

GALENA PARK

Independent School District



Annual Comprehensive Financial Report

For the Fiscal Year Ended August 31, 2023

**Annual Comprehensive
Financial Report**

**For the Fiscal Year Ended
August 31, 2023**

**GALENA PARK INDEPENDENT SCHOOL
DISTRICT**

14705 Woodforest Blvd., Houston, Texas 77015

Prepared by the Business Services Department:

**Sonya Haidusek-Niazy, PhD, CPA
Chief Financial Officer and Deputy Superintendent for Operational Support**

**Ida A. Schultze, CPA, RTSBA
Executive Director for Treasury and Finance**

**Christopher Young, RTSBA
Director of Accounting**

GALENA PARK INDEPENDENT SCHOOL DISTRICT

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INTRODUCTORY SECTION



Galena Park
Independent School District

GALENA PARK INDEPENDENT SCHOOL DISTRICT

Principal Officials and Advisors

As of August 31, 2023

Board of Trustees

Name	Office	Term Expires	Length of Service	Occupation
Noe Esparza	President	2026	5 years	Sales
Norma Hernandez	Vice President	2026	5 years	Retired
Ramon Garza	Secretary	2025	13 years	Insurance Agent
Adrian Stephens	Board Member	2024	6 years	Sales
Wanda Heath Johnson	Board Member	2024	18 years	Retired
Linda Clark Sherrard	Board Member	2025	2 years	Retired
Jose Jimenez	Board Member	2026	1 year	Insurance Agent

Administrative Officials

Name	Position	Length of Service
Dr. John Moore	Superintendent	32
Dr. Sonya Haidusek-Niazy, CPA	Chief Financial Officer and Deputy Superintendent for Operational Support	12
Dr. Wanna Giacona	Chief Administrative Officer	29
Elizabeth Lalor	Deputy Superintendent for Educational Support and School Administration	32
Dr. Mechelle Epps	Assistant Superintendent for Student Support Services	26
Mike McKay	Assistant Superintendent for Human Resource Services	24
Hollice Malloy	Assistant Superintendent for Curriculum & Instruction and Professional Development	9
Dr. David Harris	Assistant Superintendent for Educational Support and School Administration	6

Consultants and Advisors

Bond Counsel	Holland & Knight LLP, Houston, Texas
Financial Advisor	SAMCO Capital Markets, Inc., Plano, Texas
Independent Auditors	Whitley Penn, LLP, Houston, Texas
Chief Appraiser	Harris County Appraisal District

GALENA PARK INDEPENDENT SCHOOL DISTRICT

CERTIFICATE OF BOARD

Galena Park Independent School District
Name of School District

Harris
County

101-910
Co.– Dist. No.

We, the undersigned, certify that the attached annual financial reports of the above-named school district were reviewed and approved for the year ended August 31, 2023, at a meeting of the board of trustees of such school district on January 9, 2024.

Noe Esparza
President of the Board

Ramon Garza
Secretary of the Board

GALENA PARK INDEPENDENT SCHOOL DISTRICT



GALENA PARK INDEPENDENT SCHOOL DISTRICT *A Texas Recognized School District*

14705 Woodforest Blvd.

Houston, TX 77015

832-386-1204

January 9, 2024

To the Board of Trustees and Taxpayers of the Galena Park Independent School District:

The Texas Education Code requires that all school districts file a complete set of financial statements with the Texas Education Agency (TEA) within 150 days of the close of each fiscal year. The financial statements must be presented in conformity with generally accepted accounting principles (GAAP) and audited by a firm of licensed certified public accountants in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards, issued by the Comptroller General of the United States. Pursuant to that requirement, we hereby issue the Annual Comprehensive Financial Report of the Galena Park Independent School District (the "District") for the fiscal year ended August 31, 2023.

This report consists of management's representations concerning the finances of the District. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the District has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse, and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the District's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects. The District's financial statements have been audited by Whitley Penn, LLP, CPAs, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended August 31, 2023 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and, evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion and that the District's financial statements for the period ended August 31, 2023, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the District was part of a broader, federally-mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the District's separately issued Single Audit Report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the report of the independent auditors.

GALENA PARK INDEPENDENT SCHOOL DISTRICT

Profile of the District

The Galena Park Independent School District encompasses 34 square miles and is located in southeastern Harris County, Texas. Interstate Highway 10 bisects the District. While a small portion of the District is located inside the city limits of Houston, it also includes portions of the incorporated cities of Galena Park, Jacinto City, and the unincorporated communities of Greens Bayou, Woodland Acres, and the Cloverleaf Addition. The District is one of the largest employers in East Harris County with more than 3,000 employees. The District is not included in any other governmental “reporting entity” since the Board of Trustees is elected by the public and has decision-making authority. Residents of the District elect a seven-member Board of Trustees. The respective Trustees serve overlapping three-year terms. There are no component units included in the reporting entity.

The purpose and responsibility of the District is to provide a thorough and efficient educational system for children, pre-kindergarten through grade 12, enrolled in public schools within its boundaries, whereby each child has access to programs and services that are appropriate to his or her educational needs. In addition to its regular educational program, the District offers comprehensive programs in the areas of career and technology education, special education, bilingual education, compensatory education and gifted and talented education. The District is accredited by the Texas Education Agency.

The District’s 15 elementary schools, 5 middle schools, 2 high schools, 1 early college high school, and 1 alternative high school campuses are well-known for innovative programs and academic accomplishments. At present there are no charter schools in the District. Current enrollment is 21,200 and the District projects this enrollment to slightly decline in the future. The District educates children from diverse backgrounds. The student body reflects the cultural diversity of Texas. Of the approximately 21,200 students enrolled, 86% are Hispanic, 11% are African American, 2% are White, and 1% identify themselves as Asian/Pacific Islander, American Indian or of more than one ethnicity.

The prior five years marks the completion of replacement campuses at Jacinto City Elementary, Cloverleaf Elementary, Galena Park Elementary, North Shore Elementary, Pyburn Elementary Phase 1, and Woodland Acres Elementary, as well as a Galena Park High School Phase 1 classroom addition and North Shore Senior High 10th Grade Center addition. There are a number of active construction projects currently underway, consisting of Phase 2 addition to Galena Park High School, which includes career and technology classrooms and a replacement dining commons, and Phase 2 of the Pyburn Elementary replacement campus, set to open in January 2024. Note 4 in the Notes to the Financial Statements discusses these projects and the value of construction in progress. When these projects are completed, five of the oldest campuses will have been completely replaced, and significant additions made to two high schools. The age of school buildings ranges from newly constructed to 80 years old. Table 19 in the Statistical Section lists the opening date of each building, in addition to the square footage, enrollment, and capacity.

The annual budget serves as the foundation for the District’s financial planning and control. The budget development process begins in January with the Superintendent and administrative leadership team determining the budget parameters that will be used as a guide for the resource allocation process. All of the District’s budget managers are required to submit requests for appropriations based on these parameters. Budget requests are forwarded to the Business Services Department for compilation and summarization. The Business Services Department personnel develop the draft budget and prioritize budget requests and potential budget reductions based on the principles established in the Superintendent’s budget parameters. The preliminary budget is then presented and discussed with the Board of Trustees. The proposed budget must be prepared by August 20th for the September 1st fiscal year start date. The Board President must call a Board meeting for the purpose of discussing and adopting the budget and tax rate. A public notice of this meeting is required to be published at least 10 days, but not more than 30 days, prior to the public meeting.

The District maintains budgetary controls throughout its financial systems. The objective of the budgetary controls is to ensure compliance with legal provisions embodied in the official budget adopted by the Board. The Board adopts an official appropriations budget at the functional expenditure level for the general fund, debt service fund and the food service program included in the special revenue fund. Budgetary control is maintained at the organizational level by the encumbrance of estimated purchase amounts prior to the release of purchase orders to vendors. Outstanding encumbrances at the end of the fiscal year are treated as assigned fund balance and are recorded as expenditures in the subsequent year upon receipt of the goods and services.

GALENA PARK INDEPENDENT SCHOOL DISTRICT

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the District operates.

Local Economy. The District is located in the heart of the Houston Ship Channel industrial area, and the majority of the labor force is employed at nearby chemical plants and oil refineries. The Houston Ship Channel is located just south of the District boundary, and many residents are employed in the industrial area surrounding the Channel. Port Houston is one of the largest ports in the world in terms of foreign waterborne tonnage and total tonnage. Each year, more than 9,000 deep vessels and 200,000 barges ship goods through the port, and more than 100 steamship lines offer service, linking Houston with 1,053 ports around the world. Port Houston is home to the world's second largest petrochemical complex. A vital element in the infrastructure of Houston and the region, the port maintains a high level of commercial prominence that solidifies its status as a major gateway to global commerce.

A cornerstone of the area economy, Port Houston centered along the 52 mile-long Houston Ship Channel, consists of diversified public and private facilities designed for handling general cargo, containers, grain and other dry bulk materials, project and heavy-lift cargo, and other types of cargo. Overall, more than 1.35 million jobs throughout Texas are directly and indirectly related to the diverse global trade and commerce activities at the port. In addition, the port generates nearly \$340 billion of economic activity in Texas each year and more than \$802 billion in economic impact across the nation. Port Houston has begun a billion-dollar expansion, deepening, and widening project of the Houston Ship Channel called Project 11. The project is set for a 2025 completion. While not immune to pandemic induced strains on the global supply chain, Port Houston has continued to keep freight moving and handle the historic surge in import container cargo. Port Houston's economic activity has allowed Texas to remain the leading exporting state for the past twenty one consecutive years.

