

**GREENVILLE INDEPENDENT
SCHOOL DISTRICT**

ANNUAL FINANCIAL REPORT

YEAR ENDED JUNE 30, 2022

RUTHERFORD, TAYLOR & COMPANY, P.C.
Certified Public Accountants
3500 Joe Ramsey Blvd.
Greenville, Texas 75401
(903) 455-6252

GREENVILLE INDEPENDENT SCHOOL DISTRICT
ANNUAL FINANCIAL REPORT
YEAR ENDED JUNE 30, 2022

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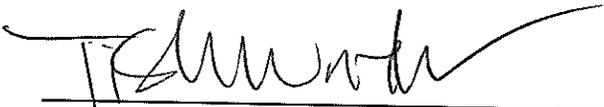
CERTIFICATE OF BOARD

Greenville Independent School District
Name of School District

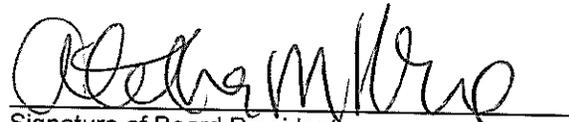
Hunt
County

116-905
Co.-Dist. Number

We, the undersigned, certify that the attached auditor's report of the above-named school district was reviewed and approved/ disapproved for the year ended June 30, 2022, at a meeting of the board of school trustees of such school district on November 7, 2022



Signature of Board Secretary



Signature of Board President

If the auditor's report was checked above as disapproved, the reasons(s) therefore is/are (attach list if necessary):

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

Members of the Board
Greenville Independent School District

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Greenville Independent School District (District), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the 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 the aggregate remaining fund information of the Greenville Independent School District as of June 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof 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 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 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.

Change in Accounting Principle

As described in Note R to the financial statements, in 2022, the District adopted new accounting guidance, GASB Statement No. 87, *Leases*. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events considered in the aggregate, that raise substantial doubt about the 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 generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

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

- Exercise professional judgement 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 including 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 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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charges 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, budgetary comparison information and schedules related to pension and other post-employment benefit activities be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other supplementary information included in the annual report. The other supplementary information comprises but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other supplementary information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other supplementary information and consider whether a material inconsistency exists between the other supplementary information and the basic financial statements, or the other supplementary information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other supplementary information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 2, 2022, on our consideration of the 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 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 District's internal control over financial reporting and compliance.



November 2, 2022
Greenville, Texas

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*

Members of the Board
Greenville Independent School District

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Greenville Independent School District (District), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 2, 2022.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the 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 financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Rutherford, Taylor & Company PC

November 2, 2022
Greenville, Texas

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

Members of the Board
Greenville Independent School District

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Greenville Independent School District's (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 District's major federal programs for the year ended June 30, 2022. The 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 District complied, in all material respects, with the type of 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; 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 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 District's compliance with the compliance requirements referred to above.

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 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 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 generally accepted auditing standards, *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, misrepresentation, 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 judgement made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

Internal Control over Compliance with the Uniform Guidance – Continued

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

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

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

Purpose of This Report

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.



November 2, 2022
Greenville, Texas

GREENVILLE INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF FINDINGS AND QUESTIONED COST
 YEAR ENDED JUNE 30, 2022

Summary of Auditor's Results

Financial Statements –

Type of auditor's report issued	Unmodified Opinion
Internal Control over Financial Reporting: Material weaknesses identified	No
Significant deficiencies identified that are not considered to be material weaknesses	None reported
Noncompliance material to the financial statements noted	None

Federal Awards –

Material weaknesses identified	None
Significant deficiencies identified that are not considered to be material weaknesses	None reported
Type of Auditor's report issued on compliance for major programs	Unmodified opinion
Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance	No
Identification of major programs	Education Stabilization Fund Cluster: ESSER – II (84.425d) ESSER – III (84.425a) ESSER – TCLAS (84.425u) ESSA Title I, Part A (84.101)
Dollar threshold used to distinguish between Type A and Type B programs	\$ 750,000
Entity qualified as a low risk auditee	Yes
Pass-through Entities	Texas Education Agency

GREENVILLE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2022

Financial Statement Findings (Section II)

NONE

GREENVILLE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2022

Federal Award Findings and Questioned Costs (Section III)

NONE

GREENVILLE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2022

Prior Year Findings (Section IV)

NONE

GREENVILLE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2022

Corrective Action Plans (Section V)

NONE

GREENVILLE INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2022

This section of Greenville Independent School District's annual financial report presents our discussion and analysis of the District's financial performance during the year ended June 30, 2022. Please read it in conjunction with the District's basic financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

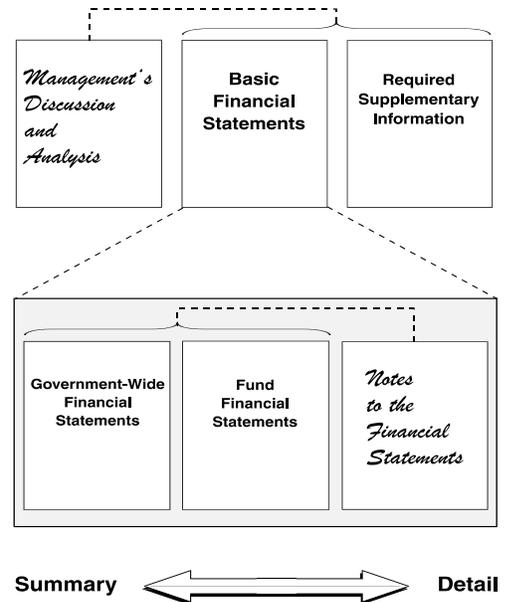
- The District's total combined net position was \$ 18,640,968 at June 30, 2022.
- During the year, the District's expenses were \$ 9,289,289 less than the \$ 76,222,908 generated in local property taxes and other revenues for governmental activities.
- The District experienced disruption in traditional educational services due to state and national responses to the COVID-19 pandemic during the year.
- The General Fund reported a fund balance this year of \$ 25,542,245.
- The District completed the lease of chromebooks for student use in the classrooms.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts—management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the District's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the government, reporting the District's operations in more detail than the government-wide statements.
- The governmental funds statements tell how general government services were financed in the short term as well as what remains for future spending.
- Proprietary fund statements offer short- and long-term financial information about the activities the government operates like businesses, such as a print shop.
- Fiduciary fund statements provide information about the financial relationships in which the District acts solely as a trustee or agent for the benefit of others, to whom the resources in question belong.

Figure A-1, Required Components of the District's Annual Financial Report



The basic financial statements also include notes that explain some of the information in the basic financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the basic financial statements. Figure A-1 shows how the required parts of this annual report are arranged and related to one another.

**GREENVILLE INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2022**

Figure A-2 summarizes the major features of the District's basic financial statements, including the portion of the District government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

Figure A-2. Major Features of the District's Government-wide and Fund Financial Statements

<i>Type of Statements</i>	Fund Statements			
	Government-wide	Governmental Funds	Proprietary Funds	Fiduciary Funds
<i>Scope</i>	Entire Agency's government (except fiduciary funds) and the Agency's component units	The activities of the district that are not proprietary or fiduciary	Activities the district operates similar to private businesses: self insurance	Instances in which the district is the trustee or agent for someone else's resources
<i>Required financial statements</i>	<ul style="list-style-type: none"> • Statement of net assets • Statement of activities 	<ul style="list-style-type: none"> • Balance sheet • Statement of revenues, expenditures & changes in fund balances 	<ul style="list-style-type: none"> • Statement of net assets • Statement of revenues, expenses and changes in fund net assets • Statement of cash flows 	<ul style="list-style-type: none"> • Statement of fiduciary net assets • Statement of changes in fiduciary net assets
<i>Accounting basis and measurement focus</i>	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
<i>Type of asset/liability information</i>	All assets and liabilities, both financial and capital, short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term; the Agency's funds do not currently contain capital assets, although they can
<i>Type of inflow/outflow information</i>	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during year, regardless of when cash is received or paid	All revenues and expenses during year, regardless of when cash is received or paid

GOVERNMENT-WIDE STATEMENTS

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

The two government-wide statements report the District's net position and how they have changed. Net position—the difference between the District's assets and liabilities—is one way to measure the District's financial health or position.

- Over time, increases or decreases in the District's net position are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the District, one needs to consider additional nonfinancial factors such as changes in the District's tax base and student population.

The government-wide financial statements of the District include the governmental activities. Most of the District's basic services are included here, such as instruction, extracurricular activities, curriculum and staff development, health services and general administration. Property taxes and grants finance most of these activities.

FUND FINANCIAL STATEMENTS

The fund financial statements provide more detailed information about the District's most significant funds—not the District as a whole. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending for particular purposes.

- Some funds are required by State law and by bond covenants.
- The Board of Trustees establishes other funds to control and manage money for particular purposes or to show that it is properly using certain taxes and grants.

The District has the following kinds of funds:

- Governmental funds—Most of the District's basic services are included in governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information on the subsequent page that explain the relationship (or differences) between them.

GREENVILLE INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2022

- Proprietary funds—Services for which the District charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long-term and short-term financial information. We use internal service funds to report activities that provide supplies and services for the District's other programs and activities.
- Fiduciary funds—The District is the trustee, or fiduciary, for certain funds. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the District's fiduciary activities are reported in a separate statement of fiduciary net position. We exclude these activities from the District's government-wide financial statements because the District cannot use these assets to finance its operations.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

The District's combined net position was \$ 18,640,968 at June 30, 2022.

Greenville Independent School District's Net Position			Table A-1
	Governmental Activities		Total Percentage Change
	2022	2021	2021-2022
Assets:			
Cash and Investments	\$ 32,851,577	\$ 32,586,714	0.81%
Other Assets	12,930,214	9,621,125	34.39%
Capital Assets less Accumulated Depreciation	<u>88,536,663</u>	<u>88,250,462</u>	0.32%
Total Assets	\$ 134,318,454	\$ 130,458,301	2.96%
Total Deferred Outflows of Resources	\$ 16,644,043	\$ 17,339,054	-4.01%
Liabilities:			
Current Liabilities	\$ 7,400,045	\$ 6,017,539	22.97%
Long-term Liabilities	<u>104,130,619</u>	<u>116,575,985</u>	-10.68%
Total Liabilities	\$ 111,530,664	\$ 122,593,524	-9.02%
Total Deferred Inflows of Resources	\$ 20,790,865	\$ 15,844,686	31.22%
Net Position:			
Net Investment in Capital Assets	\$ 9,800,043	\$ 7,801,068	25.62%
Restricted	8,569,893	9,853,327	-13.03%
Unrestricted	<u>271,032</u>	<u>(8,295,250)</u>	-103.27%
Total Net Position	\$ 18,640,968	\$ 9,359,145	-99.17%

Approximately \$ 5,381,739 of the District's restricted net position represent funds for debt retirement. Unrestricted net position represents resources available to fund the programs of the District next year.

CHANGES IN NET POSITION

The District's total revenues were \$ 76,222,908. 44% of the District's revenue comes from property taxes (See Table A-3). 55% comes from state aid and federal grants, while only 1% relates to charges for services and other miscellaneous revenues, including investment earnings.

The total cost of all programs and services was \$ 66,933,619. 54% of these costs are for instruction and instructional related staff and student services.

The District's base tax collection percentage rate (current and delinquent – base tax only) was 98.49%. The total tax collection percentage rate (base tax and penalty and interest) was 99.90%

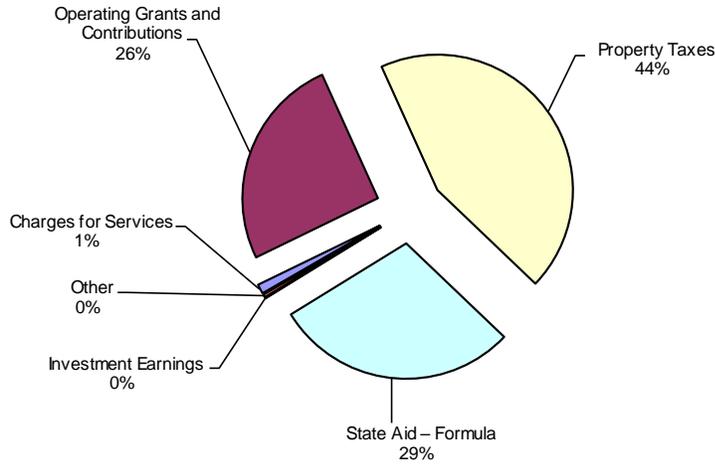
GREENVILLE INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2022

GOVERNMENTAL ACTIVITIES

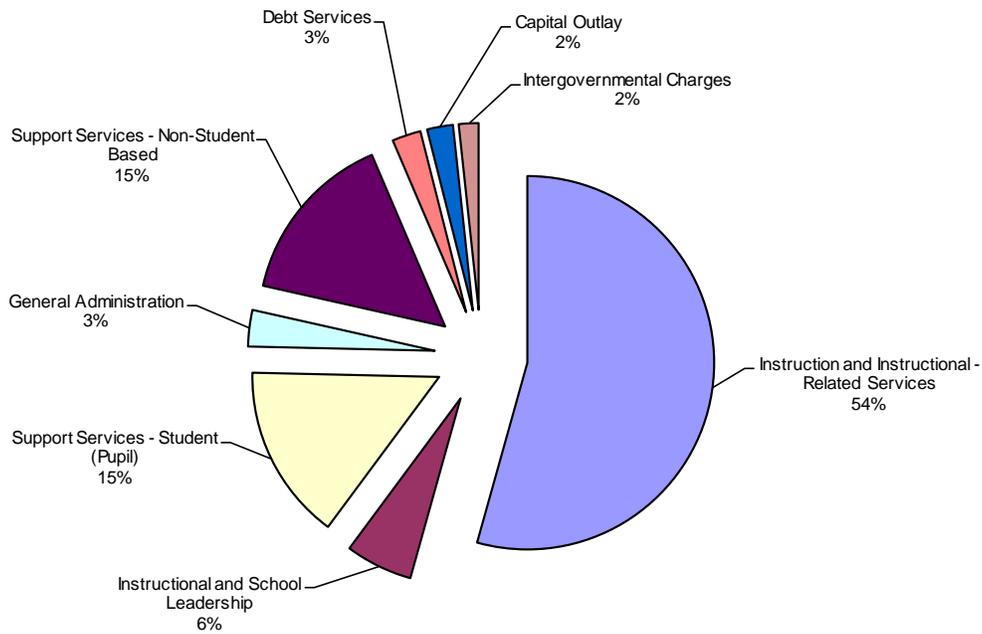
Changes in Greenville Independent School District's Net Position			Table A-2
	Governmental Activities		Total Percentage Change
	2022	2021	2021-2022
Program Revenues:			
Charges for Services	\$ 861,871	\$ 571,597	50.78%
Operating Grants and Contributions	19,393,942	13,167,548	47.29%
General Revenues:			
Property Taxes	33,458,007	31,585,242	5.93%
State Aid – Formula	22,159,977	23,538,072	-5.85%
Investment Earnings	79,935	171,237	-53.32%
Other	269,176	794,014	-66.10%
Total Revenues	<u>\$ 76,222,908</u>	<u>\$ 69,827,710</u>	9.16%
Expenses:			
Instruction	\$ 32,406,101	\$ 31,707,334	2.20%
Instructional Resources and Media Services	222,310	310,673	-28.44%
Curriculum and Staff Development	3,741,909	2,927,720	27.81%
Instructional Leadership	710,752	744,175	-4.49%
School Leadership	3,179,843	3,458,071	-8.05%
Guidance, Counseling and Evaluation Services	2,093,519	2,413,875	-13.27%
Social Work Services	241,188	74,342	224.43%
Health Services	498,821	551,699	-9.58%
Student (Pupil) Transportation	1,933,261	1,526,356	26.66%
Food Services	3,099,233	1,731,017	79.04%
Cocurricular/Extracurricular Activities	2,314,604	2,044,137	13.23%
General Administration	2,111,257	2,326,401	-9.25%
Plant Maintenance and Operations	6,521,030	5,251,479	24.18%
Security and Monitoring Services	615,357	571,582	7.66%
Data Processing Services	2,753,442	2,137,654	28.81%
Community Services	190,007	177,758	6.89%
Debt Service	1,662,147	2,254,898	-26.29%
Capital Outlay	1,498,178	436,241	243.43%
Payments for Shared Service Arrangements	477,443	269,135	77.40%
Other Intergovernmental Charges	663,217	603,722	9.85%
Total Expenses	<u>\$ 66,933,619</u>	<u>\$ 61,518,269</u>	8.80%
Excess (Deficiency) Before Other Resources, Uses and Transfers	<u>\$ 9,289,289</u>	<u>\$ 8,309,441</u>	11.79%
Increase (Decrease) in Net Position	<u>\$ 9,289,289</u>	<u>\$ 8,309,441</u>	11.79%
Net Position - Beginning (July 1)	\$ 9,359,145	\$ 1,049,704	791.60%
Prior Period Adjustment	598	-	100.00%
Net Position, Beginning, restated	<u>\$ 9,359,743</u>	<u>\$ 1,049,704</u>	-791.66%
Net Position - Ending (June 30)	<u>\$ 18,649,032</u>	<u>\$ 9,359,145</u>	99.26%

GREENVILLE INDEPENDENT SCHOOL DISTRICT
 MANAGEMENT'S DISCUSSION AND ANALYSIS
 YEAR ENDED JUNE 30, 2022

Sources of Revenue for Fiscal Year 2022 - See Table A-2



Functional Expenses for Fiscal Year 2022 - See Table A-2



GREENVILLE INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2022

- Table A-3 presents the cost of selected functions as well as each function's net cost (total cost less fees generated by the activities and intergovernmental aid). The net cost reflects what was funded by state revenues as well as local tax dollars.
- The cost of all governmental activities this year was \$ 66,933,619.
- However, the amount that our taxpayers paid for these activities through property taxes was \$ 33,458,007.
- Some of the cost was paid by those who directly benefited from the programs, \$ 861,871 or
- By grants and contributions, \$ 19,393,942.

