184,068.00
Other State Programs			
Facility Safety Bond Grant	42,572.50	-	42,572.50
Food Services	341,547.00	-	341,547.00
Hygiene Products	6,631.14	-	6,631.14
Math and Science Supplements	37,997.00	-	37,997.00
Military Counselors	44,978.00	-	44,978.00
Preschool Disability Services	201,421.41	-	201,421.41
Teachers Retirement	25,983.64	-	25,983.64
Vocational Education	36,042.00	-	36,042.00
Vocational Supervisors	23,340.00	-	23,340.00
Workforce Development	62,500.00	-	62,500.00
Georgia State Financing and Investment Commission			
Reimbursement on Construction Projects	-	1,859,945.57	1,859,945.57
Office of the State Treasurer			
Public School Employees Retirement	247,007.00	-	247,007.00
	$ 78,269,938.36	$ 1,859,945.57	$ 80,129,883.93

See notes to the basic financial statements.

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

PROJECT	ORIGINAL ESTIMATED COST (1)	CURRENT ESTIMATED COSTS (2)	ESTIMATED COMPLETION DATE
2017 ESPLOST Referendum			
(1) Adding to, renovating, repairing, improving, furnishing, and equipping existing school buildings and other buildings and facilities useful and desirable in connection therewith including, but not limited to, classrooms and physical education/athletic facilities, HVAC and other energy savings and management upgrades, roofing and paving;	$ 20,880,000.00	$ 31,862,976.85	Completed
(2) Acquiring technology improvements, including safety and security improvements, computer technology and software and wiring upgrades;	8,800,000.00	9,910,390.07	Completed
(3) Acquiring new school equipment and furnishings, including but not limited to, new buses, maintenance vehicles and other school equipment;	3,520,000.00	3,922,065.78	Completed
(4) Acquiring, constructing and equipping new school buildings and facilities useful and desirable in connection therewith;	5,280,000.00	-	Completed
(5) Acquiring land; and	2,000,000.00	-	Completed
(6) Acquiring any necessary or desirable property, both real and personal, including textbooks and band instruments.	3,520,000.00	36,325.00	Completed
Subtotal 2017 ESPLOST Referendum	44,000,000.00	45,731,757.70	
2022 ESPLOST Referendum			
(1) Adding to, renovating, improving, furnishing, and equipping existing school buildings and other buildings and facilities useful and desirable in connection therewith, including, but not limited to, roofing, HVAC, playgrounds, additional classrooms and physical education/athletic facilities;	27,000,000.00	29,376,099.40	June 30, 2027
(2) Acquiring technology improvements, including safety and security improvements and computer technology;	23,000,000.00	21,174,664.68	June 30, 2027
(3) Acquiring new school equipment, including, new buses and maintenance vehicles, band instruments, text books and digital resources; and	4,000,000.00	4,000,000.00	June 30, 2027
(4) Acquiring any necessary or desirable property, both real and personal.	-	-	June 30, 2027
Subtotal 2022 ESPLOST Referendum	54,000,000.00	54,550,764.08	
Total	$ 98,000,000.00	$ 100,282,521.78	

LIBERTY 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)	TOTAL COMPLETION COST	EXCESS PROCEEDS NOT EXPENDED
2017 ESPLOST Referendum				
(1) Adding to, renovating, repairing, improving, furnishing, and equipping existing school buildings and other buildings and facilities useful and desirable in connection therewith including, but not limited to, classrooms and physical education/athletic facilities, HVAC and other energy savings and management upgrades, roofing and paving;	$ 7,932,848.90	$ 23,930,127.95	$ 31,862,976.85	$ -
(2) Acquiring technology improvements, including safety and security improvements, computer technology and software and wiring upgrades;	360,082.66	9,550,307.41	9,910,390.07	-
(3) Acquiring new school equipment and furnishings, including but not limited to, new buses, maintenance vehicles and other school equipment;	1,186,500.99	2,735,564.79	3,922,065.78	-
(4) Acquiring, constructing and equipping new school buildings and facilities useful and desirable in connection therewith;	-	-	-	-
(5) Acquiring land; and	-	-	-	-
(6) Acquiring any necessary or desirable property, both real and personal, including textbooks and band instruments.	-	36,325.00	36,325.00	-
Subtotal 2017 ESPLOST Referendum	9,479,432.55	36,252,325.15	45,731,757.70	-
2022 ESPLOST Referendum				
(1) Adding to, renovating, improving, furnishing, and equipping existing school buildings and other buildings and facilities useful and desirable in connection therewith, including, but not limited to, roofing, HVAC, playgrounds, additional classrooms and physical education/athletic facilities;	656,195.34	-	-	-
(2) Acquiring technology improvements, including safety and security improvements and computer technology;	828,374.42	-	-	-
(3) Acquiring new school equipment, including, new buses and maintenance vehicles, band instruments, text books and digital resources; and	-	-	-	-
(4) Acquiring any necessary or desirable property, both real and personal.	-	-	-	-
Subtotal 2022 ESPLOST Referendum	1,484,569.76	-	-	
Total	$ 10,964,002.31	$ 36,252,325.15	$ 45,731,757.70	$ -

(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 Liberty 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.

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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. Franklin Perry, Superintendent and Members of the
Liberty County Board of Education

We have audited the financial statements of the governmental activities, each major fund, and fiduciary activities of the Liberty 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 September 27, 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.

Report on Internal Control Over Financial Reporting

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

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

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

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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

September 27, 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. Franklin Perry, Superintendent and Members of the
Liberty County Board of Education

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Liberty 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 the School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

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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

September 27, 2023

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Section III

Auditee's Response to Prior Year Findings and Questioned Costs

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LIBERTY 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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LIBERTY 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, Each Major Fund, and
Fiduciary Activities — 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
32.009	Emergency Connectivity Fund
84.010	Title I Grants to Local Educational Agencies
84.425	Education Stabilization Fund

Dollar threshold used to distinguish between Type A and Type B programs: $862,796.50

Auditee qualified as low-risk auditee? — No

II FINANCIAL STATEMENT FINDINGS

No matters were reported.

III FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No matters were reported.