Economic Outlook. Houston's energy, healthcare, transportation and distribution sectors have historically supported a continuous growth in the District's tax base. 2023 continues to show improvement from the economic downturn which resulted from the 2020 pandemic. Despite the dire predictions, the region did not experience the anticipated recession in 2023. The year saw significant increases in employment in the mining and logging, arts, entertainment and recreation, and trade, transportation and utilities sectors. Further signs of improvement can be seen in health care and social assistance as well as professional and business services, while the construction industry experienced a slight downturn. Education, healthcare, professional services, and retail dominate the local employment, accounting for two out of every five jobs in the region. The 88th Texas Legislature met during 2023, where key topics related to the state's two-year budget, education, school safety, school choice, teacher retention, and property taxes. During a subsequent special called session, the legislature approved an \$18 billion tax cut for property owners. Of significance for school districts was the proposed expansion of the homestead property tax exemption from \$40,000 to \$100,000. The legislature approved increased state aid to offset the anticipated losses in property tax revenue resulting from the increase in the homestead exemption.

Access. The District is connected to Downtown Houston via Interstate 10 and is also linked to the entire Houston metropolitan area via the Sam Houston Toll Road. Both of these thoroughfares pass through the center of the District. The District's proximity to Houston provides the area with access to one of the nation's leading centers for medical education and research, many colleges and universities, a dynamic cultural arts community, excellent recreational opportunities, and a national center of commerce, world trade and corporate management.

Relevant Financial Policies

Budget. Budget planning is an integral part of overall program planning so that the budget effectively reflects the District's programs and activities, and provides the resources to implement them. In the budget planning process, general educational goals, specific program goals, and alternatives for achieving program goals are considered. Budget planning and evaluation are continuous processes and are a part of each month's activities.

Fund Balance. In order to preserve financial stability, the District must be prepared to respond to cash flow shortages, large or unexpected one-time expenditures, changes in the economy, and changes in state funding. In March 2014, the Board of Trustees approved the local annual operating budget policy that targeted a yearly, unassigned general fund balance between

GALENA PARK INDEPENDENT SCHOOL DISTRICT

ten percent and fifteen percent of the total operating expenditures. Additionally, the policy requires the District to target a yearly minimum, restricted debt service fund balance of fifteen percent of annual debt service requirements on all outstanding debt issuance. In the current fiscal year, the general fund unassigned fund balance was \$60 million, or 25% of the operating budget. As a result of the District's strong operational performance and solid expenditure flexibility, Fitch Ratings, Inc. has issued a bond rating of AA+ and Moody's Investors Services, Inc. continued to rate the District's bond rating at Aa1, one of the highest among Texas school districts. A strong fund balance allows the District to respond to unanticipated situations that may arise.

Financial Planning. Since the COVID-19 pandemic began in 2020, the District has received multiple grants to assist with recovery efforts. These funds have supported the hiring of additional personnel to support instructional interventions, instructional technology deployments, and facility improvements targeting improved air quality on various campuses. These supplemental funds have also been used to pay for ongoing salaries of full-time staff and assisted the District with maintaining surplus operations despite decreasing enrollment and low student attendance. All supplemental funds will expire in the Fall of 2024 creating the need to execute a plan for absorbing the costs. On an ongoing basis, the District adjusts future projections as new data becomes available. The District maintains multi-year plans for replacement and upgrades in the areas of Technology, Fleet, Fine Arts, and Facilities.

Awards and Acknowledgements

Our District as a whole received many recognitions and achievements during the 2022-2023 school year across multiple disciplines organizationally. Galena Park Independent School District's athletic programs continue to shine with one athletic team advancing to UIL Regional Competitions and an additional 50 individuals advancing in their respective sport categories. Fifty students participated in state level career and technology competitions, and an additional 4 attended a national competition. Eight students competed at the Robotics World Championships. The fine arts program excelled this year with as both high school marching bands advanced to the UIL area marching contest. More than 100 secondary band and choir students earned places at the Texas Music Educators Association All-Region competitions, the UIL concerts, and sight-reading evaluations. North Shore Senior High School and Galena Park High School had 11 art students advance to the Texas Art Educators Association's State Visual Art Scholastic Event.

The Texas Education Agency has awarded the District an "A=Superior" rating for the fiscal year ended August 31, 2022. This is the 21st year of the State's Financial Integrity Rating System of Texas (School FIRST), originally developed in response to Senate Bill 875 of the 76th Texas Legislature. The rating is based upon an analysis of staff and student data reported for the 2021-2022 school year and budgetary and actual financial data for the fiscal year ended August 31, 2022. The primary goal of School FIRST is to ensure quality performance in the management of school districts' financial resources, a goal made more significant due to the complexity of accounting associated with the Texas school finance system.

In February 2023, the District's Purchasing Department was recognized with the Award of Merit for Purchasing Operations by the Texas Association of School Business Officials for the ninth time. This award recognizes a district's achievement in implementing best practices in the area of purchasing.

The District has been recognized by the Association of School Business Officials International (ASBO) as a sixth-year recipient of the ASBO International Meritorious Budget Award (MBA) for the 2022-23 Budget document. The award recognizes excellence in school budget presentation.

The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting and the Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended August 31, 2022.

In order to be awarded the certificates, a governmental unit must publish an efficiently organized Annual Comprehensive Financial Report, the contents of which must conform to program standards. The report must satisfy both generally accepted accounting principles and applicable legal requirements. The District has received the ASBO award for thirteen consecutive years and the GFOA award for twelve years. The certificates are valid for a period of one year only. We believe that our

GALENA PARK INDEPENDENT SCHOOL DISTRICT

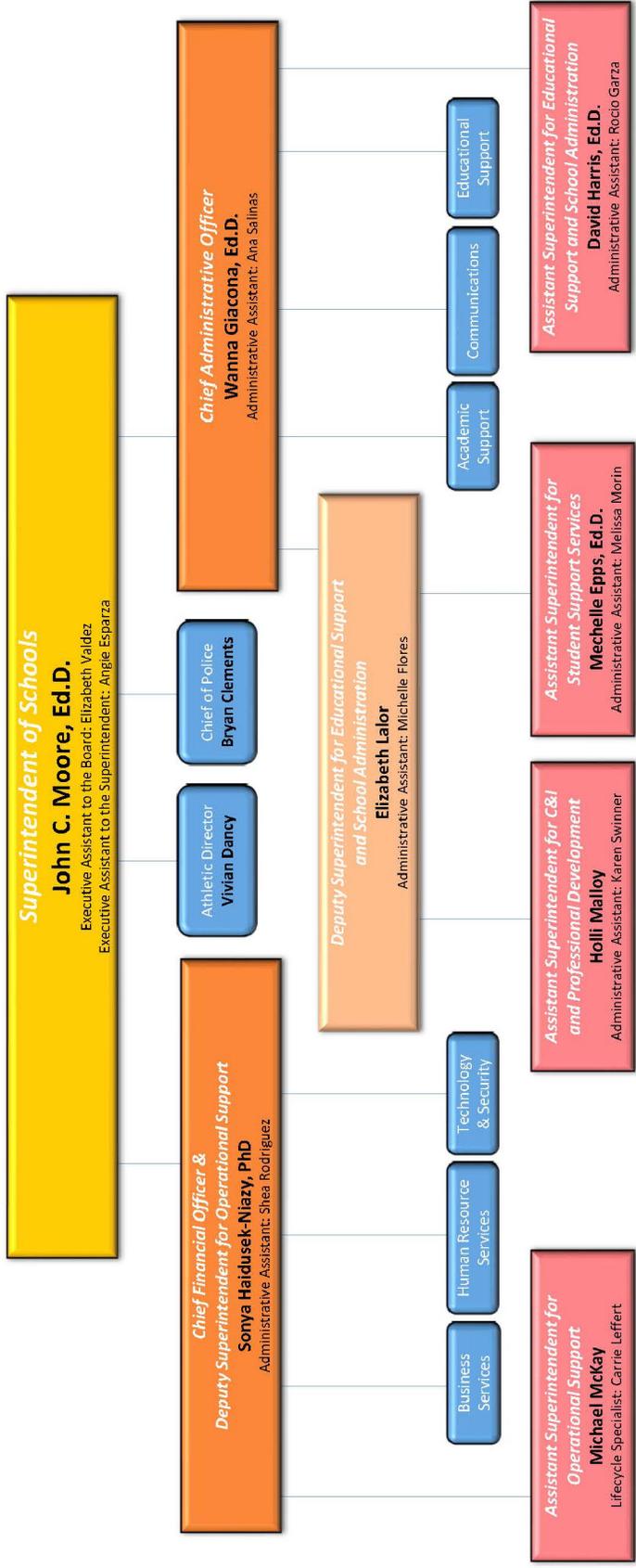
current ACFR continues to meet the requirements of both certificate programs, and it will be submitted accordingly to ASBO and GFOA to determine its eligibility for a 2023 certificate.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Business Services Department. We would like to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit also must be given to the Board of Trustees for their unfailing support for maintaining the highest standards of professionalism in the management of the District's finances. Finally, we would like to thank the residents of the District for their support of and belief in our public school system, and the teachers and campus teams who provide the quality education for which our District is known.

Respectfully submitted,

John Moore, Ed.D.
Superintendent of Schools

Sonya Haidusek-Niazy, PhD, CPA
Chief Financial Officer and Deputy Superintendent of Operational Support





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Galena Park Independent School District
Texas**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

August 31, 2022

Christopher P. Morill

Executive Director/CEO



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

The Certificate of Excellence in Financial Reporting
is presented to

Galena Park Independent School District

for its Annual Comprehensive Financial Report
for the Fiscal Year Ended August 31, 2022.

The district report meets the criteria established for
ASBO International's Certificate of Excellence in Financial Reporting.



A handwritten signature in black ink, reading 'John W. Hutchison'. The signature is written in a cursive style and is positioned above a horizontal line.

John W. Hutchison
President

A handwritten signature in black ink, reading 'Siobhán McMahon'. The signature is written in a cursive style and is positioned above a horizontal line.

Siobhán McMahon, CAE
Chief Operations Officer/
Interim Executive Director

FINANCIAL SECTION



Galena Park
Independent School District

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Galena Park Independent School District

Report on the Audit of 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 Galena Park Independent School District (the "District"), as of and for the year ended August 31, 2023, 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 accompanying 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 District, as of August 31, 2023, 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 (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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 GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management’s discussion and analysis, budgetary comparison information, pension information, and other-post employment benefit information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with 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 combining nonmajor fund financial statements, required Texas Education Agency (TEA) schedules 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.