Greenville Independent School District Net Cost of Selected District Functions						Table A-3
	<u>Total Cost of Services</u>		% Change Change	<u>Net Cost of Services</u>		% Change Change
	2022	2021		2022	2021	
Instruction	\$ 32,406,101	\$ 31,707,334	2.20%	\$ 21,833,390	\$ 24,515,032	-10.94%
School Leadership	3,179,843	3,458,071	-8.05%	3,091,473	3,009,148	2.74%
General Administration	2,111,257	2,326,401	-9.25%	2,147,282	2,091,225	2.68%
Plant Maintenance and Operations	6,521,030	5,251,479	24.18%	6,238,634	5,150,873	21.12%
Debt Service	1,662,147	2,254,898	-26.29%	1,554,416	2,151,752	-27.76%

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

Revenues in the governmental funds totaled \$ 79,137,039. This represents an increase of \$ 9,876,216 from the prior year revenues of \$ 69,260,823. The change represents an increase in local and state revenues mostly due to changes in state funding procedures along with additional federal funding for pandemic related learning loss.

Expenditures in the governmental funds totaled \$ 77,912,993. This represents an increase of \$ 14,283,376 from the prior year expenditures of \$ 63,629,617. This increase includes generic operating cost increase as well as major facility maintenance costs and improvements. Federal program expansion related to learning loss due to the pandemic also contributed to the increase.

GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year, the District revised its General Fund budget several times. With these adjustments, actual expenditures were \$ 2,460,647 below final budget amounts. The most significant positive variance resulted from reduced expenditures in the instruction functional category as well as less than anticipated costs for professional development and maintenance and operations.

Resources available were \$ 1,824,221 above the final General Fund budgeted amount. The favorable variance was the result of better than anticipated local revenues including property tax collections and state aid related to enrollment and attendance.

GREENVILLE INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2022

CAPITAL ASSETS AND DEBT ADMINISTRATION

CAPITAL ASSETS

At year-end, the District had invested \$ 157,760,335 in a broad range of capital assets, including land, equipment, buildings and vehicles (See Table A-4).

Greenville Independent School District's Capital Assets			Table A-4
	Governmental Activities		Total Percentage Change
	2022	2021	2021-2022
Land	\$ 1,607,652	\$ 1,607,652	0.00%
Construction in Progress	4,152,620	1,487,876	179.10%
Buildings and Improvements	140,723,115	140,661,862	0.04%
Vehicles	5,652,265	5,127,277	10.24%
Equipment	4,718,288	4,356,671	8.30%
Right of Use Lease Assets	906,395		
Totals at Historical Cost	\$ 157,760,335	\$ 153,241,338	2.95%
Less Accumulated Depreciation	(69,223,672)	(64,990,876)	6.51%
Net Capital Assets	<u>\$ 88,536,663</u>	<u>\$ 88,250,462</u>	0.32%

DEBT

At year-end the District had \$ 82,091,834 in debt outstanding as shown in Table A-5. More detailed information about the District's debt is presented in the notes to the basic financial statements.

Bond Ratings -
The District's bonds presently carry "AAA" ratings.

Greenville Independent School District's Debt			Table A-5
	2022	2021	Total Percentage Change
	2022	2021	2021-2022
Bonds Payable	\$ 69,675,000	\$ 71,275,000	-2.24%
Direct Borrowings Payable	1,137,380	1,418,571	-19.82%
Right of Use Lease Payable	657,496	-	100.00%
Other Debt Payable	10,621,958	14,372,591	-26.10%
Total Debt Payable	<u>\$ 82,091,834</u>	<u>\$ 87,066,162</u>	-5.71%

GREENVILLE INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2022

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The District's property valuation has stabilized and reflects an upward trend based on overall economic conditions and commercial development in the District. Local property tax rates are restricted by state statute, without local elections, to \$ 0.97 for maintenance and operations. The State Legislature passed HB3 which included various changes to the property tax rate setting process thus limiting school district's opportunities for tax modifications and compressing the rates charged to taxpayers. The additional changes required under HB3 could impact the District's financial operations, including cash flow.

Student population has remained at a steady historical growth rate in the District. The economic outlook for the area is for growth to at an historical growth rate as indicated by steady property valuation changes over the previous few years. Housing has not expanded at the rate of other north central Texas communities. These economic conditions should allow the District to maintain constant funding and staffing levels.

The State has increased funding levels for the 2020-2022 biennium, which will affect the revenue levels of the District. The level of funding per attendance credits increased significantly. With these increases, the state imposed requirements to spend at least 30% of the new funding on salaries to personnel with at least 75% of the 30% to be for teachers and other designated classes of employees. With these increases in funding, the District anticipates monitoring expenditure levels to ensure financial stability remains strong.

The global outbreak of coronavirus disease 2019 ("COVID-19") presents various global risks. The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. Management of the District is actively monitoring the global situation on its financial condition, liquidity, operations, supplies, vendors, and industry. Given the evolution of the COVID-19 outbreak and the global responses to curb its spread, the District is not able to estimate the effects, if any, of the COVID-19 outbreak on its results of operations and financial condition.

The State, attempting to assist school district's financial stability, utilized additional federal funding received due to impact of the coronavirus pandemic. This additional funding source allocated to school districts was used to offset the attendance loss to the district's state funding. As such district expenditures have been reclassified as federal expenditures and fund balance can be affected.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to: Sherry Dodson, Chief Financial Officer, PO Box 1022, Greenville, TX 75401.

BASIC FINANCIAL STATEMENTS

GREENVILLE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2022

Data Control Codes	1 Governmental Activities
ASSETS	
1110 Cash and Investments	\$ 32,851,577
1225 Property Taxes Receivable, Net	2,111,711
1240 Due from Other Governments	10,739,405
1290 Other Receivables, Net	57,389
1300 Inventories	21,709
Capital Assets:	
1510 Land	1,607,652
1520 Buildings and Improvements, Net	79,391,843
1530 Furniture and Equipment, Net	2,521,589
1550 Right of Use Assets, Net	862,959
1580 Construction in Progress	4,152,620
1000 Total Assets	\$ 134,318,454
DEFERRED OUTFLOWS OF RESOURCES	
1701 Deferred Outflows - Refunding	\$ 9,613,344
1705 Deferred Outflows - Pensions	4,205,705
1706 Deferred Outflows - OPEB	2,824,994
1700 Total Deferred Outflows of Resources	\$ 16,644,043
LIABILITIES	
2110 Accounts Payable	\$ 2,671,601
2140 Interest Payable	631,393
2165 Accrued Liabilities	3,967,902
2300 Unearned Revenue	129,149
Noncurrent Liabilities:	
2501 Due within one year	2,055,514
2502 Due in more than one year	80,036,320
2540 Net Pension Liability	6,955,812
2545 Net OPEB Liability	15,082,973
2000 Total Liabilities	\$ 111,530,664
DEFERRED INFLOWS OF RESOURCES	
2605 Deferred Inflows - Pensions	\$ 7,987,477
2606 Deferred Inflows - OPEB	12,803,388
2600 Total Deferred Inflows of Resources	\$ 20,790,865
NET POSITION	
3200 Net Investments in Capital Assets	\$ 9,800,043
Restricted For:	
3820 Federal and State Programs	2,576,196
3850 Debt Service	5,381,739
3890 Other Programs	611,958
3900 Unrestricted	271,032
3000 Total Net Position	\$ 18,640,968

The accompanying notes are an integral part of this statement.

GREENVILLE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2022

Data Control Codes	Functions/Programs	1 Expenses	3 Program Revenues		4 Net (Expense) Revenue and Changes in Net Position
			Charges for Services	Operating Grants and Contributions	
					Governmental Activities
Governmental Activities:					
11	Instruction	\$ 32,406,101	\$ 262,143	\$ 10,310,568	\$ (21,833,390)
12	Instructional Resources and Media Services	222,310	-	120,398	(101,912)
13	Curriculum and Staff Development	3,741,909	-	3,206,740	(535,169)
21	Instructional Leadership	710,752	-	85,214	(625,538)
23	School Leadership	3,179,843	-	88,370	(3,091,473)
31	Guidance, Counseling and Evaluation Services	2,093,519	-	728,050	(1,365,469)
32	Social Work Services	241,188	-	179,178	(62,010)
33	Health Services	498,821	-	16,416	(482,405)
34	Student (Pupil) Transportation	1,933,261	-	(34,087)	(1,967,348)
35	Food Services	3,099,233	156,118	3,781,776	838,661
36	Cocurricular/Extracurricular Activities	2,314,604	421,843	40,214	(1,852,547)
41	General Administration	2,111,257	-	(36,025)	(2,147,282)
51	Plant Maintenance and Operations	6,521,030	21,767	260,629	(6,238,634)
52	Security and Monitoring Services	615,357	-	1,434	(613,923)
53	Data Processing Services	2,753,442	-	(23,414)	(2,776,856)
61	Community Services	190,007	-	170,499	(19,508)
72	Interest on Long-term Debt	1,657,067	-	107,731	(1,549,336)
73	Debt Issuance Costs and Fees	5,080	-	-	(5,080)
81	Capital Outlay	1,498,178	-	-	(1,498,178)
93	Payments for Shared Service Arrangements	477,443	-	390,251	(87,192)
99	Other Intergovernmental Charges	663,217	-	-	(663,217)
TG	Total Governmental Activities	\$ 66,933,619	\$ 861,871	\$ 19,393,942	\$ (46,677,806)
TP	Total Primary Government	\$ 66,933,619	\$ 861,871	\$ 19,393,942	\$ (46,677,806)
General Revenues:					
MT	Property Taxes, Levied for General Purpose				\$ 26,370,863
DT	Property Taxes, Levied for Debt Service				7,087,144
IE	Investment Earnings				79,935
GC	Grant and Contributions Not Restricted to Specific Programs				22,159,977
MI	Miscellaneous				269,176
TR	Total General Revenues				\$ 55,967,095
CN	Change in Net Position				\$ 9,289,289
NB	Net Position - Beginning (July 1)				\$ 9,359,145
PA	Prior Period Adjustment				598
	Net Position - Beginning, as Restated				\$ 9,359,743
NE	Net Position - Ending (June 30)				\$ 18,649,032

The accompanying notes are an integral part of this statement.

GREENVILLE INDEPENDENT SCHOOL DISTRICT
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2022

Data Control Codes	10 General Fund	50 Debt Service Fund	60 Capital Projects Funds	Other Governmental Funds	98 Total Governmental Funds
ASSETS					
1110 Cash and Investments	\$ 23,205,240	\$ 5,610,988	\$ 4,059,265	\$ -	\$ 32,875,493
1225 Property Taxes Receivable, Net	1,712,784	398,927	-	-	2,111,711
1240 Due from Other Governments	4,266,126	-	-	6,473,279	10,739,405
1290 Other Receivables	45,737	11,652	-	-	57,389
1300 Inventories	21,709	-	-	-	21,709
1000 Total Assets	<u>\$ 29,251,596</u>	<u>\$ 6,021,567</u>	<u>\$ 4,059,265</u>	<u>\$ 6,473,279</u>	<u>\$ 45,805,707</u>
LIABILITIES					
Current Liabilities:					
2110 Accounts Payable	\$ 165,614	\$ -	\$ 1,616,067	\$ 1,617,020	\$ 3,398,701
2150 Payroll Deductions & Withholdings	(7,053)	-	-	-	(7,053)
2160 Accrued Wages Payable	2,838,006	-	-	1,128,885	3,966,891
2300 Unearned Revenues	-	8,435	-	120,714	129,149
2000 Total Liabilities	<u>\$ 2,996,567</u>	<u>\$ 8,435</u>	<u>\$ 1,616,067</u>	<u>\$ 2,866,619</u>	<u>\$ 7,487,688</u>
DEFERRED INFLOWS OF RESOURCES					
2610 Deferred Property Taxes	\$ 1,712,784	\$ 398,927	\$ -	\$ -	\$ 2,111,711
2600 Total Deferred Inflows of Resources	<u>\$ 1,712,784</u>	<u>\$ 398,927</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,111,711</u>
FUND BALANCES					
Nonspendable Fund Balances:					
3410 Inventories	\$ 21,709	\$ -	\$ -	\$ -	\$ 21,709
Restricted Fund Balances:					
3450 Federal/State Funds Grants	-	-	-	2,897,298	2,897,298
3480 Retirement of Long-Term Debt	-	5,614,205	-	-	5,614,205
3490 Other Restrictions of Fund Balance	-	-	2,443,198	408,228	2,851,426
Committed Fund Balance:					
3545 Other Committed Fund Balance	-	-	-	301,134	301,134
Assigned Fund Balances:					
3590 Other Assigned Fund Balance	2,000,000	-	-	-	2,000,000
3600 Unassigned	22,520,536	-	-	-	22,520,536
3000 Total Fund Balances	<u>\$ 24,542,245</u>	<u>\$ 5,614,205</u>	<u>\$ 2,443,198</u>	<u>\$ 3,606,660</u>	<u>\$ 36,206,308</u>
4000 Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 29,251,596</u>	<u>\$ 6,021,567</u>	<u>\$ 4,059,265</u>	<u>\$ 6,473,279</u>	<u>\$ 45,805,707</u>

The accompanying notes are an integral part of this statement.

GREENVILLE INDEPENDENT SCHOOL DISTRICT
 RECONCILIATION OF THE BALANCE SHEET (GOVERNMENTAL FUNDS)
 TO THE STATEMENT OF NET POSITION
 JUNE 30, 2022

Total fund balances - Balance Sheet (governmental funds)	\$	36,206,308
<p>Amounts reported for governmental activities in the statement of net position are different because:</p>		
Capital assets used in governmental activities are not reported in the funds.		88,536,663
Property taxes receivable unavailable to pay for current period expenditures are deferred in the funds.		2,111,711
The assets and liabilities of internal service fund are included in governmental activities in the SNP.		703,184
Payables for bond principal which are not due in the current period are not reported in the funds.		(69,675,000)
Payables for right of use leases which are not due in the current period are not reported in the funds.		(657,496)
Payables for bond interest which are not due in the current period are not reported in the funds.		(631,393)
Payable for direct borrowings which are not due in the current period are not reported in the funds.		(1,137,380)
Other long-term assets are not available to pay for current period expenditures and are deferred in the funds.		9,613,344
Recognition of the District's proportionate share of the net pension liability is not reported in the funds.		(6,955,812)
Deferred Resource Inflows related to the pension plan are not reported in the funds.		(7,987,477)
Deferred Resource Outflows related to the pension plan are not reported in the funds.		4,205,705
The accumulated accretion of interest on capital appreciation bonds is not reported in the funds.		(3,355,214)
Bond premiums are amortized in the SNA but not in the funds.		(7,266,744)
Recognition of the District's proportionate share of the net OPEB liability is not reported in the funds.		(15,082,973)
Deferred Resource Inflows related to the OPEB plan are not reported in the funds.		(12,803,388)
Deferred Resource Outflows related to the OPEB plan are not reported in the funds.		<u>2,824,994</u>
Net position of governmental activities - Statement of Net Position	\$	<u>18,649,032</u>

The accompanying notes are an integral part of this statement.

GREENVILLE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2022

Data	10	50	60	Other	98	
Control	General	Debt	Capital	Other	Total	
Codes	Fund	Service	Projects	Governmental	Governmental	
	Fund	Fund	Funds	Funds	Funds	
REVENUES						
5700	Local and Intermediate Sources	\$ 26,891,443	\$ 7,071,771	\$ 8,928	\$ 746,025	\$ 34,718,167
5800	State Program Revenues	24,405,380	107,731	-	608,618	25,121,729
5900	Federal Program Revenues	1,122,292	-	-	18,174,851	19,297,143
5020	Total Revenues	\$ 52,419,115	\$ 7,179,502	\$ 8,928	\$ 19,529,494	\$ 79,137,039
EXPENDITURES						
Current:						
0011	Instruction	\$ 24,377,050	\$ -	\$ -	\$ 9,417,119	\$ 33,794,169
0012	Instructional Resources and Media Services	45,545	-	-	121,131	166,676
0013	Curriculum and Staff Development	954,120	-	-	3,086,588	4,040,708
0021	Instructional Leadership	693,803	-	-	101,344	795,147
0023	School Leadership	3,381,093	-	-	159,022	3,540,115
0031	Guidance, Counseling and Evaluation Services	1,500,573	-	-	830,818	2,331,391
0032	Social Work Services	69,648	-	-	181,122	250,770
0033	Health Services	461,533	-	-	73,400	534,933
0034	Student (Pupil) Transportation	2,299,707	-	-	887	2,300,594
0035	Food Services	-	-	-	2,992,652	2,992,652
0036	Cocurricular/Extracurricular Activities	1,918,098	-	-	325,238	2,243,336
0041	General Administration	2,297,297	-	-	2,726	2,300,023
0051	Plant Maintenance and Operations	6,326,501	-	-	293,023	6,619,524
0052	Security and Monitoring Services	630,529	-	-	39,418	669,947
0053	Data Processing Services	2,858,458	-	-	-	2,858,458
0061	Community Services	3,268	-	-	200,436	203,704
0071	Principal on Long-term Debt	283,591	1,600,000	-	12,063	1,895,654
0072	Interest on Long-term Debt	67,381	4,899,670	-	2,320	4,969,371
0073	Debt Issuance Cost and Fees	806	4,275	-	-	5,081
0081	Capital Outlay	-	-	4,208,235	51,845	4,260,080
0093	Payments for Shared Service Arrangements	87,178	-	-	390,265	477,443
0099	Other Intergovernmental Charges	663,217	-	-	-	663,217
6030	Total Expenditures	\$ 48,919,396	\$ 6,503,945	\$ 4,208,235	\$ 18,281,417	\$ 77,912,993
1100	Excess (Deficiency) of Revenues Over Expenditures	\$ 3,499,719	\$ 675,557	\$ (4,199,307)	\$ 1,248,077	\$ 1,224,046
OTHER FINANCING SOURCES (USES)						
7913	Right of Use Lease Proceeds	644,050	-	-	-	644,050
7915	Transfers In	-	-	3,350,000	-	3,350,000
8911	Transfers Out	(3,350,000)	-	-	-	(3,350,000)
7080	Net Other Financing Sources (Uses)	\$ (2,705,950)	\$ -	\$ 3,350,000	\$ -	\$ 644,050
1200	Net Changes in Fund Balances	\$ 793,769	\$ 675,557	\$ (849,307)	\$ 1,248,077	\$ 1,868,096
0100	Fund Balances - Beginning (July 1)	23,748,476	4,938,648	3,292,505	2,358,583	34,338,212
3000	Fund Balances - Ending (June 30)	\$ 24,542,245	\$ 5,614,205	\$ 2,443,198	\$ 3,606,660	\$ 36,206,308

The accompanying notes are an integral part of this statement.

GREENVILLE INDEPENDENT SCHOOL DISTRICT
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS
 TO THE STATEMENT OF ACTIVITIES
 YEAR ENDED JUNE 30, 2022

Net change in fund balances - total governmental funds	\$ 1,868,096
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>	
Capital outlays are not reported as expenses in the SOA.	4,479,069
The depreciation of capital assets used in governmental activities is not reported in the funds.	(4,218,975)
Certain property tax revenues are deferred in the funds. This is the change in these amounts this period.	100,238
Expenses not requiring the use of current financial resources are not reported as expenditures on the funds.	71,667
Repayment of bond principal is an expenditure in the funds but is not an expense in the SOA.	1,600,000
Repayment of right of use lease principal is an expenditure in the funds but is not an expense in the SOA.	12,064
Repayment of direct borrowings principal is an expenditure in the funds but is not an expense in the SOA.	283,591
The accretion of interest on capital appreciation bonds is not reported to end of period.	3,209,723
(Increase) decrease in accrued interest expense from beginning of period to end of period.	28,514
The net revenue (expense) of internal service funds is reported with governmental activities.	200,261
Proceeds of right of use leases do not provide revenue in the SOA, But are reported as current resources in the funds.	(644,050)
OPEB Expense is recorded in the SOA but not in the funds.	1,148,254
OPEB contributions in the CY are de-expended and recorded as deferred resource outflows.	339,415
OPEB contributions deferred in the PY are expended in the CY.	(248,267)
Pension Expense is recorded in the SOA but not in the funds,	558,540
Pension contributions in the CY are de-expended and recorded as deferred resources outflows.	1,357,200
Pension contributions deferred in the PY are expended in the CY.	<u>(856,051)</u>
Change in net position of governmental activities - Statement of Activities	<u>\$ 9,289,289</u>

The accompanying notes are an integral part of this statement.

GREENVILLE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
JUNE 30, 2022

<u>Data Control Codes</u>	<u>Nonmajor Internal Service Fund Insurance Fund</u>
ASSETS	
Current Assets:	
1110 Cash and Investments	\$ 1,265,769
Total Current Assets	\$ 1,265,769
1000 Total Assets	\$ 1,265,769
LIABILITIES	
Current Liabilities:	
2110 Accounts Payable	\$ 562,585
Total Current Liabilities	\$ 562,585
2000 Total Liabilities	\$ 562,585
NET POSITION	
3900 Unrestricted Net Position	\$ 703,184
3000 Total Net Position	\$ 703,184

The accompanying notes are an integral part of this statement.

GREENVILLE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN NET POSITION - PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2022

<u>Data Control Codes</u>		<u>Nonmajor Internal Service Fund Insurance Fund</u>
	OPERATING REVENUES	
5700	Local and Intermediate Sources	<u>\$ 489,320</u>
5020	Total Revenues	<u>\$ 489,320</u>
	OPERATING EXPENSES	
6400	Other Operating Costs	<u>\$ 289,058</u>
6030	Total Expenses	<u>\$ 289,058</u>
1300	Change in Net Position	\$ 200,262
0100	Net Position - Beginning (July 1)	<u>502,922</u>
3000	Net Position - Ending (June 30)	<u><u>\$ 703,184</u></u>

The accompanying notes are an integral part of this statement.

GREENVILLE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2022

	<u>Nonmajor Internal Service Fund</u> <u>Insurance Fund</u>
Cash Flows from Operating Activities:	
Cash Receipts from Quasi External Interfund Trasfers	\$ 489,320
Cash Payments for Reinsurance and Administration	(71,221)
Cash Payments for Claims	<u>(82,681)</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ 335,418</u>
Cash Flows from Capital and Other Related Financing Activities:	
NONE	
Cash Flows from Noncapital Financing Activities:	
NONE	
Cash Flows from Investing Activities:	
NONE	
Net Increase (Decrease) in Cash and Investments	\$ 335,418
Cash and Investments - Beginning (July 1)	<u>930,351</u>
Cash and Investments - Ending (June 30)	<u>\$ 1,265,769</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities	
Operating Income (Loss)	\$ 200,262
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Increase (Decrease) in Claims Payable	<u>135,156</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ 335,418</u>

The accompanying notes are an integral part of this statement.

GREENVILLE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION - FIDUCIARY FUNDS
JUNE 30, 2022

Data Control Codes		Private-Purpose Trust Funds	Custodial Funds
		Scholarship Funds	Student Activity
ASSETS			
1110	Cash and Investments	\$ 92,033	\$ 93,218
1800	Restricted Assets	165,898	-
1000	Total Assets	\$ 257,931	\$ 93,218
LIABILITIES			
Current Liabilities:			
2110	Accounts Payable	\$ -	\$ 21
2000	Total Liabilities	\$ -	\$ 21
NET POSITION			
3800	Held in Trust	\$ 257,931	\$ -
Restricted for:			
3490	Student Groups	-	93,197
3000	Total Net Position	\$ 257,931	\$ 93,197

The accompanying notes are an integral part of this statement.

GREENVILLE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - FIDUCIARY FUNDS
YEAR ENDED JUNE 30, 2022

	Private-Purpose Trust Funds Scholarship Funds	Custodial Funds Student Activity
ADDITIONS		
Donations	\$ 5,816	\$ 617
Investment Earnings - Interest Revenue	390	-
Fundraising Activities	-	108,824
Total Additions	\$ 6,206	\$ 109,441
DEDUCTIONS		
Student Activities	\$ -	\$ 83,956
Benevolence	-	977
Total Deductions	\$ -	\$ 84,933
Changes in Net Position	\$ 6,206	\$ 24,508
Net Position - Beginning (July 1)	251,725	68,689
Net Position - Ending (June 30)	\$ 257,931	\$ 93,197

The accompanying notes are an integral part of this statement.

GREENVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

A. Summary of Significant Accounting Policies

The basic financial statements of the Greenville Independent School District (District) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) applicable to governmental units in conjunction with the Texas Education Agency's *Financial Accountability System Resource Guide (Guide)*. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

1. Reporting Entity

The Board of School Trustees (Board), a seven member group, has governance responsibilities over all activities related to public elementary and secondary education within the jurisdiction of the District. The Board is elected by the public and as a body corporate has the exclusive power and duty to govern and oversee the management of the public schools of the District. All powers and duties not specifically delegated by statute to the Texas Education Agency (Agency) or to the State Board of Education are reserved for the Board, and the Agency may not substitute its judgment for the lawful exercise of those powers and duties by the Board. The District is not included in any other governmental "reporting entity" as defined by GASB in its Statement No. 14, "The Financial Reporting Entity." There are no component units included within the reporting entity.

The District receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities.

2. Basis of Presentation – Basis of Accounting

a. Basis of Presentation

Government-wide Statements – The statement of net position (SNA) and the statement of activities include the financial activities of the overall government, 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 activities (SOA) presents a comparison between direct expenses and program revenues for each function of the 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. The District does not allocate indirect expenses in the statement of activities. Program revenues include (a) fees, fines, and 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 District's funds, with separate statements presented for each fund category. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

GREENVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

A. Summary of Significant Accounting Policies (Continued)

The District reports the following major governmental funds:

General Fund – This is the District's primary operating fund. It accounts for all financial resources of the District except those required to be accounted for in another fund.

Debt Service Fund – This fund is used to account for the accumulation of resources for, and the payment of general long-term Debt principal, interest and related costs.

Capital Projects Fund- This fund accounts for proceeds of long-term debt financing and revenues and expenditures related to authorized construction and other capital asset acquisitions. Upon completion of a project, any unused bond proceeds are transferred to the Debt Service Fund and are used to retire bond principal. Local funds set aside by the Board are also included and are restricted for future construction and improvement projects.

In addition, the District reports the following fund types:

Special Revenue Funds – The District accounts for resources restricted to or designated for specific purposes by the District or a grantor in a special revenue fund. Most Federal and some State financial assistance is accounted for in a special revenue fund, and sometimes unused balances must be returned to the grantor at the close of specified project years. The Board can commit specific types of resources to specific purposes which are included as special revenue funds.

Internal Service Funds – These funds are proprietary type funds. These funds are used to account for revenues and expenses related to services provided to parties inside the District. These funds facilitate distribution of support costs to the users of support services on a cost-reimbursement basis. Because the principal users of the internal services are the District's governmental activities, this fund type is included in the "Governmental Activities" column of the government-wide financial statements. The District uses internal service funds for self insured workers compensation activities.

Custodial Funds – These funds are reported in the fiduciary fund financial statements. These funds are used to report student activity funds and other resources held in a custodial capacity. Custodial funds typically involve only the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments

b. Measurement Focus – Basis of Accounting

Government-wide, Proprietary, and Fiduciary Fund Financial Statements – These financial statements are reported using the economic resources measurement focus. The government-wide and proprietary fund financial statements are reported using 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 District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements – 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 District considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Revenues from local sources consist primarily of property taxes. Property tax revenues and revenues received from the State are recognized under the susceptible-to-accrual concept. Miscellaneous revenues are recorded as revenue when received in cash because they are generally measurable until actually received. Investment earnings are recorded as earned, since they are both measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term debt, which are recognized as expenditures to the extent they have matured. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of long-term debt and acquisitions under capital lease are reported as other financing sources.

When the District incurs an expenditure or expense for which both restricted and unrestricted resources may be used, it is the District's policy to use restricted resources first, then unrestricted resources.

GREENVILLE INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2022

A. Summary of Significant Accounting Policies (Continued)

3. Budgetary Data

The official budget was prepared for adoption for the general, food service and debt service funds. The following procedures are followed in establishing the budgetary data reflected in the basic financial statements:

- a. Prior to June 20 of the preceding fiscal year, the District prepares a budget for the next succeeding fiscal year beginning July 1.
- b. A meeting of the Board is called for the purpose of adopting the proposed budget with public notice given at least 10 days prior to the meeting.
- c. Prior to the expenditure of funds, the budget is adopted by the Board.

After adoption, the budget may be amended through action by the Board. Budget amendments are approved at the functional expenditure level. All amendments are before the fact and reflected in the official minutes of the Board. Budgets are controlled at the function level by personnel responsible for organizational financial reporting. All budget appropriations lapse at the year end. Budget amendments throughout the year were not significant.

4. Encumbrance Accounting

Encumbrances for goods or purchased services are documented by purchase orders or contracts. Under Texas law, appropriations lapse at June 30, and encumbrances outstanding at that time are to be either canceled or appropriately provided for in the subsequent year's budget.

End-of-year outstanding encumbrances that were provided for in the subsequent year's budget are:

General Fund	\$	-0-
Special Revenue Fund		-0-
Debt Service Fund		-0-
Total	\$	-0-

5. Financial Statement Amounts

Cash and Investments

The District pools cash resources of its various funds in order to facilitate the management of cash. Cash applicable to a particular fund is readily identifiable. The balance in the pooled accounts is available to meet current operating requirements. Cash in excess of current requirements is invested in various interest-bearing securities and disclosed as a part of the District's cash and temporary investments.

For the purpose of the statement of cash flows, highly liquid investments are considered to be cash equivalents if they have a maturity of three months or less when purchased.

Fund Balance

Governmental funds utilize a fund balance presentation for equity. Fund balance is categorized as nonspendable, restricted, committed, assigned or unassigned.

Nonspendable fund balance – represents amounts that cannot be spent because they are either not in spendable form (such as inventory or prepaids) or legally required to remain intact (such as notes receivable or principal of a permanent fund).

Restricted fund balance – represents amounts with external constraints placed on the use of these resources (such as debt covenants, grantors, other governments, etc.) or imposed by enabling legislation. Restrictions may be changed or lifted only with the consent of resource providers.