To the Board of Trustees
Galena Park Independent School District

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 combining nonmajor fund financial statements, required TEA schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section, statistical section, and Schedule L-1 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 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 information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other 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 January 9, 2024 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.



Houston, Texas
January 9, 2024



Galena Park
Independent School District

GALENA PARK INDEPENDENT SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the District, we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the year ended August 31, 2023. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found at the front of this report, and the District's financial statements which follow this section.

Financial Highlights

The assets and deferred outflows of resources of the District exceeded liabilities and deferred inflows of resources at August 31, 2023 by \$121,734,636 (net position). Of this amount, \$1,752,641 (unrestricted net position) may be used to meet the District's ongoing obligations to students and creditors.

- The District's total net position increased by \$35,660,002 due to increased property tax revenues and investment earnings.
- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$263,334,077, a decrease of \$8,539,864 in comparison with the prior year. The overall decrease in governmental fund balances was primarily due to a decrease in the capital projects fund balance of \$32,818,500. The general fund experienced an increase in fund balance of \$25,886,256 and the debt service fund experienced a decrease in fund balance of \$433,504. The unassigned fund balance in the general fund represents 25.3 percent of the total general fund expenditures.
- The District's total bonded debt decreased by \$21,056,499, or 5 percent during the current fiscal year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains required supplementary information and other supplementary information in addition to the basic financial statements.

Government-wide Financial Statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The *Statement of Net Position* presents information on all of the District's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The *Statement of Activities* presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused compensated absences).

GALENA PARK INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

The government-wide financial statements of the District are principally supported by taxes and intergovernmental revenues (*governmental activities*). The governmental activities of the District include Instruction, Instructional Resources And Media Services, Curriculum And Instructional Staff Development, Instructional Leadership, School Leadership, Guidance, Counseling, And Evaluation Services, Social Work Services, Health Services, Student Transportation, Food Services, Extracurricular Activities, General Administration, Facilities Maintenance And Operations, Security And Monitoring Services, Data Processing Services, Community Services, Interest On Long-term Debt, Other Facility Costs, Payments To Fiscal Agent/Member Districts Of Shared Services Arrangements, and Payments To Appraisal District.

The government-wide financial statements are referenced as Exhibit A-1 and B-1 in this report.

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The District maintains thirty individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, debt service fund and capital projects fund, all of which are considered to be major funds. Data from the other twenty-seven governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in the financial statements. The District adopts an annual appropriated budget for its general fund, debt service fund, and child nutrition special revenue fund. A budgetary comparison schedule has been provided to demonstrate compliance with these budgets.

The basic governmental fund financial statements are referenced as Exhibits C-1 through C-4 in this report.

GALENA PARK INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Proprietary Fund

The District maintains an internal service fund, one type of proprietary fund. The *internal service fund* is an accounting device used to accumulate and allocate costs internally among the District's various funds and functions. The District uses an internal service fund to account for its print shop copier services. Because this service predominantly benefits governmental functions, it has been included within *governmental activities* in the government-wide financial statements.

Proprietary fund statements provide the same type of information as the government-wide financial statements, only in more detail. The internal service fund financial statements provide separate information for the print shop.

The basic proprietary fund financial statements are referenced as Exhibits D-1 through D-3 in this report.

Fiduciary Funds

The fiduciary funds are used to account for resources held for the benefit of students. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the District's own programs. The District is the trustee, or fiduciary, for these funds and 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 and statement of changes in fiduciary net position as referenced as Exhibits E-1 and E-2, respectively, in this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements immediately follow the basic financial statements in this report.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information that further explains and supports the information in the financial statements. The required supplementary information is referenced as Exhibits G-1 through G-6 in this report.

Other Information

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information. The combining and individual fund statements and schedules are referenced as Exhibits H-1 through H-7 in this report.

GALENA PARK INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a District's financial position. In the case of the District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$121,734,636 at the close of the most recent fiscal year.

The District's investment in capital assets (e.g., land, buildings and improvements, furniture and equipment, construction in progress); less any outstanding related debt used to acquire those assets totaled \$110,165,616. The District uses these capital assets to provide services to students; consequently, these assets are *not* available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Galena Park Independent School District's Net Position

	2023	2022
Current and other assets	\$ 312,189,294	\$ 320,922,876
Capital assets	419,272,233	391,538,656
Total Assets	731,461,527	712,461,532
Deferred loss on refunding	755,313	1,046,256
Deferred outflows - pension	41,008,753	23,378,754
Deferred outflows - OPEB	16,922,462	16,524,717
Total Deferred Outflows of Resources	58,686,528	40,949,727
Current liabilities	38,913,540	31,871,090
Long term liabilities	547,507,282	538,740,359
Total Liabilities	586,420,822	570,611,449
Deferred inflows - leases	353,886	369,705
Deferred inflows - pension	8,271,994	43,134,793
Deferred inflows - OPEB	73,366,717	53,603,385
Total Deferred Inflows of Resources	81,992,597	97,107,883
Net Position:		
Net investment in capital assets	110,165,616	95,418,867
Restricted	9,816,379	12,999,492
Unrestricted	1,752,641	(22,726,432)
Total Net Position	\$ 121,734,636	\$ 85,691,927

Net position is restricted for various purposes as follows:

	Governmental Activities	
	2023	2022
Federal and state programs	\$ 6,204,979	\$ 7,394,890
Debt service	3,611,400	5,604,602
	\$ 9,816,379	\$ 12,999,492

The balance of unrestricted net position may be used to meet the District's ongoing obligations to students and creditors. At the end of the current fiscal year, the District reports positive balances in all three categories of net position.

GALENA PARK INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Galena Park Independent School District's Changes in Net Position

	2023	2022
Program Revenues		
Charges for services	\$ 5,198,043	\$ 3,996,319
Operating grants	89,450,030	61,521,354
General Revenues		
Property taxes	142,648,776	142,053,532
State aid	108,821,372	108,647,325
Interest earnings	13,765,562	59,210
Other	340,876	146,965
Total Revenues	360,224,659	316,424,705
Expenses		
Instruction	158,390,425	148,052,627
Instructional resources and media services	2,801,347	2,852,909
Curriculum and instructional staff development	9,152,485	9,430,176
Instructional leadership	6,697,056	6,469,405
School leadership	17,421,347	16,667,212
Guidance, counseling, and evaluation services	10,406,775	10,246,617
Social work services	1,268,191	1,063,713
Health services	2,727,441	2,600,631
Student transportation	11,127,074	10,553,744
Food services	19,014,199	16,269,472
Extracurricular activities	6,849,601	5,754,307
General administration	9,649,997	9,914,275
Facilities maintenance and operations	37,074,110	32,533,648
Security and monitoring services	6,255,791	4,167,230
Data processing services	6,142,937	5,348,311
Community services	2,902,184	2,539,775
Interest on long-term debt	15,308,850	15,222,187
Payments to Fiscal Agent/Member Districts of Shared Services Arrangements	291,152	376,824
Payments to appraisal districts	1,083,695	1,046,378
Total Expenses	324,564,657	301,109,441
Increase (decrease) in net position	35,660,002	15,315,264
Beginning Net Position	85,691,927	70,376,663
Prior period adjustment	382,707	-
Ending Net Position	\$ 121,734,636	\$ 85,691,927

GALENA PARK INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Governmental Activities

Governmental activities increased the District's net position by \$36,042,709 including prior period adjustment. Revenues are generated primarily from three sources. Property taxes, state-aid formula grants, and operating grants and contributions represent 95 percent of total revenues. The remaining percent is generated from charges for services, investment earnings, and miscellaneous revenues.

	Total Revenues	% of Total Revenues
Property taxes	\$ 142,648,776	40%
State Aid - Formula Grants	108,821,372	30%
Operating grants and contributions	89,450,030	25%
Other revenue	19,304,481	5%
Total Revenues	\$ 360,224,659	100%

The primary functional expenses of the District are instruction, facilities maintenance and operations, food services, school leadership, and interest on long-term debt which represent percent of total expenses. The remaining individual functional categories of expenses are each less than 5 percent of total expenses.

	Total Expenses	% of Total
Instruction	\$ 158,390,425	49%
Facilities maintenance and operations	37,074,110	11%
Food services	19,014,199	6%
School leadership	17,421,347	5%
Interest on long-term debt	15,308,850	5%
Other functional expenses	77,355,726	24%
Total Expenses	\$ 324,564,657	100%

Financial Analysis of the Government's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the District's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the District's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a District's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$263,334,077, a decrease of \$8,539,864 in comparison with the prior year. The decrease in ending governmental fund balances was primarily due to increased expenditures in the capital projects funds due to completion of constructions projects and increase expenditures in special revenues funds.

The *general fund* is the chief operating fund of the District. At the end of the current fiscal year, unassigned fund balance of the general fund was \$60,399,057, while total fund balance reached \$220,569,462. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 25.3 percent of total general fund expenditures, while total fund balance represents 92.3 percent of that same amount. The increase in the general fund's fund balance of \$25,886,256 was primarily due to interest income, increased state revenues and revenues received as a result of property value audits, increased SHARS funding, and increased federal grants. Additionally, the District sold land and added SBITA assets in fiscal year 2023.

GALENA PARK INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

The *debt service fund* has a total fund balance of \$2,089,638 all of which is restricted for the payment of debt service. The net decrease in the debt service fund balance during the current year of \$433,504 was primarily due to increased payments of bond principal and a court ordered tax refund.

The *capital projects fund* has a total fund balance of \$33,176,480, all of which is restricted for the capital acquisitions. The net decrease in the capital projects fund balance during the current year of \$32,818,500 was primarily due to the completion of capital projects.

The *CRRSA Act ESSER II fund* is considered a major fund granted to District through the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act to support the District's ability to operate and instruct its students during the coronavirus pandemic. It is an expenditure-driven grant which requires revenues to be recorded after the expenditures are incurred and are equal to the expenditures.