Committed fund balance – represents amounts that can only be used for specific purposes imposed by a formal action of the District's highest level of decision-making authority, the Board. Committed resources cannot be used for any other purpose unless the Board removes or changes the specific use by taking the same formal action that imposed the constraint originally.

Assigned fund balance – represents amounts the District intends to use for specific purposes as expressed by the Board or an official delegated the authority. The Board has delegated the authority to assign fund balances to the Superintendent.

GREENVILLE INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2022

A. Summary of Significant Accounting Policies (Continued)

Unassigned fund balance – represents the residual classification for the general fund or deficit balances in other funds.

In circumstances where an expenditure is to be made for a purpose for which amounts are available in multiple fund balance classifications, the order in which resources will be expended is as follows: restricted fund balance, followed by committed fund balance, assigned fund balance, and lastly, unassigned fund balance.

The following schedule provides information about the specific fund balance classification by fund:

	General	Debt Service	Capital Projects	Other Governmental	Total
Nonspendable					
Inventory	\$ 21,709	\$ -	\$ -	\$ -	\$ 21,709
Restricted					
Child Nutrition Program	-	-	-	2,576,196	2,576,196
Retirement of Long Term Debt	-	5,614,205	-	-	5,614,205
Construction	-	-	2,443,198	-	2,443,198
Regional Day School	-	-	-	611,958	611,958
Communities Texas Grant	-	-	-	20,841	20,841
Dyslexia Grant	-	-	-	96,531	96,531
Committed					
Campus Activity Funds	-	-	-	301,134	301,134
Assigned					
Other Assigned	2,000,000	-	-	-	2,000,000
Unassigned	22,512,472	-	-	-	22,512,472
Totals	<u>\$ 24,534,181</u>	<u>\$ 5,614,205</u>	<u>\$ 2,443,198</u>	<u>\$ 3,606,660</u>	<u>\$ 36,198,244</u>

Inventories

On government-wide financial statements, inventories are presented at cost using the weighted average method and are expensed when used. On fund financial statements, inventories of governmental funds are valued at cost. For all funds, cost is determined using the weighted average method, and are determined by physical count. Inventory in governmental funds consists of expendable supplies held for consumption. The cost is recorded as an expenditure at the time of purchase. Reported inventories in these funds are equally offset by a fund balance reserve, which indicates they do not represent available spendable resources.

Prepaid Items

Certain payments to vendors reflect cost applicable to future accounting years and are recorded as prepaid items. Prepaid items are recorded as expenditures when the items are consumed or occur.

Capital Assets

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of the donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. A capitalization threshold of \$ 10,000 is used.

Capital assets are being depreciated using the straight-line method over the following estimated useful lives:

Asset Class	Estimated Useful Lives
Buildings and Improvements	15-50
Vehicles	5-10
Other Equipment	3-15

Right of Use Assets and Liabilities

GASB Statement 87, *Leases* created new financial statement accounts "Right of Use" assets and similar offsetting liabilities. A "right of use" asset accounts for the net present value of future payments attached to a leased asset. Common examples of "Right of Use" assets are copiers, printers and other types of equipment that the District does not take ownership of but uses under the lease agreement. The assets value will be amortized over the life of the lease using a straight line method. The liability offsetting the "Right of Use" assets is presented as lease payable.

GREENVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

A. Summary of Significant Accounting Policies (Continued)

Unearned Revenues

Unearned revenues include state funds received but have not been earned in the year. The balance will be earned in the future year and not returned as liabilities.

6. Deferred Outflows and Inflows of Resources

The District implemented GASB Statement Number 68, *Accounting and Financial Reporting for Pensions* and GASB Statement Number 75, *Accounting and Financial Reporting for Postemployment Benefits and Other Pensions*. In addition to assets and liabilities, the government-wide Statement of Net Position and governmental fund Balance Sheet report separate sections for deferred outflows and deferred inflows of resources. Deferred outflows of resources represent a consumption of net position/fund balance that applies to a future year and will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred inflows of resources represent the acquisition of net position/fund balance that applies to a future year and will not be recognized as an inflow of resources (revenue) until that time. The District reports certain deferred inflows and outflows related to pensions on the government-wide Statement of Net Position. At the governmental fund level, earned but unavailable revenue is reported as a deferred inflow of resources.

The District also implemented GASB Statement Number 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*, which amends the transition provisions of GASB 68. GASB 71 requires that, at transition, governments recognize a beginning deferred outflow of resource for pension contributions made subsequent to the measurement date of the beginning Net Pension Liability. Implementation is reflected in the financial statements and the prior year adjustment.

7. Receivable and Payable Balances

The District believes that sufficient detail of receivable and payable balances is provided in the financial statements to avoid the obscuring of significant components by aggregation. Therefore, no disclosure is provided which disaggregates those balances.

There are no significant receivables which are not scheduled for collection within one year of year end.

8. Interfund Activities

Interfund activity results from loans, service provided, reimbursements or transfers between funds. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures or expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers In and Transfers Out are netted and presented as a single "Transfer" line on the government-wide statement of activities. Similarly, interfund receivables and payables are netted and presented as a single "Internal Balances" line of the government-wide statement of net position.

9. Vacation, Sick Leave, and Other Compensated Absences

District employees are entitled to certain compensated absences based on their length of employment. Sick leave accrues at various rates established by the State and adopted by the Board of Trustees. Sick leave vests, accumulates, and is recorded as expense as it is incurred. Sick leave is paid upon separation from the District.

10. Pensions

The fiduciary net position of the Teacher Retirement System of Texas (TRS) has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Teacher Retirement System of Texas (TRS) and additions to/ deductions from TRS's fiduciary net position have been determined on the same basis as they are reported by TRS. 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.

GREENVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

A. Summary of Significant Accounting Policies (Continued)

11. Other Post-Employment Benefits (OPEB)

The fiduciary net position of the Teacher Retirement System of Texas (TRS) TRS Care Plan has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expenses, and information about assets, liabilities and additions to/deductions from TRS Care's fiduciary net position. Benefit payments are recognized when due and payable in accordance with the benefit term. There are no investments as this a pay-as-you-go plan and all cash is held in a cash account.

12. Use of Estimates

The preparation of financial statements in conformity with GAAP requires the use of management's estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could vary from these estimates.

13. New Accounting Pronouncements

The Governmental Accounting Standards Board (GASB) has issued various new accounting standards to better meet the information needed for users of financial statements by improving accounting and financial reporting. The GASB does this by issuing statements that cover various issues identified as needing additional clarification or direction to maintain standardization and comparability of financial information. During the year, the GASB issued the following statements with varying effective dates noted:

Statement 96: *Subscription Based Information Technology Arrangements* (Effective FY beginning after June 15, 2022)

Statement 97: *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans* (Effective FY beginning after June 15, 2021)

Statement 98: *The Annual Comprehensive Financial Report* (Effective FY ending after December 15, 2021)

Statement 99: *Omnibus 2022* (Effective upon issuance with some effective FY beginning after June 15, 2022)

Statement 100: *Accounting Changes and Error Corrections* (Effective FY beginning after June 15, 2023)

Statement 101: *Compensated Absences* (Effective FY beginning after December 15, 2023)

14. Data Control Codes

Data control codes refer to the account code structure prescribed by the Agency in the *Guide*. The Agency requires the District to display these codes in its financial statements filed with the Agency in order to ensure accuracy in building a statewide database for policy development and funding plans.

15. Accounting System

In accordance with Texas Education Code, Chapter 44, Subchapter A, the District adopted and implemented an accounting system which at least meets the minimum requirements prescribed by the State Board of Education and approved by the State Auditor. The District's accounting system uses codes and the code structure presented in the accounting code section of the *Guide*. Mandatory codes are utilized in the form provided in that section.

GREENVILLE INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2022

B. Deposits, Securities and Investments

Cash Deposits

The District's funds are deposited and invested under the terms of a depository contract. The contract requires the depository to pledge approved securities in an amount significant to protect the District's day-to-day balances. The pledge is waived only to the extent of the dollar amount of Federal Deposit Insurance District (FDIC) insurance. At year end, all District cash deposits appear to have been adequately covered by FDIC insurance or by pledged collateral held by the District or the depository in the District's name. The District's deposits appear to have been properly secured throughout the year.

Investments

The District's investment policies and types of investments are governed by the Public Funds Investment Act (PFIA). The Act requires specific training, reporting and establishment of local policies. The District appears to be in compliance with all the requirements of the Act.

The PFIA (Government Code Chapter 256) contains specific provisions in the areas of investment practices, management reports, and establishment of appropriate policies. Among other things, it requires a governmental entity to adopt, implement and publicize an investment policy. That policy must address the following areas (1) safety of principal and liquidity, (2) portfolio diversifications, (3) allowable investments, (4) acceptable risk level, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the state maturity date of portfolio, (8) investment staff quality and capabilities, (9) and bid solicitation preference for certificates of deposit. Statutes authorize the District to invest in (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas, (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) banker's acceptances, (7) mutual funds, (8) investment pools, (9) guaranteed investment contracts, (10) and common trust funds. The PFIA governs the District's investment policies and types of investments.

The District's management believes that it complies with the requirements of the PFIA and the District's investment policies.

District investments include investments in Certificates of Deposit, Lone Star Investment Pool, Texas CLASS and Municipal Bonds with TD Ameritrade. All investments are reported at fair value and are presented as cash and investments.

The following table lists the District's investments at year end:

	<u>Fair Value/ Amortized Costs</u>	<u>Weighted Average Maturity (Days)</u>	<u>Credit Rating</u>
Governmental Activities			
Cash on Deposit	\$ 14,794,912	N/A	
Investments:			
Lone Star Investment Pool	14,244,005	37	
Texas CLASS	2,560,956	41	
Certificates of Deposit	250,000	N/A	
TD Ameritrade	<u>1,186,956</u>	N/A	Aaa
Total	<u>\$ 33,036,829</u>		

Lone Star Investment Pool

The Lone Star Investment Pool (Lone Star) is a public funds investment pool created pursuant to the Interlocal Cooperation Act, Texas Government Code, Chapter 791, and the PFIA, Texas Government Code, Chapter 2256. Lone Star is administered by First Public, a subsidiary of the Texas Association of School Boards (TASB), with Standish and American Beacon Advisors managing the investment and reinvestment of Lone Star's assets. State Street Bank provides custody and valuation services to Lone Star. All of the board of trustees' eleven members are Lone Star participants by either being employees or elected officials of a participant. Lone Star has established an advisory board composed of both pool members and non-members. Lone Star is rated AAAM by Standard and Poor's. Lone Star has no limitations or restrictions on withdrawals. The District is invested in the Corporate Overnight Plus Fund of Lone Star. Lone Star has 3 different funds: Government Overnight, Corporate Overnight and Corporate Overnight Plus. Government and Corporate Overnight maintain a net asset value of one dollar and the Corporate Overnight Plus maintains a net Asset value of 50 cents. The Government Overnight and Corporate Overnight Funds value all investments at amortized cost and are operated in accordance with GASB 79. The Corporate Overnight Plus Fund values all investments at fair value and is operated in accordance with GASB 72.

GREENVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

B. Deposits, Securities and Investments (Continued)

Texas CLASS

In accordance with FASB guidance, Texas CLASS utilizes ASC "Fair Value Measurement and Disclosure" to define fair value, establish a framework for measuring fair value, and expand disclosure requirements regarding fair value measurements. ASC 820 does not require new fair value measurements, but is applied to the extent that other accounting pronouncements require or permit fair value measurements. This standard emphasizes what participants would use in pricing an asset or liability. Various inputs are used in determining the value of Texas CLASS's portfolio investments defined pursuant to this standard. All investments are categorized as Level 2 for the fair value hierarchy. Level 2 inputs are prices determined using other significant observable inputs. Observable inputs are inputs that reflect the assumptions market participants would use in pricing a security and are developed based on market data obtained from sources independent of the reporting entity.

TD Ameritrade

The District's investments with TD Ameritrade consists of certificates of deposits, municipal bonds, and FHLB-agency bonds. The municipal bonds are categorized as Level 2 for the fair value hierarchy. The fair value is obtained via a pricing method used by Bloomberg Professional Services whereby bonds with similar credit qualities, coupons, maturities, state locations, etc. are used to obtain a value for the portfolio bonds, as many of the bonds do not trade on a regular basis.

GASB Statement No. 40 requires a determination as to whether the District was exposed to the following specific investment risks at year end and if so, the reporting of certain related disclosures:

a. Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The ratings of securities by nationally recognized agencies are designed to give an indication of credit risk. At year end, the District was not significantly exposed to credit risk.

b. Custodial Credit Risk

Deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent but not in the District's name.

Investment securities are exposed to custodial risk if the securities are uninsured, are not registered in the name of the government, and are held by either the counterparty or the counterparty's trust department or agent but not in the Districts' name. At year end, the District was not exposed to custodial credit risk.

The largest combined balances of cash, saving and time deposit accounts amounted to \$ 34,369,289 and occurred in February 2022. The market value of bonds or other securities used to secure cash on the date of the highest combined cash balance was \$ 39,736,821. The total amount of FDIC coverage at the time of the highest combined balance was \$ 500,000. American National Bank of Texas, Terrell, Texas, is the District's depository.

c. Concentration of Credit Risk

This risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. At year end, the District was not exposed to concentration of credit risk.

d. Interest Rate Risk

This is the risk that changes in interest rates will adversely affect the fair value of an investment. District investments are limited to short term maturities to limit any potential interest rate risk. At year end, the District was not exposed to interest rate risk.

e. Foreign Currency Risk

This is the risk that exchange rates will adversely affect the fair value of an investment. State statutes do not allow for foreign investments this eliminating foreign currency rate risk. The District was not exposed to foreign currency risk.

GREENVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

B. Deposits, Securities and Investments (Continued)

f. Fair Value Measurements

The District categorizes its fair value measurements with the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the assets. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using the net asset value per share (or equivalent) as practical expedient are not classified in the fair value hierarchy below.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The District's assessment of the significance of particular inputs to these fair value measurements require judgement and considers factors specific to each asset or liability.

C. Property Taxes

Property taxes are levied by October 1, in conformity with Subtitle E, Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the October 1 levy date. On January 1 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties and interest ultimately imposed. Property tax revenues are considered available when collected within the current year or expected to be collected soon enough thereafter to be used to pay liabilities of the current year.

Property taxes are prorated between maintenance and debt service based on rates adopted for the year of the levy. Allowances for uncollectibles within the General and Debt Service Funds are based upon historical experience in collecting property taxes. Section 33.05, Property Tax Code, requires the tax collector for the District to cancel and remove from the delinquent tax rolls a tax on real property that has been delinquent for more than 20 years or a tax on personal property that has been delinquent for more than 10 years. Delinquent taxes meeting these criteria may not be canceled if litigation concerning these taxes is pending.

The District levied taxes on property within the District at \$ 0.8820 to fund general operations and \$ 0.238481 for the payment of principal and interest on long-term debt. The rates were levied on property assessed totaling \$ 2,979,931,565. The District contracts with a tax attorney for the collection of all delinquent taxes. Delinquent taxes are subject to both penalty and interest plus a 20% delinquent tax attorney collection fee.

GREENVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

D. Capital Assets

Capital asset activities during the year were as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
<u>Governmental Activities:</u>				
Capital Assets not being depreciated:				
Land	\$ 1,607,652	\$ -	\$ -	\$ 1,607,652
Construction in Progress	1,487,876	2,664,744	-	4,152,620
Total Capital Assets not being depreciated	\$ 3,095,528	\$ 2,664,744	\$ -	\$ 5,760,272
Capital Assets being depreciated:				
Buildings and Improvements	\$ 140,661,862	\$ 61,253	\$ -	\$ 140,723,115
Vehicles	5,127,277	524,988	-	5,652,265
Equipment	4,356,671	361,617	-	4,718,288
Total Capital Assets being depreciated	\$ 150,145,810	\$ 947,858	\$ -	\$ 151,093,668
Less Accumulated Depreciation for:				
Buildings and Improvements	\$ 57,593,924	\$ 3,737,348	\$ -	\$ 61,331,272
Vehicles	3,804,503	290,428	-	4,094,931
Equipment	3,592,449	161,584	-	3,754,033
Total Accumulated Depreciation	\$ 64,990,876	\$ 4,189,360	\$ -	\$ 69,180,236
Total Capital Assets being depreciated, net	\$ 85,154,934	\$ (3,241,502)	\$ -	\$ 81,913,432
Lease Assets:				
Equipment	\$ 39,928	\$ 866,467	\$ -	\$ 906,395
Total Lease Assets, being amortized	\$ 39,928	\$ 866,467	\$ -	\$ 906,395
Less Accumulated Amortization for:				
Equipment	\$ 13,821	\$ 29,615	\$ -	\$ 43,436
Total Accumulated Amortization	\$ 13,821	\$ 29,615	\$ -	\$ 43,436
Total Lease Assets being amortized, net	\$ 26,107	\$ 836,852	\$ -	\$ 862,959
Governmental Activities Capital Assets, net	\$ 88,276,569	\$ 260,094	\$ -	\$ 88,536,663

Depreciation and amortization was charged to governmental activities functions as follows:

Instruction	\$ 2,970,473
Instructional Resources and Media Services	70,853
School Leadership	34,267
Guidance, Counseling and Evaluation Services	17,574
Health Services	19,242
Student (Pupil) Transportation	240,569
Food Services	193,476
Co-curricular/Extracurricular Activities	390,406
General Administration	10,510
Plant Maintenance and Operations	227,238
Security and Monitoring Services	34,772
Data Processing	9,595
Total	\$ 4,218,975

GREENVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

E. Long-term Obligations

Long-term Obligation Activity

Long-term obligation activities during the year were as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
<u>Governmental Activities:</u>					
General Obligation Bonds	\$ 71,275,000	\$ -	\$ 1,600,000	\$ 69,675,000	\$ 1,550,000
Direct Borrowings Payable	1,418,571	-	281,191	1,137,380	286,434
Right of Use Lease Payable	25,510	644,050	12,064	657,496	219,080
Accreted Interest Payable	6,564,937	45,277	3,255,000	3,355,214	-
Bond Premium (Discount)	7,807,654	-	540,910	7,266,744	-
Total Governmental Activities	\$ 87,091,672	\$ 689,327	\$ 5,689,165	\$ 82,091,834	\$ 2,055,514

Bonds

The District has issued various series of general obligation bonds to fund facility construction and improvements. Bonds mature at various times with varying rates of interest. The bonds issued require the District to levy an ad valorem tax annually to retire the current maturities. The District is required to make semi-annual interest payments along with annual principal payments.

The following bonded debt issues are outstanding at year end:

Description	Interest Rate	Original Amount	Outstanding Balance
Unlimited Tax Refunding Bonds, Series 2011	2.960%	\$ 1,505,000	\$ 560,000
Unlimited Tax School Building Bonds, Series 2014	3.254%	64,315,000	220,000
Unlimited Tax Refunding Bonds, Series 2016	1.562%	13,230,000	7,280,000
Unlimited Tax Refunding Bonds, Series 2020	2.147%	62,535,000	61,615,000
Totals			<u>\$ 69,675,000</u>

Maturity requirements on bonded debt at year end are as follows:

Year Ending June 30	Principal	Interest	Total Requirements
2023	1,550,000	4,953,945	6,503,945
2024	2,440,000	1,498,945	3,938,945
2025	2,520,000	1,413,323	3,933,323
2026	2,615,000	1,326,534	3,941,534
2027	4,515,000	1,233,910	5,748,910
2028-2032	14,585,000	5,390,689	19,975,689
2033-2037	15,920,000	4,100,301	20,020,301
2038-2042	17,780,000	2,296,243	20,076,243
2043-2047	7,750,000	292,459	8,042,459
Totals	<u>\$ 69,675,000</u>	<u>\$ 22,506,349</u>	<u>\$ 92,181,349</u>

There are a number of limitations and restrictions contained in the general obligation bond indentures. The District appears to be in compliance with all significant limitations and restrictions as of year end.

GREENVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

E. Long-term Obligations (Continued)

Direct Borrowings

The District issued various agreements identified here as direct borrowings. Direct borrowings include loans, leases that transfer ownership, maintenance tax notes and other financing arrangements.

The terms included in the agreements require annual payments of principal and interest at the rate presented below. Generally, the terms are for a maximum of 5 years with some agreements less. All agreements will mature and be retired before the 2027 fiscal period.

The following schedule lists personal property acquired through direct borrowings:

Description	Interest Date	Agreement Date	Original Amount	Outstanding Balance
Maintenance Tax Notes, Series 2010	5.46%	10/15/2010	\$ 3,050,000	\$ 815,000
American National Bank - Buses	3.50%	8/25/2020	395,971	322,380
Totals				<u>\$ 1,137,380</u>

Maturity requirement on the direct borrowings at year end are as follows:

Year Ending June 30	Principal	Interest	Total Requirements
2023	286,434	53,073	339,507
2024	284,146	38,894	323,040
2025	281,938	25,045	306,983
2026	284,862	11,201	296,063
Totals	<u>\$ 1,137,380</u>	<u>\$ 128,213</u>	<u>\$ 1,265,593</u>

Right of Use Leases

The District executed various agreements identified here as leases. Leases are obligations that represent the net present value of the obligations to be paid over a specified term and do not transfer ownership.

The District executed agreements for the use of copiers at various locations throughout the District. The various agreements require monthly payments over the term of the agreement. The lease obligations incur an implicit rate of interest as 9.00%. The detailed schedule of the life and outstanding lease obligations are presented below.

The District executed an agreement for the availability of 3000 + Chromebooks from Insight Investments. The lease terms require annual principal and interest payments over the 3 year agreement. Interest on the agreement is calculated to be 3.10%

Description	Interest Date	Agreement Date	Original Property Value	Outstanding Balance
Canon Financial Services - Copier	9.00%	5/15/2020	\$ 39,928	\$ 13,446
Insight Investments - Chromebooks	3.10%	6/1/2022	866,467	644,050
Totals				<u>\$ 657,496</u>

Maturity requirements on right of use leases at period end are as follows:

Year Ending June 30	Principal	Interest	Total Requirements
2023	232,526	4,274	236,800
2024	209,241	13,176	222,417
2025	215,729	6,688	222,417
Totals	<u>\$ 657,496</u>	<u>\$ 24,138</u>	<u>\$ 681,634</u>

GREENVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

F. Defined Benefits Pension Plan

1. *Plan Description*

The District participates in a cost-sharing multiple-employer defined benefit pension that has a special funding situation. The plan is administered by the Teacher Retirement System of Texas (TRS). It is a defined benefit pension plan established and administered in accordance with the Texas Constitution, Article XVI, Section 67 and Texas Government Code, Title 8, Subtitle C. The pension trust fund is a qualified pension trust under Section 401(a) of the Internal Revenue Code. The Texas Legislature establishes benefits and contribution rates within the guidelines of the Texas Constitution. The pension's Board of Trustees does not have the authority to establish or amend benefit terms.

All employees of public, state-supported educational institutions in Texas who are employed for one-half or more of the standard workload and who are not exempted from membership under Texas Government Code, Title 8, Section 822.002 are covered by the system.

2. *Pension Plan Fiduciary Net Position*

Detailed information about the Teacher Retirement System's fiduciary net position is available in a separately issued Comprehensive Annual Financial Report that includes financial statements and required supplementary information. That report may be obtained on the internet at <http://www.trs.state.tx.us/about/documents/cafr.pdf#CAFR>; by writing to TRS at 1000 Red River Street, Austin, TX 78701-2698; or by calling (512) 542-6592. The information provided in the Notes to the Financial Statements in the 2020 Comprehensive Annual Financial Report for TRS provides the following information regarding the Pension Plan fiduciary net position as of August 31, 2021 and 2020.

Net Pension Liability	2021	2020
Total Pension Liability	\$ 227,273,463,630	\$ 218,974,205,084
Less: Plan Fiduciary Net Position	(201,807,002,496)	(165,416,245,243)
Net Pension Liability	<u>\$ 25,466,461,134</u>	<u>\$ 53,557,959,841</u>
Net Position as percentage of Total Pension Liability	88.79%	75.54%

3. *Benefits Provided*

TRS provides service and disability retirement, as well as death and survivor benefits, to eligible employees (and their beneficiaries) of public and higher education in Texas. The pension formula is calculated using 2.3 percent (multiplier) times the average of the five highest annual creditable salaries times years of credited service to arrive at the annual standard annuity except for members who are grandfathered, the three highest annual salaries are used. The normal service retirement is at age 65 with 5 years of credited service or when the sum of the member's age and years of credited service equals 80 or more years. Early retirement is at age 55 with 5 years of service credit or earlier than 55 with 30 years of service credit. There are additional provisions for early retirement if the sum of the member's age and years of service credit total at least 80, but the member is less than age 60 or 62 depending on date of employment, or if the member was grandfathered in under a previous rule. There are no automatic post-employment benefit changes; including automatic COLAs. Ad hoc post-employment benefit changes, including ad hoc COLAs can be granted by the Texas Legislature as noted in the Plan description in (1) above.

Texas Government Code Section 821.006 prohibits benefit improvements, if, as a result of the particular action, the time required to amortize TRS' unfunded actuarial liabilities would be increased to a year that exceeds 31 years, or, if the amortization year already exceeds 31 years, the year would be increased by such action.

In May 2020, the 86th Texas Legislature approved the TRS Pension Reform Bill (Senate Bill 12) that provides for gradual contribution increases from the state, participating employers and active employees to make the pension fund actuarially sound. This action causing the pension fund to be actuarially sound, allowed the legislature to approve funding for a 13th check in September 2020. All eligible members retired as of December 31, 2018 received an extra annuity check in either the matching amount of their monthly annuity or \$ 2,000, whichever was less.

4. *Contributions*

Contribution requirements are established or amended pursuant to Article 16, section 67 of the Texas Constitution which requires the Texas legislature to establish a member contribution rate of not less than 6% of the member's annual compensation and a state contribution rate of not less than 6% and not more than 10% of the aggregate annual compensation paid to members of the system during the fiscal year.

GREENVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

F. Defined Benefits Pension Plan (Continued)

Employee contribution rates are set in state statute, Texas Government Code Section 825.402. The TRS Pension Reform Bill (SB12) of the 86th Texas Legislature amended Texas Government Code Section 825.402 for member contributions and increased employee and employer contribution rates for fiscal years 2022 thru 2025.

	<u>Contribution Rates</u>	
	<u>2021</u>	<u>2022</u>
Member	7.70%	8.00%
Non-Employer Contributing Entity (State)	7.50%	7.75%
Employers	7.50%	7.75%
Current Year Employer Contributions		\$ 1,563,416
Current Year Member Contributions		\$ 3,029,793
Measurement Year NECE On-Behalf Contributions		\$ 1,871,822

Contributors to the plan include members, employers and the State of Texas as the only non-employer contributing entity. The State contributes to the plan in accordance with state statutes and the General Appropriations Act (GAA).

As the non-employer contributing entity for public education, the State of Texas contributes to the retirement system an amount equal to the current employer contribution rate times the aggregate annual compensation of all participating members of the pension trust fund during that fiscal year reduced by the amounts described below which are paid by the employers. Employers including public schools are required to pay the employer contribution rate in the following instances:

- On the portion of the member's salary that exceeds the statutory minimum for members entitled to the statutory minimum under Section 21.402 of the Texas Education Code.
- During a new member's first 90 days of employment.
- When any part or all of an employee's salary is paid by federal funding sources, a privately sponsored source, from non-educational and general, or local funds.

In addition to the employer contributions listed above, there are two additional surcharges an employer is subject to:

When employing a retiree of the Teacher Retirement System, the employer shall pay both the member contribution and the state contribution as an employment after retirement surcharge.

A Public Education Employer contribution surcharge of 1.5% increasing to 2% over the period ending 2025 on all covered payroll.

5. *Actuarial Assumptions*

Valuation Date	August 31, 2020 rolled forward to August 31, 2021
Actuarial Cost Method	Individual Entry Age Normal
Asset Valuation Method	Fair Value
Single Discount Rate	7.25%
Long-term expected Investment Rate	7.25%
Inflation	2.30%
Salary Increases including inflation	3.05% to 9.05% including inflation
Benefit Changes during the year	None
Ad hoc post-employment benefit changes	None
Municipal Bond Rate	1.95%
Ending year in Projection Period	2120

The actuarial assumptions used in this determination of the total pension liability are the same assumptions used in the actuarial valuation as of August 31, 2020. A full description of the assumptions are included with the report dated November 9, 2017.

GREENVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

F. Defined Benefits Pension Plan (Continued)

6. *Discount Rate*

A single discount rate of 7.25% was used to measure the total pension liability. The single discount rate was based on the expected rate of return on plan investments of 7.25%. The projection of cash flows used to determine this single discount rate assumed that contributions from active members, employers and the non-employer contributing entity will be made at the rates set by the legislature during the 2020 session. It is assumed that future employer and state contributions will be 8.50% of payroll in fiscal year 2022 gradually increasing to 9.55% of payroll over the next several years. This includes all employer and state contributions for active and rehired retirees.

Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all years of projected benefit payments to determine the total pension liability.

The long-term rate of return on pension plan investments is 7.25%. The long-term expected rate of return on pension plan investments was determined using a building block method in which best estimates 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. Best estimates of geometric real rates of return for each major asset class included in the Systems target asset allocation as August 31, 2021 are summarized below:

Asset Class*	Target Allocation %**	Long -Term Expected Geometric Real Rate of Return***	Expected Contribution to Long Term Portfolio Returns
Global Equity			
USA	18.0%	3.6%	0.94%
Non-US Developed	13.0%	4.4%	0.83%
Emerging Markets	9.0%	4.6%	0.74%
Private Equity	14.0%	6.3%	1.36%
Stable Value			
Government Bonds	16.0%	-0.2%	0.01%
Absolute Return	0.0%	1.1%	0.0%
Stable Value Hedge Funds	5.0%	2.2%	0.12%
Real Return			
Real Estate	15.0%	4.5%	1.00%
Energy, Natural Resources & Infrastructure	6.0%	4.7%	0.35%
Commodities	0.0%	1.7%	0.0%
Risk Parity	8.0%	2.8%	0.28%
Asset Allocation Leverage			
Cash	2.0%	-0.7%	-0.01%
Asset Allocation Leverage	-6.0%	-0.5%	0.03%
Inflation Expectation			2.20%
Volatility Drag****			-0.95%
Expected Return	<u>100%</u>		<u>6.90%</u>

* Absolute Return includes Credit Sensitive Investments.

** Target allocations are based on the FY2021 policy model.

*** Capital Market Assumptions come from Aon Hewitt (as of 8/31/2021)

**** The volatility drag results from the conversion between arithmetic and geometric mean returns.

GREENVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

F. Defined Benefits Pension Plan (Continued)

7. *Discount Rate Sensitivity Analysis*

The following presents the District's share of the net pension liability of the plan using the discount rate of 7.25% as well as what the District's 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:

	1% Decrease	Discount Rate	1% Increase
District's proportionate share of the net pension liability	\$ 15,199,554	\$ 6,955,812	\$ 267,636

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

At June 30, 2022, the District reported a liability of \$ 6,955,812 for its proportionate share of the TRS's net pension liability. This liability reflects a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the collective net pension liability	\$ 6,955,812
State's proportionate share that is associated with the District	11,170,232
 Total	 \$ 18,126,044

The net pension liability was measured as of August 31, 2020 and rolled to August 31, 2021 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The employer's proportion of the net pension liability was based on the employer's contribution to the pension plan relative to the contributions of all employers to the plan for the year September 1, 2020 thru August 31, 2021.

At August 31, 2021, the employer's proportion of the collective net pension liability was 0.0273136190%, which was an increase of 0.0005715275% from its proportion measured as of August 31, 2020.

Changes Since the Prior Actuarial Valuation

There were no changes of benefit terms that affected measurement of the total pension liability during the measurement year.

For the current year, the District recognized pension expense of \$ 342,168 and revenue of \$ 44,657 for support provided by the State.

At year end, the District reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual actuarial experiences	\$ 11,640	\$ 489,695
Changes of actuarial assumptions	2,458,744	1,071,801
Differences between projected and actual investment earnings	-	5,832,358
Changes in proportion and differences between the employer's contributions and the proportionate share of contributions	378,121	593,623
Total as of August 31, 2021 measurement date	\$ 2,848,505	\$ 7,987,477
Contributions paid to TRS subsequent to the measurement date	1,357,200	-
Total at fiscal year end	\$ 4,205,705	\$ 7,987,477

GREENVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

F. Defined Benefits Pension Plan (Continued)

The net amounts of the employer's balances of deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2023	\$ (895,751)
2024	(976,034)
2025	(1,441,347)
2026	(1,792,944)
2027	(32,576)
Thereafter	(321)

G. Other Post-Employment Benefit Plans

1. *Plan Description*

The District participates in the Texas Public School Retired Employees Group Insurance Program (TRS Care). It is a multiple-employer, cost-sharing defined Other Post-Employment Benefit (OPEB) plan that has a special funding situation. The TRS-Care program was established in 1986 by the Texas Legislature. The plan is administered through a trust by the Teacher Retirement System of Texas (TRS) Board of Trustees. It is established and administered in accordance with the Texas Insurance Code, Chapter 1575.052

2. *OPEB Plan Fiduciary Net Position*

Detailed Information about the TRS-Care's fiduciary net position is available in the separately issued TRS Annual Comprehensive Financial Report that includes financial statements and required supplementary information. That report may be obtained on the internet at <http://www.trs.state.tx.us/about/documents/cafr/pdf#CAFR>; by writing to TRS at 1000 Red River Street, Austin, TX 78701-2698; or by calling (512) 542-6592.

The components of the Net OPEB Liability of the TRS-Care plan as of August 31, 2021 and 2020 are as follows:

Net OPEB Liability	2021	2020
Total OPEB Liability	\$ 41,113,711,083	\$ 40,010,833,815
Less: Plan Fiduciary Net Position	(2,539,242,470)	(1,996,317,932)
Net OPEB Liability	\$ 38,574,468,613	\$ 38,014,515,883
Net Position as percentage of Total OPEB Liability	6.18%	4.99%

3. *Benefits Provided*

TRS-Care provides a basic health insurance coverage (TRS-Care 1), at no cost to all retirees from public schools, charter schools, regional education service centers and other educational districts who are members of the TRS pension plan. Optional dependent coverage is available for an additional fee.

Eligible non-Medicare retirees and their dependents may enroll in TRS-Care Standard, a high deductible health plan. Eligible Medicare retirees and their dependents may enroll in the TRS-Care Medicare Advantage medical plan and the TRS-Care Medicare Rx prescription drug plan. To qualify for TRS-Care coverage, a retiree must have at least 10 years of service credit in the TRS pension system. The TRS Board of Trustees is granted the authority to establish basic and optional group insurance coverage for participants as well as to amend benefit terms as needed under Chapter 1575.052. There are no automatic post-employment benefit changes; including automatic COLAs.

The premium rates for retirees are presented in the table below:

TRS-Care Monthly Premium Rates		
	Employer	Employee
Retiree or Surviving Spouse	\$ 135	\$ 200
Retiree and Spouse	529	689
Retiree or Surviving Spouse and Children	468	408
Retiree and Family	1,020	999

GREENVILLE INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2022

G. Other Post-Employment Benefit Plans (Continued)

4. *Contributions*

Contribution rates for the TRS-Care plan are established in state statute by the Texas Legislature, and there is no continuing obligation to provide benefits beyond each fiscal year. The TRS-Care plan is currently funded on a pay-as-you-go basis and is subject to change based on available funding. Funding for TRS-Care is provided by retiree premium contributions and contributions from the state, active employees, and school districts based upon public school district payroll. The TRS Board of Trustees does not have the authority to set or amend contribution rates.

Texas Insurance Code, Section 1575.202 establishes the state's contribution rate which is 1.25% of the employee's salary. Section 1575.203 establishes the active employee's rate which is 0.75% of pay. Section 1575.204 establishes an employer contribution rate of not less than 0.25% or not more than 0.75% of the salary of each active employee of the public. The actual employer contribution rate is prescribed by the Legislature in the General Appropriations Act. The following table shows contributions to the TRS-Care plan by type of contributor.

Contribution Rates		
	2021	2022
Active Employee	0.65%	0.65%
Non-Employer Contributing Entity (State)	1.25%	1.25%
Employers	0.75%	0.75%
Federal/Private Funding remitted by Employers	1.25%	1.25%
Current Year Employer Contributions		\$ 396,405
Current Year Member Contributions		\$ 247,642
Measurement Year NECE On-Behalf Contributions		\$ 409,258

In addition to the employer contributions listed above, there is an additional surcharge all TRS employers are subject to (regardless of whether or not they participate in the TRS Care OPEB program). When employers hire a TRS retiree, they are required to pay to TRS Care, a monthly surcharge of \$ 535 per retiree.

A supplemental appropriation was authorized by Senate Bill 1264 of the 86th Texas Legislature to provide \$ 2,208,137 for fiscal year 2021 and \$ 3,312,206 for fiscal year 2022, for consumer protections against medical and health care billing by certain out-of-network providers. Funding will be in fiscal year 2022.

5. *Actuarial Assumptions*

The total OPEB liability in the August 31, 2020 actuarial valuation was rolled forward to August 31, 2021. The actuarial valuation was determined using the following actuarial assumptions:

The following assumptions and other inputs used for members of TRS-Care are identical to the assumptions used in the August 31, 2020 TRS pension actuarial valuation:

Rates of Mortality	General Inflation
Rates of Retirement	Wage Inflation
Rates of Termination	Salary Increases
Rates of Disability	

The actuarial valuation of TRS-Care is similar to the actuarial valuation performed for the pension plan, except that the OPEB valuation is more complex. All of the demographic assumptions, rates of retirement, termination, and disability including general inflation and salary increases are identical to those used in the respective TRS Pension valuation. These assumptions were developed in the experience study performed for TRS for the measurement year ended August 31, 2017.

GREENVILLE INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2022

G. Other Post-Employment Benefit Plans (Continued)

The active mortality rates were based on 90 percent of the RP-2014 Employee Mortality Tables for males and females with full generational mortality using scale BB. The past retirement mortality rates for healthy lives were based on the 2018 TRS of Texas Healthy Pensioner Mortality Tables, with full generational projection using the ultimate improvement rates from the most recently published scale (U-MP).

Additional Actuarial Methods and Assumptions:

Valuation Date	August 31, 2020 rolled forward to August 31, 2021
Actuarial Cost Method	Individual Entry Age Normal
Inflation	2.30%
Discount Rate	1.95% as of August 31, 2021
Aging Factors	Based on plan specific experience
Expenses	Third-party administrative expenses related to the delivery of health care benefits are included in the age-adjusted claims costs.
Salary Increases	3.05% to 9.05%, including inflation
Election Rates	Normal Retirement: 65% participation prior to age 65 and 40% participation after age 65. 25% of pre-65 retirees are assumed to discontinue coverage at age 65.
Ad hoc post-employment benefit changes	None

Health Care Trend Rates

The initial medical trend rates were 8.5% for Medicare retirees and 7.10% for Non-Medicare retirees. There was an initial prescription drug trend rate of 8.50% for all retirees. The initial trend rates decrease to an ultimate trend rate of 4.25% over a period of 12 years.

6. *Discount Rate*

A single discount rate of 1.95% was used to measure the total OPEB liability. There was a decrease of 0.38% in the discount rate since the previous year. Because the plan is essentially a “pay-as-you-go” plan, the single discount rate is equal to the prevailing municipal bond rate.

7. *Assumption Changes Since the Prior Actuarial Valuation*

The following were changes to the actuarial assumptions or other inputs that affected measurement of the total OPEB liability since the prior measurement period:

- Discount rate decreased from 2.33% to 1.95% increasing the total OPEB liability.

8. *Discount Rate Sensitivity Analysis*

The following schedule shows the impact of the net OPEB liability if the discount rate used was 1% greater than the discount rate that was used (1.95%) in measuring the net OPEB liability.

	1% Decrease	Discount Rate	1% Increase
District's proportionate share of the net OPEB liability	\$ 18,193,541	\$ 15,082,973	\$ 12,634,855

9. *Healthcare Cost Trend Rates Sensitivity Analysis*

The following presents the net OPEB liability of the plan using the assumed healthcare cost trend rate, as well as what the net OPEB liability would be if it were calculated using a trend rate that is one-percentage point lower or one-percentage point higher than the assumed healthcare cost trend rate.

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
District's proportionate share of the net OPEB liability	\$ 12,216,708	\$ 15,082,973	\$ 18,928,788

GREENVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

G. Other Post-Employment Benefit Plans (Continued)

10. *OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs*

At June 30, 2022, the District reported a liability of \$ 15,082,973 for its proportionate share of the TRS's net OPEB liability. This liability reflects a reduction for State OPEB support provided to the District. The amount recognized by the District as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the District were as follows:

District's proportionate share of the collective net OPEB liability	\$ 15,082,973
State's proportionate share that is associated with the District	20,207,822
Total	\$ 35,290,795

The net OPEB liability was measured as of August 31, 2020 and rolled forward to August 31, 2021 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The District's proportion of the net OPEB liability was based on the District's contributions to the OPEB plan relative to the contributions of all employers to the plan for the year September 1, 2020 thru August 31, 2021.

At August 31, 2021, the District's proportion of the collective net OPEB liability was 0.0391009214%, which was a decrease of 0.0008504057% from its proportion measured as of August 31, 2020.

The District recognized OPEB expense of \$ (1,645,810) and revenue of \$ (745,823) for support provided by the State during the current year.

The District reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to other post-employment benefits from the following sources at year end:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual actuarial experiences	\$ 649,393	\$ 7,301,214
Changes in actuarial assumptions	1,670,616	3,189,770
Differences between projected and actual investment earnings	16,375	-
Changes in proportion and differences between the employer's contributions and the proportionate share of contributions	149,195	2,312,404
Total as of August 31, 2021 measurement date	\$ 2,485,579	\$ 12,803,388
Contributions paid to TRS subsequent to the measurement date	339,415	-
Total at fiscal year end	\$ 2,824,994	\$ 12,803,388

The net amounts of the employer's balances of deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expenses as follows:

Year Ending June 30	Amount
2023	\$ (1,928,343)
2024	(1,928,712)
2025	(1,928,611)
2026	(1,531,589)
2027	(994,088)
Thereafter	(2,006,464)

H. Medicare Part D Coverage

The Medicare Prescription Drug, Improvement and Modernization Act of 2003 established prescription drug coverage for Medicare beneficiaries known as Medicare Part D. Under Medicare Part D, TRS-Care receives retiree drug subsidy payments from the federal government to offset certain prescription drug expenditures for eligible TRS-Care participants. For the years ended June 30, 2022, 2021 and 2020, the subsidy payments received by TRS-Care on behalf of the District were \$ 120,631, \$ 151,098 and \$ 149,400 respectively. These payments are recorded as equal revenues and expenditures in the governmental funds financial statement of the District.

GREENVILLE INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2022

I. Risk Management

Health Care

During the year, employees of the District were covered by a health insurance plan (the Plan). The District paid premiums of \$ 325 per month per employee and employees, at their option, authorized payroll withholdings to provide dependents coverage under the Plan. All premiums were paid to a licensed insurer. The Plan was authorized by Article 3.51-2, Texas Insurance Code and was documented by contractual agreement.

The contract between the District and Blue Cross Blue Shield of Texas is renewable September 1 of each year and terms of coverage and premium costs are included in the contractual provisions.

Latest financial statements for Blue Cross Blue Shield of Texas are available for the year ended December 31, 2021 and have been filed with the Texas State Board of Insurance, Austin, Texas, and are public records

Workers Compensation

The District previously participated in the TASB Risk Management Fund (Fund) for its partially self-funded workers compensation coverage. The District changed providers and will continue to make claim payments on claims occurring prior to the District's exit from the plan.

The District participates in the East Texas Educational Insurance Association Workers Compensation Self Insurance Joint Fund. The District is partially self-funded to a loss fund maximum of \$ 198,750 for the 21-22 fiscal year. Additionally, the District incurred fixed costs of \$ 71,221 for their share of claims administration, loss control, record keeping and cost of excess insurance.

Claims administration is provided by Claims Administrative Services, Inc. Reinsurance is provided by for aggregate claim losses exceeding \$ 225,000. The fixed cost charge is based on total payroll paid by the District. Increases or decreases in the fixed cost will adjust subsequent year charges.

The accrued liability for worker's compensation self-insurance of \$ 562,365 includes \$ 198,650 incurred but not reported claims. This liability is based on the requirements of GASB Statement No. 10, "Accounting and Financial Reporting for Risk Financing and Related Insurance issues," which require that a liability for claims be reported in information indicates that it is probable that a liability has been incurred and the amount of loss can be reasonably estimated. The liability recorded is an undiscounted actuarial calculation.

Changes in the worker's compensation claims liability amounts in the period of 2022 are represented below:

	2022
Beginning Claims Liability	\$ 427,429
Claims Incurred (Reduced)	352,773
Claims Paid	(217,837)
Ending Claims Liability	\$ 562,365

Unemployment Compensation Pool

During the current year, the District provided unemployment compensation coverage to its employees through participation in the TASB Risk Management Fund (the Fund). The Fund was created and is operated under the provisions of the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code. The Fund's Unemployment Compensation Program is authorized by Section 22.005 of the Texas Education Code and Chapter 172 of the Texas Local Government Code. All members participating in the Fund execute interlocal agreements that define the responsibilities of the parties.

The Fund meets its quarterly obligation to the Texas Workforce Commission. Expenses are accrued each month until the quarterly payment has been made. Expenses can be reasonably estimated; therefore, there is no need for specific or aggregate stop loss coverage for Unemployment Compensation pool.

The Fund engages the services of an independent auditor to conduct a financial audit after the close of each plan year on August 31. The audit is accepted by the Fund's Board of Trustees in February of the following year. The Fund's audited financial statements as of August 31, 2021 are available at the TASB offices and have been filed with the Texas Department of Insurance in Austin.

GREENVILLE INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2022

I. Risk Management (Continued)

Other Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the fiscal year, the District purchased commercial insurance to cover these liabilities. There were not significant reductions in coverage in the past fiscal year, and there were no settlements exceeding insurance coverage for each of the past three fiscal years.

J. Litigation

The District appears to have no pending litigation as of June 30, 2022.

K. Commitments and Contingencies

The District participates in numerous state and federal grant programs which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, if any, refunds of any money received may be required and the collectability of any related receivable at year end, may be impaired. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying combined financial statements for such contingencies.

The effects of the coronavirus-19 (COVID-19) pandemic continues to affect the District's operations including funding for student attendance and operating programs and cost. Continued funding allowances including additional federal funding will cease in future periods. The operational costs associated with these additional revenues will be evaluated along with the need for these services. The cost of the additional federal funded programs may exceed the available resources and require the District to either eliminate or curtail their existence.

The District approved a section 313 agreement to provide a tax abatement to a potential business locating in the District. The agreement has been extended beyond its original expiration date, but no development has occurred. When fully complete, the District will grant an abatement to the entity. No potential financial impact can be determined at this date.

L. Shared Service Arrangements

The District participates in cooperative programs with other local districts. The District does not account for revenue or expenditures of these programs and does not disclose them in these financial statements.