Additional information on the fund balance of Governmental Funds may be found in Note 14 of this report.

Proprietary Fund

The District's proprietary fund financial statement, internal service printing services, provides detail information about the profitability of the Print Shop Fund. At the end of the year, net position was \$72,030, an increase of \$68,797 compared to the prior year. The net change in the fund's position is eliminated and allocated to the governmental expenses in the government-wide financial statements.

General Fund Budgetary Highlights

Differences between the original budget and final amended budget of the general fund can be briefly summarized as follows:

	Budget	
	Original	Final Amended
Total revenues	\$ 238,104,600	\$ 258,002,945
Total expenditures	244,935,400	247,821,607
Net change in fund balance	\$ (6,830,800)	\$ 10,181,338

The amended revenues budget increased by \$19.9 million over the original budget due primarily to adjustments to anticipated local, state, and federal revenues (including interest earnings, property value audit, SHARS, and Indirect Cost revenue).

The amended expenditure budget increased by \$2.9 million over the original budget due primarily to the rolled encumbrances from fiscal year 2022, offset by expenditures moved to the new federal grants received as a result of COVID-19.

GALENA PARK INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Capital Assets

The District's investment in capital assets for its governmental type activities as of August 31, 2023, amounts to (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, furniture and equipment, vehicles, the intangible right-to-use assets, and construction in progress. The total in the District's investment in capital assets for the current fiscal year was \$419,272,233. Changes in capital assets are shown below:

	2023	Restated 2022
Land	\$ 27,550,197	\$ 26,044,416
Building and improvements	319,546,492	329,576,421
Furniture and equipment	17,026,944	12,360,586
Right-to-use assets	1,493,475	1,769,643
Construction in progress	53,655,125	22,556,707
Total	\$ 419,272,233	\$ 392,307,773

Additional information on the District's capital assets can be found in Note 4 of this report.

Long-term Liabilities

At the end of the current fiscal year, the District had \$403,735,987 in bonded debt outstanding, a decrease of \$21,056,499 from the previous year due to the redemption of Series 2013 Bonds in August 2023. The District's bonds are sold with an "AAA" rating and are guaranteed through the Texas Permanent School Fund Guarantee Program. The underlying rating of the bonds from Standard and Poor's is "Aaa" and from Moody's Investors Service is "Aa1" for general obligation debt.

Changes to bonds payable, for the year ended August 31, 2023 are as follows:

	Outstanding 9/1/22	Issued	Retired	Outstanding 8/31/23
Bonds Payable	\$ 424,792,486	\$ 5,058,108	\$ (26,114,607)	\$ 403,735,987

Additional information on the District's long-term debt can be found in Note 6 of this report.

GALENA PARK INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Economic Factors and Next Year's Budgets and Tax Rates

The District's Board of Trustees and Administrators considered a variety of factors when adopting the budget for the 2023-24 fiscal year. Those factors include property values, enrollment trends, state funding, the economy, and legislative mandates. The following assumptions were taken into account when adopting the general operating budget for 2023-24:

- The tax rate for 2023-24 is \$1.13191 per \$100 of assessed value, with \$0.83760 applicable to maintenance and operations and \$0.29431 for debt service.
- Taxable values used for the 2023-24 adopted budget are expected to increase by approximately 13.84 percent above the 2022-23 levels. The budgeted property tax revenues were based on the certified taxable value of \$12.7 billion with a 97.0 percent collection rate.
- The District's 2023-24 average daily attendance decreased from 2022-23 to 19,116.

With voter approval from a tax ratification election held in December 2007 the maintenance and operations tax rate increased from \$1.1134 to \$1.1834 per \$100 valuation. A second successful tax ratification election in September 2012 increased the maintenance and operations tax rate an additional .05999 cents for a total rate of \$1.2433. This District's maintenance and operations rate has decreased to 0.83760 for 2023-24 as a result of the rate compression directed by the 86th Texas Legislature. In addition, the legislature established a transition grant to ensure individual district revenue will not fall below the old school funding formula assuming a 2.5 percent property value growth. The District has budgeted revenues based on the revenue expected from the transition grant, which expires after 2024.

Galena Park ISD is one of the few districts that continues to provide a 20 percent Homestead Exemption to our residents in the manner provided by the Texas Tax Code S. 11.13(n).

Residential property taxes provides 27 percent of the assessed value, while commercial property taxes make up the remaining 73 percent.

Amounts available for appropriation in the general fund are \$251.4 million, an increase of \$13.3 million from the previous year.

Expenditures are budgeted to increase 3.08 percent to \$252.5 million. The budgeted expenditures fund an increase to the starting teacher pay schedule, a 3.0 percent general pay increase for teachers and all other staff, and continued updates for technology, facilities, and fleet vehicles. A deficit budget was adopted for 2023-24. If these budgetary estimates are realized the District's General Fund balance will decrease \$1.1 million by August 31, 2024.

Request for Information

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the District's finances and to show 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 the Office of the Executive Director for Finance and Treasury, Galena Park Independent School District, 14705 Woodforest Blvd, Houston, TX 77015.



Galena Park
Independent School District

BASIC FINANCIAL STATEMENTS

GALENA PARK INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET POSITION
August 31, 2023

Exhibit A-1

<u>Data Control Codes</u>		<u>Governmental Activities</u>
Assets		
1110	Cash and cash equivalents	\$ 106,766,001
1120	Investments	103,774,043
1225	Property taxes receivables, net	10,004,821
1240	Due from other governments	31,470,503
1250	Accrued interest	1,978,589
1290	Other receivables, net	1,370,295
1300	Inventories	1,019,871
1410	Prepaid items	42,974
1490	Other current assets	500
	Capital assets not subject to depreciation/amortization:	
1510	Land	27,550,197
1580	Construction in progress	53,655,125
	Capital assets net of depreciation/amortization:	
1520	Buildings and improvements	319,546,492
1530	Furniture and equipment	17,026,944
1550	Right-to-use assets	1,493,475
1910	Long-term investments	55,761,697
1000	Total Assets	<u><u>731,461,527</u></u>
Deferred Outflows of Resources		
	Deferred charge on refunding	755,313
	Deferred outflows - pension	41,008,753
	Deferred outflows - OPEB	16,922,462
1700	Total Deferred Outflows of Resources	<u><u>58,686,528</u></u>
Liabilities		
2110	Accounts payable	13,082,661
2140	Interest payable	489,163
2150	Payroll deductions and withholdings	3,767,422
2160	Accrued wages payable	13,229,131
2180	Due to other governments	7,528,830
2300	Unearned revenue	816,333
	Noncurrent Liabilities:	
	Due within one year: Bonds, accreted interest, leases, SBITAs, compensated absences	23,690,381
	Due in more than one year:	
2502	Bonds, accreted interest, leases, SBITAs, compensated absences	382,922,884
2540	Net pension liability	94,449,766
2545	Net other post-employment benefits liabilities (OPEB)	46,444,251
2000	Total Liabilities	<u><u>586,420,822</u></u>
Deferred Inflows of Resources		
	Deferred inflows - leases	353,886
	Deferred inflows - pension	8,271,994
	Deferred inflows - OPEB	73,366,717
2600	Total Deferred Inflows of Resources	<u><u>81,992,597</u></u>
Net Position		
3200	Net investment in capital assets	110,165,616
	Restricted for:	
3820	Federal and state programs	6,204,979
3850	Debt service	3,611,400
3900	Unrestricted	1,752,641
3000	Total Net Position	<u><u>\$ 121,734,636</u></u>

GALENA PARK INDEPENDENT SCHOOL DISTRICT

STATEMENT OF ACTIVITIES

For the Year Ended August 31, 2023

Exhibit B-1

Data Control Codes	Functions/Programs	Expenses	Program Revenue		Net (Expense) Revenue and Changes in Net Position
			Charges for Services	Operating Grants and Contributions	Primary Governmental Activities
Governmental Activities:					
11	Instruction	\$ 158,390,425	\$ 1,664,240	\$ 30,456,921	\$ (126,269,264)
12	Instructional resources and media services	2,801,347	30,890	53,504	(2,716,953)
13	Curriculum and instructional staff development	9,152,485	24,044	5,210,947	(3,917,494)
21	Instructional leadership	6,697,056	9,267	1,059,070	(5,628,719)
23	School leadership	17,421,347	164,447	325,123	(16,931,777)
31	Guidance, counseling, and evaluation services	10,406,775	-	1,484,243	(8,922,532)
32	Social work services	1,268,191	360	678,995	(588,836)
33	Health services	2,727,441	-	5,630,452	2,903,011
34	Student transportation	11,127,074	2,055	876,621	(10,248,398)
35	Food services	19,014,199	812,620	19,659,889	1,458,310
36	Extracurricular activities	6,849,601	2,390,748	137,226	(4,321,627)
41	General administration	9,649,997	1,503	5,723,418	(3,925,076)
51	Facilities maintenance and operations	37,074,110	69,500	12,586,121	(24,418,489)
52	Security and monitoring services	6,255,791	16,533	2,322,056	(3,917,202)
53	Data processing services	6,142,937	-	547,438	(5,595,499)
61	Community services	2,902,184	7,944	1,509,379	(1,384,861)
72	Interest on long-term debt	15,308,850	3,892	897,475	(14,407,483)
93	Payments to Fiscal Agent/Member Districts of Shared Services Arrangements	291,152	-	291,152	-
99	Payments to appraisal district	1,083,695	-	-	(1,083,695)
TG	Total Governmental Activities	<u>\$ 324,564,657</u>	<u>\$ 5,198,043</u>	<u>\$ 89,450,030</u>	<u>(229,916,584)</u>

Data Control Codes		
General revenues:		
Taxes:		
MT	Property taxes, levied for general purposes	109,827,457
DT	Property taxes, levied for debt service	32,821,319
SF	State-aid formula grants	108,821,372
IE	Investment earnings	13,765,562
MI	Miscellaneous	340,876
TR	Total General Revenues	<u>265,576,586</u>
CN	Change in net position	35,660,002
NB	Net Position - Beginning	85,691,927
PA	Prior period adjustments	382,707
NE	Net position - ending	<u>\$ 121,734,636</u>