<u>Shared Service Agreement</u>	<u>Fiscal Agent</u>	<u>Service</u>
Regional Day School for the Deaf	Greenville Independent School District	Deaf Education
Block Grant SSA	Education Service Center, Region X	ESSA Title II ESSA Title VI ESSA Title III ESSA Title I, Part C

M. Revenue from Local and Intermediate Sources

During the year, the District received revenue from local and intermediate sources in the Districts individual major funds and aggregate non-major funds consisting of the following:

	General	Debt Service	Capital Projects	Other Governmental	Total
Property Tax Collections	\$ 26,297,818	\$ 7,059,949	\$ -	\$ -	\$ 33,357,767
Investment Income	59,171	11,822	8,928	-	79,921
Food Service Income	-	-	-	156,118	156,118
Services to Other Districts	-	-	-	198,876	198,876
Co-curricular Activities	100,321	-	-	221,523	321,844
Rent	21,676	-	-	-	21,676
Donations	500	-	-	67,020	67,520
Tuition	11,600	-	-	-	11,600
Other	400,357	-	-	102,488	502,845
Totals	<u>\$ 26,891,443</u>	<u>\$ 7,071,771</u>	<u>\$ 8,928</u>	<u>\$ 746,025</u>	<u>\$ 34,718,167</u>

GREENVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

N. Receivables

Receivables at year end, for the District's individual major funds and aggregate nonmajor funds, including any applicable allowances for uncollectible accounts are as follows:

	General	Debt Service	Capital Projects	Other Governmental	Total
Due from Other Governments	\$ 4,266,126	\$ -	\$ -	\$ 6,473,278	\$ 10,739,404
Property Taxes	1,903,093	443,252	-	-	2,346,345
Less Allowance for Uncollectible					
Property Taxes	(190,309)	(44,325)	-	-	(234,634)
Other Receivables	45,737	11,652	-	-	57,389
Net Receivables	<u>\$ 6,024,647</u>	<u>\$ 410,579</u>	<u>\$ -</u>	<u>\$ 6,473,278</u>	<u>\$ 12,908,504</u>

O. Subsequent Events

Management has evaluated all events or transactions that occurred after June 30, 2022 up through November 2, 2022 the date the financial statements were issued.

P. State Aid Reconciliation

The State provides various types of funding for local school districts as provided for in state statute. The following reconciliation presents funding earned by the District in each category presented. Because of the State's delay in reconciling the funding to local districts, the summary below represents an estimate of earnings. The settle up with the State will occur some 9 to 10 months following the fiscal year end.

Funding is earned for: 1) Available – annual allocation based on prior year enrollment; 2) Foundation – annual allocation based on student attendance, property tax collections and valuations, and special student population; 3) Instructional Facilities Allotment – based on property wealth; and 4) Existing Debt Allotment – based on eligible debt, student attendance and property wealth. Various other sources are received but not reconciled here as these are the major sources of funding.

	Available	Foundation	IFA	EDA
CY Summary of Finances (SOF)	\$ 2,467,772	\$ 19,261,701	Not	\$ 96,801
Prior Year Settle Ups	-	427,232	Eligible	10,930
Financial Statement Earnings	<u>\$ 2,467,772</u>	<u>\$ 19,688,933</u>	<u>\$ -</u>	<u>\$ 107,731</u>
Financial Statement Amounts				
Receivables - Scheduled Payments	\$ 542,059	\$ 5,247,391	\$ -	\$ -
Settle Up Amounts				
Receivable (Overpayments)	-	(1,602,473)	-	(8,435)
Net Receivable (Unearned Revenue)	<u>\$ 542,059</u>	<u>\$ 3,644,918</u>	<u>\$ -</u>	<u>\$ (8,435)</u>

* Overpayments are represented in the financial statements as Unearned Revenue (government-wide and governmental).

Q. Interfund Balances and Activities

Transfers Between Funds

Transfers between funds during the year consisted of the following:

Transfers From	Transfers To	Amount	Reason
General Fund	Capital Projects Fund	<u>\$ 3,350,000</u>	Future Construction/ Maintenance
	Total	<u>\$ 3,350,000</u>	

GREENVILLE INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2022

R. Change in Accounting Principle

The Governmental Accounting Standards Board (GASB) issued Statement 87, *Leases* in June 2017 with an effective date of fiscal year beginning after June 15, 2021 (as postponed). This required the District to implement the provisions of the Statement during the year. The Statement replaced operating leases with recognition of “right of use” assets and liabilities. As such there are new financial statement captions on the government wide financial statements. For the fund financial statements, the net present value of the lease payments is recognized as an expenditure in the initial year of the agreement with subsequent payments represented as debt retirement payments. The Statement requires retroactive restatement of assets and liabilities with the difference modifying the beginning net position.

S. Prior Period Adjustments

During the year, the District implementation of GASB 87, *Leases*, required the reclassification and establishment of new asset and liability accounts. The change requires an adjustment to the beginning net position. The implementation effects only the government-wide financial statements. Beginning net position has increased by \$ 598.

T. Compliance, Stewardship, and Accountability

Expenditures over Appropriations

The following individual funds incurred expenditures more than appropriations at functional expenditure levels.

	Budget	Actual	Excess
General Fund			
Security and Monitoring Services	\$ 603,052	\$ 630,529	\$ 27,477
Data Processing Services	2,226,383	2,858,458	632,075

REQUIRED SUPPLEMENTARY INFORMATION

GREENVILLE INDEPENDENT SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2022

Data Control Codes	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
5700	\$ 26,463,061	\$ 26,563,061	\$ 26,891,443	\$ 328,382
5800	22,783,327	22,831,833	24,405,380	1,573,547
5900	-	1,200,000	1,122,292	(77,708)
5020 Total Revenues	\$ 49,246,388	\$ 50,594,894	\$ 52,419,115	\$ 1,824,221
EXPENDITURES				
Instruction and Instructional Related Services:				
0011	\$ 30,987,064	\$ 26,165,777	\$ 24,377,050	\$ 1,788,727
0012	58,505	141,013	45,545	95,468
0013	1,046,260	1,183,760	954,120	229,640
Total Instruction and Instr. Related Services	<u>\$ 32,091,829</u>	<u>\$ 27,490,550</u>	<u>\$ 25,376,715</u>	<u>\$ 2,113,835</u>
Instructional and School Leadership:				
0021	\$ 784,897	\$ 784,051	\$ 693,803	\$ 90,248
0023	3,468,771	3,433,288	3,381,093	52,195
Total Instructional and School Leadership	<u>\$ 4,253,668</u>	<u>\$ 4,217,339</u>	<u>\$ 4,074,896</u>	<u>\$ 142,443</u>
Support Services - Student (Pupil):				
0031	\$ 1,548,349	\$ 1,647,843	\$ 1,500,573	\$ 147,270
0032	78,359	93,136	69,648	23,488
0033	479,042	522,768	461,533	61,235
0034	1,635,125	2,386,297	2,299,707	86,590
0035	-	1,200	-	1,200
0036	1,840,264	2,047,699	1,918,098	129,601
Total Support Services - Student (Pupil)	<u>\$ 5,581,139</u>	<u>\$ 6,698,943</u>	<u>\$ 6,249,559</u>	<u>\$ 449,384</u>
Administrative Support Services:				
0041	\$ 2,586,469	\$ 2,393,450	\$ 2,297,297	\$ 96,153
Total Administrative Support Services	<u>\$ 2,586,469</u>	<u>\$ 2,393,450</u>	<u>\$ 2,297,297</u>	<u>\$ 96,153</u>
Support Services - Nonstudent Based:				
0051	\$ 5,499,908	\$ 6,530,326	\$ 6,326,501	\$ 203,825
0052	578,330	603,052	630,529	(27,477)
0053	2,285,685	2,226,383	2,858,458	(632,075)
Total Support Services - Nonstudent Based	<u>\$ 8,363,923</u>	<u>\$ 9,359,761</u>	<u>\$ 9,815,488</u>	<u>\$ (455,727)</u>
Ancillary Services:				
0061	\$ 10,000	\$ 10,000	\$ 3,268	\$ 6,732
Total Ancillary Services	<u>\$ 10,000</u>	<u>\$ 10,000</u>	<u>\$ 3,268</u>	<u>\$ 6,732</u>
Debt Service:				
0071	\$ 340,401	\$ 340,401	\$ 283,591	\$ 56,810
0072	53,099	53,099	67,381	(14,282)
0073	1,500	1,500	806	694
Total Debt Service	<u>\$ 395,000</u>	<u>\$ 395,000</u>	<u>\$ 351,778</u>	<u>\$ 43,222</u>
Intergovernmental Charges:				
0093	\$ 150,000	\$ 150,000	\$ 87,178	\$ 62,822
0099	605,000	665,000	663,217	1,783
Total Intergovernmental Charges	<u>\$ 755,000</u>	<u>\$ 815,000</u>	<u>\$ 750,395</u>	<u>\$ 64,605</u>
6030 Total Expenditures	\$ 54,037,028	\$ 51,380,043	\$ 48,919,396	\$ 2,460,647
1100	\$ (4,790,640)	\$ (785,149)	\$ 3,499,719	\$ 4,284,868
OTHER FINANCING SOURCES (USES)				
7913	\$ -	\$ -	\$ 644,050	\$ 644,050
8911	-	-	(3,350,000)	(3,350,000)
Net Other Financial Sources (Uses)	\$ -	\$ -	\$ (2,705,950)	\$ (2,705,950)
1200	\$ (4,790,640)	\$ (785,149)	\$ 793,769	\$ 1,578,918
0100	23,748,476	23,748,476	23,748,476	-
3000 Fund Balance - Ending (June 30)	\$ 18,957,836	\$ 22,963,327	\$ 24,542,245	\$ 1,578,918

GREENVILLE INDEPENDENT SCHOOL DISTRICT
 SCHEDULES OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 TEACHER RETIREMENT SYSTEM OF TEXAS
 YEAR ENDED JUNE 30, 2022

	<u>2021*</u>	<u>2020*</u>	<u>2019*</u>	<u>2018*</u>	<u>2017*</u>	<u>2016*</u>	<u>2015*</u>	<u>2014*</u>
District's proportion of the net pension liability	0.0273136190%	0.0267420915%	0.0281124891%	0.0276034382%	0.0289254973%	0.0289072966%	0.0289191000%	0.0188226000%
District's proportionate share of the net pension liability	\$ 6,955,812	\$ 14,322,519	\$ 14,613,751	\$ 15,193,602	\$ 9,248,816	\$ 10,923,638	\$ 10,222,517	\$ 5,027,777
State's proportionate share of the net pension liability associated with the District	<u>11,170,232</u>	<u>25,093,476</u>	<u>22,607,271</u>	<u>29,110,475</u>	<u>16,695,163</u>	<u>18,501,144</u>	<u>17,084,658</u>	<u>14,915,939</u>
Total	<u>\$ 18,126,044</u>	<u>\$ 39,415,995</u>	<u>\$ 37,221,022</u>	<u>\$ 44,304,077</u>	<u>\$ 25,943,979</u>	<u>\$ 29,424,782</u>	<u>\$ 27,307,175</u>	<u>\$ 19,943,716</u>
District's covered-employee payroll (for Measurement Year)	\$ 34,045,210	\$ 34,265,161	\$ 31,227,761	\$ 33,394,485	\$ 32,430,857	\$ 29,982,493	\$ 27,792,451	\$ 27,286,099
District's proportionate share of the net pension liability as a percentage of it's covered-employee payroll	20.43%	41.80%	46.80%	45.50%	28.52%	36.43%	36.78%	18.43%
Plan fiduciary net position as a percentage of the total pension liability	88.79%	75.54%	75.24%	73.74%	82.17%	78.00%	78.43%	83.25%

Note: Only eight years of data is presented in accordance with GASB 68, paragraph 138. "The information for all periods for the 10-year schedules that are required to be presented as required supplementary information may not be available initially. In these cases, during the transition period, that information should be presented for as many years as are available. The schedules should not include information that is not measured in accordance with the requirements of this Statement."

* The years above present data for the measurement period ending date. The measurement period represents the period for which the pensions plan prepares its reports which provides a 10 month delay for financial reporting in accordance with GASB 68.

GREENVILLE INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF DISTRICT CONTRIBUTIONS
 TEACHER RETIREMENT SYSTEM OF TEXAS
 YEAR ENDED JUNE 30, 2022

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contributions	\$ 1,563,416	\$ 1,019,695	\$ 1,096,974	\$ 968,175	\$ 929,825	\$ 947,927	\$ 918,458	\$ 856,308
Contributions in relations to the contractual required contributions	<u>(1,563,416)</u>	<u>(1,019,695)</u>	<u>(1,096,974)</u>	<u>(968,175)</u>	<u>(929,825)</u>	<u>(947,927)</u>	<u>(918,458)</u>	<u>(856,308)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered employee payroll	\$ 38,098,418	\$ 33,527,586	\$ 33,930,886	\$ 31,297,945	\$ 33,394,485	\$ 32,430,857	\$ 29,982,493	\$ 27,792,451
Contributions as a percentage of covered employee payroll	4.10%	3.04%	3.23%	3.09%	2.78%	2.92%	3.06%	3.08%

Note: Only eight years of data is presented in accordance with GASB 68, paragraph 138. "The information for all periods for the 10-year schedules that are required to be presented as required supplementary information may not be available initially. In these cases, during the transition period, that information should be presented for as many years as are available. The schedules should not include information that is not measured in accordance with the requirements of this Statement."

GREENVILLE INDEPENDENT SCHOOL DISTRICT
 SCHEDULES OF THE DISTRICTS PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
 TEACHER RETIREMENT SYSTEM OF TEXAS
 YEAR ENDED JUNE 30, 2022

	<u>2021*</u>	<u>2020*</u>	<u>2019*</u>	<u>2018*</u>	<u>2017*</u>
District's proportion of the Net OPEB Liability (Asset)	0.0391009214%	0.0399513271%	0.0398074917%	0.0442493111%	0.0440185629%
District's proportionate share of the Net OPEB Liability (Asset)	\$ 15,082,973	\$ 15,187,304	\$ 18,825,450	\$ 22,094,086	\$ 19,142,002
State's proportionate share of the Net OPEB Liability (Asset) associated with the District	<u>20,207,822</u>	<u>20,408,095</u>	<u>25,014,813</u>	<u>27,040,711</u>	<u>23,938,842</u>
Total	<u>\$ 35,290,795</u>	<u>\$ 35,595,399</u>	<u>\$ 43,840,263</u>	<u>\$ 49,134,797</u>	<u>\$ 43,080,844</u>
District's covered-employee payroll (for Measurement Year)	\$ 34,045,210	\$ 34,265,161	\$ 31,227,761	\$ 33,394,485	\$ 32,430,857
District's proportionate share of the Net OPEB Liability as a percentage of it's covered-employee payroll	44.30%	44.32%	60.28%	66.16%	59.02%
Plan fiduciary net position as a percentage of the Total OPEB Liability	6.18%	4.99%	2.66%	1.57%	0.91%

Note: Only five years of data is presented in accordance with GASB 75 paragraph 245. "The information for all periods for the 10-year schedules that are required to be presented as required supplementary information may not be available initially. In these cases, during the transition period, that information should be presented for as many years as are available. The schedules should not include information that is not measured in accordance with the requirements of this Statement."

* The years above present data for the measurement period ending date. The measurement period represents the period for which the pension plan prepares its reports which provides a 10 month delay for financial reporting in accordance with GASB 75.

GREENVILLE INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF DISTRICT'S OPEB CONTRIBUTIONS
 TEACHER RETIREMENT SYSTEM OF TEXAS
 YEAR ENDED JUNE 30, 2022

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually required contributions	\$ 396,405	\$ 297,037	\$ 301,144	\$ 282,674	\$ 305,223
Contributions in relations to the contractual required contributions	<u>(396,405)</u>	<u>(297,037)</u>	<u>(301,144)</u>	<u>(282,674)</u>	<u>(305,223)</u>
Contribution deficiency (excess)	<u>\$ -</u>				
District's covered employee payroll	\$ 38,098,418	\$ 33,527,586	\$ 33,930,886	\$ 31,297,945	\$ 33,394,485
Contributions as a percentage of covered employee payroll	1.04%	0.89%	0.89%	0.90%	0.91%

Note: Only five years of data is presented in accordance with GASB 75, paragraph 245. "The information for all periods for the 10-year schedules that are required to be presented as required supplementary information may not be available initially. In these cases, during the transition period, that information should be presented for as many years as are available. The schedules should not include information that is not measured in accordance with the requirements of this Statement."

GREENVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2022

A. Budget

The official budget was prepared for adoption for all Government Fund Types. The budget was prepared in accordance with accounting practices generally accepted in the United States of America. The following procedures are followed in establishing the budgetary data reflected in the basic financial statements:

1. Prior to June 20 of the preceding fiscal year, the District prepares a budget for the next succeeding fiscal year beginning July 1. The operating budget includes proposed expenditures and the means of financing them.
2. A meeting of the Board is then called for the purpose of adopting the proposed budget after ten days' public notice of the meeting has been given.
3. Prior to July 1, the budget is legally enacted through passage of a resolution by the Board.