GALENA PARK INDEPENDENT SCHOOL DISTRICT

Exhibit C-1

**BALANCE SHEET
GOVERNMENTAL FUNDS
August 31, 2023**

Data Control Codes	General Fund	Debt Service Fund	Capital Projects Fund	CRRSA Act ESSER II	Nonmajor Governmental Funds	Total Governmental Funds	
Assets							
1110	Cash and temporary investments	\$ 159,184,111	\$ 2,097,285	\$ 40,991,103	\$ -	\$ 8,191,757	\$ 210,464,256
Receivables:							
1220	Delinquent property taxes receivable	9,448,187	2,341,424	-	-	-	11,789,611
1230	Allowance for uncollectible taxes (credit)	(1,454,291)	(330,499)	-	-	-	(1,784,790)
1240	Receivables from other governments	11,775,355	-	-	10,588,208	9,106,940	31,470,503
1250	Accrued interest	1,720,675	-	257,914	-	-	1,978,589
1260	Due from other funds	15,707,439	-	-	-	49,915	15,757,354
1290	Other receivables	1,305,429	52,743	-	-	11,711	1,369,883
1300	Inventories	468,600	-	-	-	551,271	1,019,871
1410	Prepaid items	42,974	-	-	-	-	42,974
1490	Other current assets	500	-	-	-	-	500
1910	Long term investments	55,761,697	-	-	-	-	55,761,697
1000	Total Assets	\$ 253,960,676	\$ 4,160,953	\$ 41,249,017	\$ 10,588,208	\$ 17,911,594	\$ 327,870,448
Liabilities, Deferred Inflows of Resource and Fund Balance							
Liabilities:							
2110	Accounts payable	\$ 2,201,356	\$ -	\$ 8,072,537	\$ 1,110,882	\$ 1,696,077	\$ 13,080,852
2150	Payroll deductions and withholdings	3,767,422	-	-	-	-	3,767,422
2160	Accrued wages payable	11,324,147	-	-	142,272	1,761,269	13,227,688
2170	Due to other funds	27,531	-	-	9,335,054	6,393,954	15,756,539
2180	Payable to other governments	7,528,746	-	-	-	84	7,528,830
2300	Unearned revenue	194,230	60,390	-	-	561,713	816,333
2000	Total Liabilities	25,043,432	60,390	8,072,537	10,588,208	10,413,097	54,177,664
Deferred Inflows of Resources							
	Unavailable revenue - property taxes	7,993,896	2,010,925	-	-	-	10,004,821
	Unavailable revenue - leases	353,886	-	-	-	-	353,886
2600	Total Deferred Inflows of Resources	8,347,782	2,010,925	-	-	-	10,358,707
Fund Balances:							
Nonspendable:							
3410	Inventories	468,600	-	-	-	-	468,600
3430	Prepaid items	42,974	-	-	-	-	42,974
Restricted							
3450	Federal/State grant restrictions	-	-	-	-	6,204,979	6,204,979
3470	Capital acquisitions	-	-	33,176,480	-	-	33,176,480
3480	Debt service	-	2,089,638	-	-	-	2,089,638
Committed							
3545	Campus activity	-	-	-	-	1,293,518	1,293,518
Assigned							
3590	Other assigned	159,658,831	-	-	-	-	159,658,831
3600	Unassigned	60,399,057	-	-	-	-	60,399,057
3000	Total Fund Balances	220,569,462	2,089,638	33,176,480	-	7,498,497	263,334,077
4000	Total Liabilities, Deferred Inflows of Resource and Fund Balance	\$ 253,960,676	\$ 4,160,953	\$ 41,249,017	\$ 10,588,208	\$ 17,911,594	\$ 327,870,448

GALENA PARK INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF BALANCE SHEET FOR GOVERNMENTAL FUNDS TO
STATEMENT OF NET POSITION
August 31, 2023

Exhibit C-2

<u>Data</u>		
<u>Control</u>		
<u>Codes</u>		
	Amounts reported for governmental activities in the statement of net position (A-1) are different because:	
	Total fund balance, governmental funds	\$ 263,334,077
1	Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. Capital assets at historical cost, net of accumulated depreciation/amortization, where applicable.	419,260,779
2	Property taxes receivable have been levied and are due this year, but are not available soon enough to pay for the current period's expenditures, these property taxes and related penalty and interest amounts (net of allowance for uncollectible accounts) are deferred inflows of resources in the fund financial statements.	10,004,821
3	Deferred charges on refunding	755,313
4	Deferred inflows and outflows related to pension activities	32,736,759
5	Deferred inflows and outflows related to OPEB activities	(56,444,255)
	Long-term liabilities, including bonds and leases payable, are not due and payable in the current period, and therefore are not reported as liabilities in the funds. Long-term liabilities at year end consist of:	
6	General obligation bonds	(313,055,611)
7	Premiums on issuance	(28,711,003)
8	Leases payable	(85,944)
9	SBITA payable	(1,174,295)
10	Accreted interest on premium compound interest bonds	(61,969,373)
11	Compensated absences	(1,605,482)
12	Accrued interest payable	(489,163)
13	Net pension liability	(94,449,766)
14	Net OPEB liability	(46,444,251)
15	Addition of Internal Service fund net position	<u>72,030</u>
19	Total net position - governmental activities	<u><u>\$ 121,734,636</u></u>

GALENA PARK INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - GOVERNMENTAL FUNDS
For the Year Ended August 31, 2023

Exhibit C-3

Data Control Codes		General Fund	Debt Service Fund	Capital Projects Fund	CRRSA Act ESSER II	Nonmajor Governmental Funds	Total Governmental Funds
Revenues							
5700	Local, intermediate, and out-of-state	\$ 127,265,819	\$ 35,396,579	\$ 2,604,313	\$ -	\$ 3,680,987	\$ 168,947,698
5800	State program revenues	121,353,954	748,522	-	-	1,534,610	123,637,086
5900	Federal program revenues	11,824,110	-	-	19,548,786	53,074,919	84,447,815
5020	Total Revenues	260,443,883	36,145,101	2,604,313	19,548,786	58,290,516	377,032,599
Expenditures							
Current:							
0011	Instruction	130,223,525	-	-	8,035,277	21,893,065	160,151,867
0012	Instructional resources and media services	2,614,829	-	-	25,254	35,055	2,675,138
0013	Curriculum and instructional staff development	4,636,857	-	-	345,431	4,743,796	9,726,084
0021	Instructional leadership	5,695,701	-	-	36,583	968,183	6,700,467
0023	School leadership	17,197,475	-	-	169,114	171,079	17,537,668
0031	Guidance, counseling and evaluation services	9,306,125	-	-	481,820	899,556	10,687,501
0032	Social work services	735,650	-	-	7,317	662,571	1,405,538
0033	Health services	2,245,044	-	-	383,125	299,540	2,927,709
0034	Student transportation	9,394,667	-	-	125,048	706,288	10,226,003
0035	Food services	77	-	-	178,904	20,480,998	20,659,979
0036	Extracurricular activities	4,372,315	-	-	5,322	2,114,571	6,492,208
0041	General administration	9,395,759	-	-	181,340	13,117	9,590,216
0051	Facilities maintenance and operations	28,401,669	-	-	6,861,124	5,082,792	40,345,585
0052	Security and monitoring services	3,797,467	-	-	2,298,315	41,284	6,137,066
0053	Data processing services	5,638,522	-	-	524,286	7,483	6,170,291
0061	Community services	1,590,410	-	-	33,258	1,454,153	3,077,821
Debt service:							
0071	Principal on long-term debt	990,505	18,350,063	-	53,425	202,892	19,596,885
0072	Interest on long-term debt	2,366	17,744,611	-	-	40	17,747,017
0073	Bond issuance costs and fees	-	6,000	-	-	-	6,000
Capital outlay:							
0081	Facilities acquisition and construction expenditures	1,521,165	-	35,422,813	1,330	363,754	37,309,062
Intergovernmental:							
0093	Payments related to shared services arrangements	-	-	-	-	291,152	291,152
0099	Payments to appraisal district	1,083,695	-	-	-	-	1,083,695
6030	Total Expenditures	238,843,823	36,100,674	35,422,813	19,746,273	60,431,369	390,544,952
1100	Excess (deficiency) of revenues over (under) expenditures	21,600,060	44,427	(32,818,500)	(197,487)	(2,140,853)	(13,512,353)
Other Financing Sources (Uses)							
7912	Sale of real and personal property	5,890,562	-	-	-	55,598	5,946,160
7915	Transfers in	-	-	-	-	10,348	10,348
7949	Proceeds from SBITA assets	157,527	-	-	197,487	900,791	1,255,805
8911	Transfers out	(115,348)	-	-	-	-	(115,348)
8949	Other uses - court ordered tax refunds	(1,646,545)	(477,931)	-	-	-	(2,124,476)
7080	Total Other Financing Sources (Uses)	4,286,196	(477,931)	-	197,487	966,737	4,972,489
1200	Net change in fund balance	25,886,256	(433,504)	(32,818,500)	-	(1,174,116)	(8,539,864)
0100	Fund Balance - Beginning	194,683,206	2,523,142	65,994,980	-	8,672,613	271,873,941
3000	Fund Balance - Ending	\$ 220,569,462	\$ 2,089,638	\$ 33,176,480	\$ -	\$ 7,498,497	\$ 263,334,077

GALENA PARK INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES
For the Year Ended August 31, 2023

Exhibit C-4

<u>Data Control Codes</u>		
	Amounts reported for governmental activities in the statement of activities (B-1) are different because:	
	Net change in fund balances - total governmental funds (from C-3)	\$ (8,539,864)
	Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation/amortization expense. This is the amount by which capital outlays exceeded depreciation/amortization in the current period.	
1	Capitalized expenditures reclassified to assets.	48,291,527
2	Depreciation/amortization expense taken to Statement of Activities.	(17,713,684)
	The net effect of various miscellaneous transactions involving capital assets (i.e., retirements, transfers, and capital contributions) is to increase/(decrease) net position.	
3		(3,480,810)
	Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
4	Property taxes	(7,322,055)
	Bond and other debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of bond and other debt principal is an expenditure in the governmental funds, but repayment reduces long-term liabilities in the Statement of Net Position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.	
5	Principal paid on bonds, leases, and SBITAs	19,596,885
7	Issuance of SBITAs	(1,255,805)
	Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:	
8	Accrued interest on long-term debt	28,675
9	Amortization of deferred amounts on refunding	(290,943)
10	Amortization of premiums and discounts on issuance of bonds	2,039,606
11	Compensated absences	(39,643)
12	Accreted interest on capital appreciation bonds	666,830
13	Changes in pension liabilities and related deferred outflows and inflows of resources	(3,617,196)
14	Changes in OPEB liabilities and related deferred outflows and inflows of resources	7,227,682
	Internal service funds are used by management to charge the costs of certain activities, such as print shop copier services, to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities (see D-2).	
15		68,797
	Change in net position of governmental activities	\$ 35,660,002

GALENA PARK INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
August 31, 2023

Exhibit D-1

	Governmental Activities Internal Service Fund
	<hr/>
Assets	
Current assets:	
Cash and cash equivalents	\$ 75,788
Due from other funds	2,125
Other receivables	412
Noncurrent assets:	
Right-to-use lease assets, net of amortization	11,454
Total Assets	<hr/> 89,779 <hr/>
Liabilities	
Current liabilities:	
Accounts payable	1,809
Accrued wages payable	1,443
Due to other funds	2,940
Total Current liabilities:	<hr/> 6,192
Lease payable - due within one year	11,557
Total Liabilities	<hr/> 17,749 <hr/>
Net Position	
Net investment in capital assets	(103)
Unrestricted net position	72,133
Total Net Position	<hr/> \$ 72,030 <hr/>

GALENA PARK INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND NET POSITION - PROPRIETARY FUNDS
For the Year Ended August 31, 2023

Exhibit D-2

	Governmental Activities Internal Service Fund
	<u> </u>
Operating Revenues	
Charges for services:	
Miscellaneous revenue from local sources	\$ 237,190
Total Operating Revenues	<u>237,190</u>
Operating Expenses	
Payroll costs	66,696
Purchased and contracted services	240
Supplies and materials	73,084
Amortization of right-to-use lease assets	132,573
Total Operating Expenses	<u>272,593</u>
Operating Income (Loss)	<u>(35,403)</u>
Non-Operating Revenues (Expenses)	
Interest expense	(800)
Total Non-Operating Revenues (Expenses)	<u>(800)</u>
Income (loss) before capital contributions and transfers	(36,203)
Transfers in	<u>105,000</u>
Change in Net Position	68,797
Net Position - Beginning	3,233
Net Position - Ending	<u>\$ 72,030</u>

GALENA PARK INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended August 31, 2023

Exhibit D-3

	Governmental Activities Internal Service Fund
Cash Flows from Operating Activities:	
Cash received from customers	\$ 236,778
Cash payments to suppliers for goods and services	(71,609)
Cash payments to employees	(66,778)
Net cash provided by (used for) operating activities	<u>98,391</u>
Cash Flows from Noncapital Financing Activities	
Transfers from other funds	105,000
Net cash provided by (used for) noncapital financing activities	<u>105,000</u>
Cash Flows from Capital and Related Financing Activities	
Principal paid on lease assets	(133,096)
Interest paid on lease assets	(800)
Net cash provided by (used for) capital and related financing activities	<u>(133,896)</u>
Net increase (decrease) in Cash and Cash Equivalents	69,495
Cash and Cash Equivalents September 1	6,293
Cash and Cash Equivalents August 31	<u>\$ 75,788</u>
Reconciliation of Operating Income (Loss) to net Cash provided by (used for) Operating-Activities:	
Operating income (loss)	\$ (35,403)
Adjustments to Reconcile Operating income (loss) to Net Cash Provided by (used for) Operating Activities:	
Amortization of right-to-use lease assets	132,573
(Increase) decrease in other receivables	(412)
Increase (decrease) in accounts payable	1,659
Increase (decrease) in accrued wages payable	(82)
Increase (decrease) in interfund receivables/payables	56
Total Adjustments	<u>133,794</u>
Net Cash provided by (used for) operating activities	<u>\$ 98,391</u>

GALENA PARK INDEPENDENT SCHOOL DISTRICT**STATEMENT OF FIDUCIARY NET POSITION****August 31, 2023***Exhibit E-1*

	Private Purpose Trust Fund	Custodial Fund
Assets		
Cash and cash equivalents	\$ 23,424	\$ 22,725
Total Assets	<u>23,424</u>	<u>22,725</u>
Liabilities		
Accounts payable	2,000	-
Total Liabilities	<u>2,000</u>	<u>-</u>
Net Position		
Restricted for student scholarships and other activities	21,424	22,725
Total Net Position	<u>\$ 21,424</u>	<u>\$ 22,725</u>

GALENA PARK INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the Year Ended August 31, 2023

Exhibit E-2

	<u>Private Purpose Trust Fund</u>	<u>Custodial Fund</u>
Additions		
Contributions:		
Gifts and contributions	\$ 11,000	\$ 13,876
Revenues from student activities	-	1,824
Revenues from enterprising activities	-	3,183
Total Additions	<u>11,000</u>	<u>18,883</u>
Deductions		
Scholarships awarded	7,500	-
Payments for student activities	-	16,754
Total Deductions	<u>7,500</u>	<u>16,754</u>
Change in net position	3,500	2,129
Net Position - Beginning	17,924	20,596
Net Position - Ending	<u>\$ 21,424</u>	<u>\$ 22,725</u>

Note 1 - Summary of Significant Accounting Policies

The Galena Park Independent School District (the "District") is public educational agency operating under the applicable laws and regulations of the State of Texas. It is governed by a seven-member Board of Trustees that is elected by registered voters of the District.

The District prepares its basic financial statements in conformity with generally accepted accounting principles (GAAP) promulgated by the Governmental Accounting Standards Board (GASB) and other authoritative sources as identified by the American Institute of Certified Public Accountants. Additionally, the District complies with the requirements of the appropriate version of the Texas Education Agency (TEA) Financial Accountability System Resource Guide (FASRG) and the requirements of contracts and grants of agencies from which it receives funds.

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

Reporting Entity

The District is considered an independent entity for financial reporting purposes and is considered a primary government. As required by GAAP, these basic financial statements have been prepared based on considerations regarding the potential for inclusion of other entities, organizations or functions as part of the District's financial reporting entity. Based on these considerations, the District's basic financial statements do not include any other entities. Additionally, as the District is considered a primary government for financial reporting purposes, its activities are not considered a part of any other governmental or other type of reporting entity.

Considerations regarding the potential for inclusion of other entities, organizations or functions in the District's financial reporting entity are based on criteria prescribed by GAAP. These same criteria are evaluated in considering whether the District is a part of any other governmental or other type of reporting entity. The overriding elements associated with prescribed criteria considered in determining that the District's financial reporting entity status is that of a primary government are that it has a separately elected governing body; it is legally separate; and it is fiscally independent of other state and local governments. Additionally, prescribed criteria under generally accepted accounting principles include considerations pertaining to organizations for which the primary government is financially accountable and considerations pertaining to other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities* normally are supported by taxes and intergovernmental revenues.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment, are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to students or users who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

Note 1 - Summary of Significant Accounting Policies (continued)

Government-wide and Fund Financial Statements (continued)

Interfund activities between governmental funds and proprietary funds appear as due to/due from on the governmental fund balance sheet and proprietary fund statement of net position and as other resources and other uses on the governmental fund statement of revenues, expenditures and changes in fund balances and on the proprietary fund statement of revenues, expenses and changes in fund net position. All interfund activities between governmental funds and internal service funds are eliminated on the government-wide statements. The District has no interfund services provided and used between functions that would be program revenue which would not be eliminated in the process of consolidation. Interfund activities between governmental funds and fiduciary funds remain as due to/due from on the government-wide statement of net position.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of recognition in the financial statements of various kinds of transactions or events.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they have been earned and they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service principal and interest expenditures on general long-term debt, including lease and subscription-based technology arrangements (SBITA) liabilities, as well as expenditures related to compensated absences, and claims and judgments, postemployment benefits and environmental obligations are recognized later based on specific accounting rules applicable to each, generally when payment is due. General capital asset acquisitions, including entering into contracts giving the District the right-to-use lease assets and SBITA assets, are reported as expenditures in governmental funds. Issuance of long-term debt and financing through leases and SBITAs are reported as other financing sources.

The government-wide, proprietary fund, and fiduciary fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Revenues from local sources consist primarily of property taxes. Property tax revenues are available for spending when collected, while revenues received from the State of Texas are recognized under the susceptible-to-accrual concept. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned since they are both measurable and available.

Note 1 - Summary of Significant Accounting Policies (continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

Grant funds are considered earned to the extent of the expenditures made under the provisions of the grant. Most grant funds are received on a reimbursement basis. When grant funds are received in advance, they are recorded as unearned revenues until the related and authorized expenditures have been made. If balances have not been expended by the end of the project period, grantors sometimes require the District to refund all or part of the unused amount.

The District reports the following major governmental funds:

- The *general fund* is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The *debt service fund* accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.
- The *capital projects fund* is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.
- The *CRRSA Act ESSER II fund* is used to account for federal stimulus ESSER II funds granted to District through the CRRSA Act to support the District's ability to operate and instruct its students during the coronavirus pandemic.

The District reports the following nonmajor governmental funds:

- The *special revenue funds* are used to account for resources restricted to, or committed for, specific purposes by a grantor. Federal and state financial assistance generally is accounted for in a special revenue fund. Generally, unused balances are returned to the grantor at the close of the specified project periods. With respect to the campus activity funds, funds are rolled over from year to year for use in the program.