Once a budget is approved, it can be amended at function and fund level only by approval of a majority of the members of the Board. Amendments are presented to the Board at its regular meetings.

Each amendment must have Board approval. Such amendments are made before the fact, are reflected in the official minutes of the Board and are not made after fiscal year end as required by law.

Each amendment is controlled by the budget coordinator at the revenue and expenditure function/object level. Budgeted amounts are as amended by the Board. All budget appropriations lapse at year end.

Encumbrances for goods or purchased services are documented by purchase orders or contracts. Under Texas law, appropriations lapse on June 30, and encumbrances outstanding at the time are to be either cancelled or appropriately provided for in the subsequent year's budget. There were no end-of-year outstanding encumbrances that were provided for in the subsequent year's budget.

B. Defined Benefit Pension Plan

1. Changes of Assumptions Since the Prior Measurement Date

There were no changes of assumptions since the prior measurement period.

2. Changes of Benefit Terms Since the Prior Measurement Date

There were no changes of benefit terms that affected measurement of the total pension liability during the measurement period.

C. OPEB Healthcare Plan

1. Changes of Assumptions Since the Prior Measurement Date

The following changes occurred in the plan assumptions.

- a. The discount rate changed from 2.33% to 1.95%

2. Changes of Benefit Terms Since the Prior Measurement Date

There were no changes of benefit terms that affected measurement of the total OPEB liability during the measurement period.

OTHER SUPPLEMENTARY INFORMATION

GREENVILLE INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF DELINQUENT TAXES RECEIVABLE
 YEAR ENDED JUNE 30, 2022

Tax Roll Year	Last Ten Years Ended June 30	1 Tax Rates Maintenance	2 Debt Service	3 Assessed/Appraised Value For School Tax Purposes	10 Beginning Balance 7/1/2021	20 Current Year's Total Levy	30 Maintenance Tax Collections	30a Debt Service Tax Collections	40 Entire Year's Adjustments	50 Ending Balance 6/30/2022
XXXX	2013 and Prior Years	Various	Various	Various	462,371	-	41,857	5,378	28,124	443,260
2013	2014	1.040000	0.140400	1,586,154,352	59,049	-	6,807	919	385	51,708
2014	2015	1.040000	0.315000	1,738,375,390	67,957	-	8,836	2,676	361	56,806
2015	2016	1.040000	0.308210	1,775,582,092	68,793	-	7,855	2,328	502	59,112
2016	2017	1.040000	0.269170	1,920,664,770	89,192	-	14,765	3,822	1,236	71,841
2017	2018	1.040000	0.268481	2,060,938,820	121,413	-	18,072	4,665	(2,002)	96,674
2018	2019	1.060000	0.238481	2,236,797,443	177,016	-	46,817	10,533	(1,338)	118,328
2019	2020	0.990000	0.238481	2,439,685,499	317,956	-	93,473	22,517	(10,317)	191,649
2020	2021	0.903200	0.238481	2,760,450,001	871,224	-	316,109	83,466	(172,257)	299,392
2021	2022	0.882000	0.238481	2,979,931,565	-	33,389,567	25,342,278	6,852,210	(237,504)	957,575
1000 TOTALS					\$ 2,234,971	\$ 33,389,567	\$ 25,896,869	\$ 6,988,514	\$ (392,810)	\$ 2,346,345

GREENVILLE INDEPENDENT SCHOOL DISTRICT
SCHOOL BREAKFAST AND NATIONAL SCHOOL LUNCH PROGRAM
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2022

Data Control Codes	Budgeted Amounts		Actual	Variance with Final Budget	
	Original	Final		Positive (Negative)	
REVENUES					
5700	Local and Intermediate Sources	\$ 200,000	\$ 200,000	\$ 156,118	\$ (43,882)
5800	State Program Revenues	16,500	16,500	18,633	2,133
5900	Federal Program Revenues	3,450,000	3,450,000	3,772,204	322,204
5020	Total Revenues	\$ 3,666,500	\$ 3,666,500	\$ 3,946,955	\$ 280,455
EXPENDITURES					
Current:					
Support Services - Student (Pupil):					
0035	Food Service	\$ 3,509,786	\$ 3,778,314	\$ 2,992,652	\$ 785,662
	Total Support Services - Student (Pupil)	\$ 3,509,786	\$ 3,778,314	\$ 2,992,652	\$ 785,662
6030	Total Expenditures	\$ 3,509,786	\$ 3,778,314	\$ 2,992,652	\$ 785,662
1100	Excess (Deficiency) of Revenues Over Expenditures	\$ 156,714	\$ (111,814)	\$ 954,303	\$ 1,066,117
1200	Net Change in Fund Balance	\$ 156,714	\$ (111,814)	\$ 954,303	\$ 1,066,117
0100	Fund Balance - Beginning (July 1)	1,621,893	1,621,893	1,621,893	-
3000	Fund Balance - Ending (June 30)	\$ 1,778,607	\$ 1,510,079	\$ 2,576,196	\$ 1,066,117

GREENVILLE INDEPENDENT SCHOOL DISTRICT
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2022

Data Control Codes	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)	
	Original	Final			
REVENUES					
5700	Local and Intermediate Sources	\$ 6,813,077	\$ 6,813,077	\$ 7,071,771	\$ 258,694
5800	State Program Revenues	-	-	107,731	107,731
5020	Total Revenues	<u>\$ 6,813,077</u>	<u>\$ 6,813,077</u>	<u>\$ 7,179,502</u>	<u>\$ 366,425</u>
EXPENDITURES					
Debt Service:					
0071	Principal on Long-Term Debt	\$ 1,600,000	\$ 1,600,000	\$ 1,600,000	\$ -
0072	Interest on Long-Term Debt	4,899,670	4,899,670	4,899,670	-
0073	Bond Issuance Costs and Fees	7,000	7,000	4,275	2,725
	Total Debt Service	<u>\$ 6,506,670</u>	<u>\$ 6,506,670</u>	<u>\$ 6,503,945</u>	<u>\$ 2,725</u>
6030	Total Expenditures	<u>\$ 6,506,670</u>	<u>\$ 6,506,670</u>	<u>\$ 6,503,945</u>	<u>\$ 2,725</u>
1100	Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 306,407</u>	<u>\$ 306,407</u>	<u>\$ 675,557</u>	<u>\$ 369,150</u>
1200	Net Change in Fund Balance	\$ 306,407	\$ 306,407	\$ 675,557	\$ 369,150
0100	Fund Balance - Beginning (July 1)	<u>4,938,648</u>	<u>4,938,648</u>	<u>4,938,648</u>	<u>-</u>
3000	Fund Balance - Ending (June 30)	<u><u>\$ 5,245,055</u></u>	<u><u>\$ 5,245,055</u></u>	<u><u>\$ 5,614,205</u></u>	<u><u>\$ 369,150</u></u>

GREEVILLE INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF REQUIRED RESPONSES TO SELECTED SCHOOL FIRST INDICATORS
 YEAR ENDED JUNE 30, 2022

<u>Data Control Codes</u>		<u>Response</u>
SF1	Was there an unmodified opinion in the Annual Financial Report on the financial statements as a whole?	Yes
SF2	Were there any disclosures in the Annual Financial Report and / other sources information concerning nonpayment of any terms of any debt agreement at fiscal year end?	No
SF3	<p>Did the school district make timely payments to the Teacher Retirement System (TRS), Texas Workforce Commission (TWC), Internal Revenue Service (IRS), and other government agencies? (If the school district was issued a warrant hold and the warrant hold was not cleared within 30 days from the date the warranty hold was issued, the school district is considered to not have made timely payments).</p> <p>Payments to the TRS and TWC are considered timely if a warrant hold that was issued in connection to the untimely payment was cleared within 30 days from the date the warrant hold was issued.</p> <p>Payments to the IRS are considered timely if a penalty or delinquent payment notice was cleared within 30 days from the date the notice was issued.</p>	Yes
SF4	Was the school district issued a warrant hold? Even if the issue surrounding the initial hold was resolved and cleared within 30 days, the shool district is considered to have been inssued a warrant hold.	No
SF5	Did the Annual Financial Report disclose any instances of material weaknesses in internal controls over financial reporting and compliance for local, state, or federal funds?	No
SF6	Was there any disclosure in the Annual Financial Report of material noncompliance for grants, contracts, and laws related to local, state or federal funds?	No
SF7	Did the school post the required financial information on its website in accordance with Government Code, Local Government Code, Texas Administrative Code and other statues, laws and rules that were in effect at the school districts fiscal year-end?	Yes
SF8	Did the school board members discuss the school districts property value at a board meeting within 120 days before the school district adopted its budget?	Yes
SF9	Total accumulated accretion on CABs included in government-wide financial statements at fiscal year-end.	\$ 3,355,214

GREENVILLE INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF REQUIRED RESPONSES TO
 STATE MANDATED PROGRAM REQUIREMENTS
 YEAR ENDED JUNE 30, 2022

<u>Data Control Codes</u>		<u>Response</u>
<u>Section A: Compensatory Education Programs</u>		
<u>AP1</u>	Did your District expend any state compensatory education program state allotment funds during the district's fiscal year?	Yes
<u>AP2</u>	Does the District have written policies and procedures for its state compensatory education program?	Yes
<u>AP3</u>	List the total state allotment funds received for state compensatory education programs during the district's fiscal year.	\$ 6,126,881
<u>AP4</u>	List the actual direct program expenditures for state compensatory education programs during the District's fiscal year. (PICs 24, 26, 28, 29, 30, 34)	\$ 3,369,907
<u>Section B: Bilingual Education Programs</u>		
<u>AP5</u>	Did your District expend any bilingual education program state allotment funds during the District's fiscal year?	Yes
<u>AP6</u>	Does the District have written policies and procedures for its bilingual education program?	Yes
<u>AP7</u>	List the total state allotment funds received for bilingual education programs during the District's fiscal year.	\$ 873,698
<u>AP8</u>	List the actual direct program expenditures for bilingual education programs during the District's fiscal year. (PIC's 25, 35)	\$ 924,359

FEDERAL AWARDS SECTION

GREENVILLE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2022

(01) Federal Grantor/ Pass Through Grantor/ Program Title	(02) Federal ALN Number	(02A) Pass-Through Identifying Grant Number	(03) Federal Expenditures
<u>U.S. DEPARTMENT OF EDUCATION</u>			
Passed through the Texas Education Agency:			
ESSA Title I Part A - Improving Basic Programs*	84.010a	21610101116905	\$ 66,235
ESSA Title I Part A - Improving Basic Programs*	84.010a	22610101116905	1,484,183
<i>Total ALN 84.010</i>			<u>1,550,418</u>
IDEA-B Formula - B	84.027a	226600011169056000	1,121,858
IDEA-B Formula - ARP - B	84.027x	225350011169056000	3,272
IDEA-B Discretionary - Deaf - B	84.027a	21660011169055000	228,285
IDEA - C, Early Intervention	84.027a	213911011169053000	297
<i>Total ALN 84.027</i>			<u>1,353,712</u>
IDEA-B Preschool - B	84.173a	226610012349026000	55,416
<i>Total ALN 84.173</i>			<u>55,416</u>
Carl Perkins - Perkins V	84.048a	224200006116905	78,205
<i>Total ALN 84.048</i>			<u>78,205</u>
ESSA Title II Part A - Supporting Effective Education	84.367a	22686001116905	225,768
<i>Total ALN 84.367</i>			<u>225,768</u>
ESSA Title III Part A - English Language Acquisition	84.365a	22671001116905	134,772
<i>Total ALN 84.365</i>			<u>134,772</u>
21st Century Grant*	84.287c	2269502471100112	1,228,630
21st Century Grant*	84.287c	216950247110012	76,389
<i>Total ALN 84.287</i>			<u>1,305,019</u>
ESSA Title V Part B - Rural & Low Income School	84.358b	22696001116905	6,995
<i>Total ALN 84.358</i>			<u>6,995</u>
Elementary and Secondary School Emergency Relief - I*	84.425d	20521001116905	630,948
Elementary and Secondary School Emergency Relief - II*	84.425d	21521001212909	1,222,018
Elementary and Secondary School Emergency Relief - III*	84.425u	21528001116905	4,999,347
TCLAS - Elementary and Secondary Schools Emerg. Relief - III*	84.425u	215280857110064	124,714
<i>Total ALN 84.425</i>			<u>6,977,027</u>
ESSA Title IV Part A - Student Support & Academic Achievement	84.424a	22680101234902	101,234
ESSA Title IV Part A - Student Support & Academic Achievement	84.424a	21680101234902	28,705
<i>Total ALN 84.424</i>			<u>129,939</u>
Teacher Leadership Incentive	84.374a	116-905	1,223,454
Teacher Leadership Incentive	84.374a	116-905	150,158
<i>Total ALN 84.374</i>			<u>1,373,612</u>
Instructional Continuity	84.377a	17610740116905	23,750
Total passed through the Texas Education Agency			<u>13,214,633</u>
Total Department of Education			<u>\$ 13,214,633</u>

GREENVILLE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2022

(01) Federal Grantor/ Pass Through Grantor/ Program Title	(02) Federal ALN Number	(02A) Pass-Through Identifying Grant Number	(03) Federal Expenditures
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
Direct Program:			
Head Start	93.600	06CH01062103	\$ 154,852
Head Start	93.600	06CH01062104	1,104,705
<i>Total ALN 93.600</i>			<u>1,259,557</u>
Total Department of Health and Human Services			<u>\$ 1,259,557</u>
<u>U.S. DEPARTMENT OF AGRICULTURE</u>			
Passed through the Texas Department of Agriculture:			
School Breakfast Program - A	10.553	00622	\$ 766,501
National School Lunch Program - A	10.555	00622	2,553,801
National School Lunch Program - Covid Emergency - A	10.559	00622	278,614
Supply Chain Assistance Grant	10.555	00622	40,534
USDA Commodity Food Distribution	10.565	00622	<u>132,754</u>
Total Department of Agriculture			<u>\$ 3,772,204</u>
Total Expenditure of Federal Awards			<u>\$ 18,246,394</u>

* Denotes Major Programs

A - Child Nutrition Cluster - Total Cluster - \$3,639,450

B - Special Education Cluster - Total Cluster - \$ 1,409,128

D - Education Stabilization Fund Cluster - Cluster Total \$ 6,977,027

The accompanying notes to the Schedule of Expenditures of Federal Awards are an integral part of this statement

GREENVILLE INDEPENDENT SCHOOL DISTRICT
 NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 YEAR ENDED JUNE 30, 2022

A. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal activity of the Greenville Independent School District and is presented on the modified accrual basis of accounting. Expenditures are recognized in the accounting period in which a fund liability occurs. Funds are considered earned to the extent of expenditures made.

The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) 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 District, it is not intended to and does not present the financial position or changes in net position of the District. Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the basic financial statements.

B. Summary of Significant Accounting Policies

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The governmental fund types are accounted for using a current financial resources measurement focus. All federal expenditures were accounted for in the General Fund and Special Revenue Funds which are governmental fund types. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement. No federal financial assistance has been provided to a subrecipient.

Federal grants are considered to be earned to the extent of expenditures made under the provisions of the grant.

C. Food Distribution

Nonmonetary assistance is reported in the Schedule at the fair market value of the commodities received and used. No provision has been made for amounts on hand on June 30, 2022.

D. Subrecipients

The District provided federal awards to subrecipients in the Head Start program as follows:

Commerce Independent School District	\$	206,739
Quinlan Independent School District		183,526
Total	\$	390,265

E. Indirect Cost

The District has elected not to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

F. Reconciliation of Federal Revenue with Financial Statements

The District records amounts received from the federal government or other recipients of federal grant as federal revenue in the financial statements. This reconciliation identifies the difference between the financial statement revenues and the schedule of expenditures of federal awards:

Total Federal Expenditures (Exhibit K-1)	\$	18,246,394
School Health and Related Services		1,050,749
Federal Revenue (Exhibit C-3)	\$	19,297,143