Additionally, the District reports the following fund types:

- The *internal service fund* is used to account for the operations of the District's print shop.
- The *private-purpose trust fund* is used to account for scholarship funds for post-secondary education purposes held on behalf of current and former students.
- The *custodial fund* is used to account for monies held on behalf of students for student organizations.

During the course of operations, the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (governmental and the internal service fund) are eliminated so that only the net amount is included as internal balances in the governmental activities' column.

Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities' column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements.

Amounts reported as program revenues include 1) charges to students or users for goods, services, or privileges provided and 2) operating grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes and investment income.

Note 1 - Summary of Significant Accounting Policies (continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District's internal service fund are charges to the funds and/or employees for self-funded health services. Operating expenses for the internal service fund include the cost of services and administrative expenses. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

Implementation of New Accounting Standards

GASB Statement No. 94 *Public-Private and Public-Public Partnerships and Availability Payment Arrangements* was issued in March 2020 and is effective for periods beginning after June 15, 2022. This Statement addresses issues related to public private and public-public partnership arrangements (PPPs). The Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). The requirements of this Statement are effective for periods beginning after June 15, 2022. The District has evaluated the effects of this standard and has determined that it does not impact the financial statements.

GASB Statement No. 96 *Subscription-Based Information Technology Arrangements (SBITA)*, was issued in May 2020 and as effective for periods beginning after June 15, 2022. This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset, an intangible asset, and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. The District has evaluated the effects of this standard and has determined that it does impact the financial statements. As such the District has incorporated such SBITAs into its capital assets and long-term liabilities on both the face of the financial statements and the note disclosures.

GASB Statement No. 99 *Omnibus 2022* was issued in April 2022. This Statement was issued to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements and accounting and financial reporting for financial guarantees. The requirements of this Statement are effective immediately upon issuance, for periods beginning after June 15, 2022 and June 15, 2023, depending on the topical area.

Deposits and Investments

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, certificates of deposit, external investment pools (LOGIC, Lone Star, Texas CLASS and TexPool) and other investment securities.

The funds of the District must be deposited and invested under the terms of a depository contract, the contents of which are set out in the Depository Contract Law. The depository bank may either place approved pledged securities for safekeeping and trust with the District's agent bank or file a corporate surety bond in an amount sufficient to protect District funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of FDIC insurance. The depository cash balances were covered by FDIC insurance and by collateral held by the District's agent in the District's name.

Note 1 - Summary of Significant Accounting Policies (continued)

Deposits and Investments (continued)

The District categorizes fair value measurements of its investments based on the hierarchy established by GAAP. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: 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. The District's local government investment pools are valued and recorded at amortized costs as permitted by GASB Statement No. 79, *Certain Investment Pools and Pool Participants*.

Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

Property tax receivables include unpaid property taxes at year-end along with penalties and interest assessed on these unpaid taxes and are shown net of an allowance for uncollectible taxes. Revenues from property taxes are recognized when levied to the extent they are available. The District considers property taxes as available when collected. However, not all outstanding property taxes are expected to be collected within one year of the date of the financial statements. Property values are determined by the Harris County Appraisal District as of January 1 of each year. Prior to September 1 of each year, the District must adopt its annual budget and as soon thereafter as practicable, shall adopt a tax rate thus creating the tax levy. Property taxes for the current calendar year are levied on approximately October 1 of each year and are payable by January 31 of the following year. Property tax receivables are recorded as of the date levied. Unpaid taxes become delinquent on February 1 and a tax lien on real property is created as of July 1 of each year.

The tax rates applicable to the maintenance and operation and debt service for fiscal year 2023 were 1.04270 and \$0.31148, respectively, based on a taxable value of \$11,101,281,873. Uncollected taxes are recorded as unavailable revenue in the fund financial statements net of the related allowance for uncollectible taxes.

Inventories and Prepaid Items

Inventories consisting of supplies and materials are valued at weighted average cost and they include maintenance, transportation, office and instructional supplies, and food service commodities. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. Food service commodity inventory is recorded at fair market value on the date received. Commodities are recognized as revenues in the period received when all the eligibility requirements are met.

Commodity inventory items are recorded as expenditures when distributed to user locations. A portion of fund balance is considered restricted to reflect minimum inventory quantities considered necessary for the District's continuing operations.

Note 1 - Summary of Significant Accounting Policies (continued)

Capital Assets

Capital assets are tangible and intangible assets, which include property, plant, equipment, the right-to-use lease assets, the right-to-use SBITA assets, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental column in the government-wide financial statements. Capital assets, except for infrastructure assets, are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. The District has established a lease and SBITA recognition threshold of \$100,000. As the District constructs or acquires capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost (except for intangible right-to-use lease assets and SBITA assets, the measurement of which is discussed in note above). The reported value excludes normal maintenance and repairs, which are amounts spent in relation to capital assets that do not increase the asset’s capacity or efficiency or increase its estimated useful life. Donated capital assets are recorded at acquisition value at the date of donation. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential on the date of the donation. Intangible assets follow the same capitalization policies as tangible capital assets and are reported with tangible assets in the appropriate capital asset class.

Land and construction in progress are not depreciated. The other tangible and intangible property, plant, equipment, the right-to-use lease assets and right-to-use SBITA assets, primary government are depreciated/amortized using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings and improvements	40 years
Furniture, fixtures, and equipment	10 years
Vehicles	10 years
Right-to-use lease assets	Shorter of lease term or 10 years
SBITA assets	Subscription term

Subscription-Based Information Technology Arrangements

The District is under contracts for SBITA for various financial and educational software. The agreements/contracts are noncancellable and the District recognizes a SBITA liability and an intangible right-to-use SBITA asset in the government-wide financial statements. The District recognizes SBITA liabilities with an initial, individual value of \$100,000 or more.

At the commencement of the SBITA, the District initially measures the SBITA liability at the present value of payments expected to be made during the SBITA term. Subsequently, the SBITA liability is reduced by the principal portion of SBITA payments made. The SBITA asset is initially measured as the initial amount of the SBITA liability, adjusted for payments made at or before the SBITA commencement date, plus certain initial direct costs. Subsequently, the SBITA asset is amortized on a straight-line basis over its useful life. Key estimates and judgments related to SBITA include how the District determines (1) the discount rate it uses to discount the expected SBITA payments to present value, (2) SBITA term, and (3) SBITA payments

Note 1 - Summary of Significant Accounting Policies (continued)

Subscription-Based Information Technology Arrangements (continued)

- The District uses the interest rate charged by the SBITA vendor as the discount rate. When the interest rate charged by the SBITA vendor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for SBITAs.
- The SBITA term includes the noncancellable period of the SBITA and payments included in the measurement of the SBITA liability are composed of fixed payments and purchase option price that the District is reasonably certain to exercise.

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

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

Compensated Absences

The District has a vacation pay policy for non-contractual employees (administration and other full-time employees) whereby eligible employees shall receive vacation pay from one to fifteen days, dependent upon the number of years of service, after the completion of a year's service in the District. All vacation days must be used during the year and unused vacation pay cannot be carried over to future periods.

The District's sick leave policy is coordinated with a state mandated sick leave policy whereby substantially all full-time teaching and paraprofessional employees receive up to twelve days sick leave per year. State sick leave days accrue at the rate of five per year without limit to accumulation. The unused balance may be transferred to another District within the Texas public school system. All state sick leave days must be used prior to retirement from the Texas public school system to receive the benefit. The District pays for all state sick leave days used.

Additional local sick leave of up to seven days per year accrues to employees eligible to receive state mandated sick days. All employees not eligible for state mandated sick days may receive up to twelve days of local sick leave. Local sick leave may be accrued without limitation; however, the District does not pay accumulated local sick leave upon termination with the District. Employees are eligible to receive local sick leave upon qualified retirement from the District, dependent upon the number of years of service with the District.

Upon retirement, under an eligible retirement plan, an employee is eligible for reimbursement of accrued local sick leave based on the following schedule:

Years of Service	Salary Service Reimbursed	Maximum Reimbursement
Less than 20	\$100/day for up to 50 local days	\$5,000
20 – 30	\$100/day for up to 75 local days	\$7,500
31 – 35	\$100/day for up to 100 local days	\$10,000
Over 35	\$100/day for up to 175 local days	\$17,500

Compensated absences are liquidated from the General Fund when due and payable.

Note 1 - Summary of Significant Accounting Policies (continued)

Long-term Liabilities

In the government-wide financial statements and in proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

The current requirements for general obligation bonds principal and interest expenditures are accounted for in the debt service fund. The current requirements for compensated absences are liquidated in the general fund.

Leases

Lessee: The District is a lessee for the noncancellable lease of equipment. The District recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The District recognizes lease liabilities with an initial, individual value of \$100,000 or more.

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

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

- The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the District is reasonably certain to exercise.

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

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

Lessor: The District is a lessor for a noncancellable leases agreement. The District recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements

Note 1 - Summary of Significant Accounting Policies (continued)

Leases (continued)

At the commencement of a lease, the District initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the District determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The District uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

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

Deferred outflows/inflows of resources

In addition to assets, the statement of financial position includes a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period(s) and therefore will not be recognized as an outflow of resources (expense/expenditure) until then. The District has three items that qualify for reporting in this category. It is the deferred charge on refunding reported in the government-wide statement of net position, deferred amounts related to pension, and deferred amounts related to OPEB. The deferred charge on refunding resulted from the difference between the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred amounts related to pension and OPEB relate differences between estimated and actual investment earnings, changes in actuarial assumptions, and other pension and OPEB related changes.

In addition to liabilities, the statement of financial position includes a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period(s) and therefore will not be recognized as an inflow of resources (revenue) until that time. The District has two items that qualify for reporting in this category on the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: property taxes and leases. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. In the government-wide financial statements the District reports three items in this category: deferred amounts related to leases, deferred amounts related to pension, and deferred amounts related to OPEB.

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. This includes for purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, and information about assets, liabilities, and additions to/deductions from TRS's fiduciary net position. 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.

Note 1 - Summary of Significant Accounting Policies (continued)

Other Post-Employment Benefits

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 other post-employment benefits, OPEB expense, 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 terms. There are no investments as this is a pay-as you-go plan and all cash is held in a cash account.

Fund Balance Classifications

In the fund financial statements, governmental funds report classifications of fund balance based on controls placed upon the funds. In accordance with the Governmental Accounting Standards Board (GASB) Statement No. 54, effective June 30, 2011, fund balance classifications are recorded as follows:

- *Nonspendable fund balance* - amounts that are not in spendable form or are required to be maintained intact. As such, inventory and prepaid items have been properly classified in the Governmental Funds Balance Sheet (Exhibit C-1).
- *Restricted fund balance* - amounts that can be spent only for specific purposes because of local, state or federal laws, or externally imposed conditions by grantors or creditors.
- *Committed fund balance* - amounts constrained to specific purposes by the District itself, using its highest level of decision-making authority (i.e. the Board of Trustees). To be reported as committed, amounts cannot be used for any other purposes unless the District takes the same highest level of action to remove or change the constraint. The District establishes (and modifies or rescinds) fund balance commitments by passage of a resolution. The District has committed 100 percent of Fund 461 Campus Activity Funds' fund balance.
- *Assigned fund balance* - amounts the District intends to use for a specific purpose. Intent can be expressed by the District or by an official or body to which the Board of Trustees delegates the authority. Per Board Policy, CE Local, the Board has delegated authority to the Superintendent or Chief Financial Officer to establish fund balance assignments.
- *Unassigned fund balance* - amounts that are available for any purpose. Positive amounts are reported only in the general fund. The District strives for a minimum unassigned General Fund Balance of ten to fifteen percent of operating expenditures. In the Debt Service Fund, the District's goal is to have a fund balance of fifteen percent of debt service expenditures.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds.

Data Control Codes

The Data Control Codes refer to the account code structure prescribed by the Texas Education Agency (TEA) in the Financial Accountability System Resource Guide (FASRG). TEA requires school districts to display these codes in the financial statements filed with the Agency in order to ensure accuracy in building a statewide database for policy development and funding plans.

Note 1 - Summary of Significant Accounting Policies (continued)

Use of Estimates

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

Note 2 - Deposits and Investments

Cash Deposits

The District's deposit and investment transactions are regulated by local, state, and federal statutes. In accordance with the Texas Education Code, the District has a depository contract with an area bank which may be selected through competitive bidding or requests for proposals. Each school district's depository contract must be renewed every two years and may be extended for three additional two-year periods. The contract and any extension of the contract must coincide with the District's fiscal year. Regulations require that all funds in the depository institution be fully secured by federal depository insurance or a combination of FDIC insurance and acceptable collateral securities and/or surety bonds.

The District's policy requires the collateralization level to be 102 percent of fair value of principal and accrued interest (or 110 percent margin for mortgage-backed securities) and must be placed in custody with a trustee with a current District custodial agreement. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation (FDIC) insurance.

At August 31, 2023, the District's cash in bank totaled \$6,934,655 while the carrying value was \$1,733,864. Pledged collateral and FDIC insurance for these deposits totaled \$11,334,083.

Investments

The District's investment policy is in accordance with the Public Funds Investment Act, the Public Funds Collateral Act, and federal and state laws. The District further limits its investments to obligations of the U.S. Treasury or the State of Texas, certain U.S. Agencies, certificates of deposit, collateralized mortgage obligations, no-load money market mutual funds, certain municipal securities, repurchase agreements, or investment pools.

For the year ended August 31, 2023, the District invested in the Local Government Investment Cooperative (LOGIC), Lone Star Investment Pool (LSIP), Texas CLASS, and TexPool.

The Local Government Investment Cooperative (Logic) is a "Constant Dollar" net asset value poll and is administered by First Southwest and JP Morgan Chase. Logic maintains three primary goals for investing public funds: safety, liquidity and yield. The District's amortized cost in Logic is the same as the value of the pool shares.

Lone Star Investment Pool (LSIP) is a Texas public investment pool sponsored by the Texas Association of School Boards (TASB) for investment of funds by state and local government entities, primarily local school districts. The Board has entered into an agreement with First Public, LLC (First Public), a Texas limited liability company and a member of the National Association of

Note 2 - Deposits and Investments (continued)

Investments (continued)

Securities Dealers, Securities Investor Protection Corporation, and Municipal Securities Rulemaking Board, pursuant to which First Public serves as administrator of LSIP's operations. American Beacon Advisors, Fort Worth, Texas, and Standish Mellon Asset Management Company, LLC, Pittsburgh, Pennsylvania, provide investment management services to LSIP regarding the investment and reinvestment of the pool's assets. The fund's credit quality is excellent as its portfolio is composed of U. S. government and U. S. agency securities. Investments in LSIP provide for investment in securities with maturities and returns generally greater than money market instruments. LSIP is marked-to-market daily to maintain an accurate net asset value. This rating indicates excellent safety and a superior capacity to maintain principal value and limit exposure to loss. The District's amortized cost in LSIP is the same as the value of the pool shares.

The District participates in the Texas Cooperative Liquid Assets Securities System ("Texas CLASS"), an external investment pool. Texas CLASS is a local government investment pool emphasizing safety, liquidity, convenience and competitive yield. Since 1996, Texas CLASS has provided Texas public entities a safe and competitive investment alternative. Texas CLASS invests only in securities allowed by the Texas Public Funds Investment Act. The pool is governed by a board of trustees, elected annually by its participants.

TexPool is a public funds investment pool created by the Texas Treasury Safekeeping Trust Company (Trust Company) to provide a safe environment for the placement of local government funds in authorized short-term, fully-collateralized investments, including direct obligations of, or obligations guaranteed by, the United States or State of Texas or their agencies; federally insured certificates of deposit issued by Texas banks or savings and loans; and fully collateralized direct repurchase agreements secured by United States Government agency securities and placed through a primary government securities dealer.

The Trust Company was incorporated by the State Treasurer by authority of the Texas Legislature as a special purpose trust company with direct access to the services of the Federal Reserve Bank to manage, disburse, transfer, safe keep, and invest public funds and securities more efficiently and economically. The State Comptroller of Public Accounts exercises oversight responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management, and accountability for fiscal matters. TexPool operates in a manner consistent with the Security and Exchange Commission's Rule 2a7 of the Investment Company Act of 1940. TexPool uses amortized cost to report net position to compute share prices. The fair value of the position in TexPool is the same as the value of TexPool shares. Accordingly, the District's investments in TexPool are stated at cost, which approximates fair value. TexPool is currently rated AAAM by Standard and Poor's. This rating indicates excellent safety and a superior capacity to maintain principal value and limit exposure to loss.

In accordance with GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, the Local Government Investment Pools do not have any limitations and restrictions on withdrawals such as notice periods or maximum transaction amounts. These pools do not impose any liquidity fees or redemption gates.

Note 2 - Deposits and Investments (continued)

Investments (continued)

At August 31, 2023, the District's cash and investment balances and the weighted average maturity of these investments were as follows:

	<u>Fair Value</u>	<u>% of Portfolio</u>	<u>Weighted Average Maturity (Days)</u>
Governmental Activities:			
Bank deposits	\$ 1,687,715	1%	1
Local Government Investment Pools:			
LOGIC	\$10,738,471	4%	32
Lone Star - Corporate Overnight			
Plus Fund	52,348,618	20%	44
Texas CLASS	27,700,989	10%	40
TexPool Prime	<u>14,290,208</u>	5%	32
Total Local Government Investment Pools	<u>105,078,286</u>		
Total cash and cash equivalents	106,766,001		
Investment securities:			
FHLMC	29,813,713	11%	519
FHLB	75,518,495	28%	314
FAMCA	4,849,548	2%	235
FNMA	4,989,730	2%	118
Commercial Paper	<u>44,364,254</u>	17%	115
Total Investment Securities	<u>159,535,740</u>		
Total Investments	<u>159,535,740</u>	60%	
Total Governmental Activities	<u>266,301,741</u>	100%	187
Fiduciary Funds			
Cash and deposits	<u>46,149</u>	N/A	N/A
Total Fiduciary Funds	<u>46,149</u>		
Total Cash and Investments	<u>\$ 266,347,890</u>		
Investment earnings	<u>\$ 13,765,562</u>		
Total Investment earnings	<u>\$ 13,765,562</u>		

Note 2 - Deposits and Investments (continued)

Investments (continued)

Investments' fair value measurement are as follows at August 31, 2023:

Investments:	Fair Value	Fair Value Measurements Using		
		Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
FHLMC	\$ 29,813,713	\$ 29,813,713	\$ -	\$ -
FHLB	75,518,495	75,518,495	-	-
FAMCA	4,849,548	4,849,548	-	-
FNMA	4,989,730	4,989,730	-	-
Commercial Paper	44,364,254	-	44,364,254	-
Total investments	\$ 159,535,740	\$ 115,171,486	\$ 44,364,254	\$ -

Due to the immediate availability of the funds, the District's temporary investments at August 31, 2023 are included in cash and cash equivalents. In addition, the District's investment securities and commercial paper are reported at carrying value, which approximates fair value, using Level 2 inputs.

Interest Rate Risk:

In order to limit interest and market rate risk from changes in interest rates, the ISD's adopted Investment Policy sets a maximum maturity of three (3) years unless specifically approved by the Board within legal limits and a maximum weighted average maturity (WAM) of 365 days on the total portfolio.

As of August 31, 2023 the portfolio contained:

- No investments which matured longer than 665 days.
- The dollar weighted average maturity of the total portfolio was 187 days.

As of August 31, 2023, the portfolio contained fifteen (15) structured (callable) notes with a fair market value of \$ 115,171,486 as shown below:

Callable Notes	Maturity Date	Days to Maturity	Fair Value
Federal National Mortgage Association	12/27/23	117	\$ 4,989,730
Federal Home Loan Bank	07/25/24	328	9,931,592
Federal Home Loan Bank	10/25/24	420	6,452,977
Federal Home Loan Bank	03/15/24	196	9,988,640
Federal Home Loan Bank	06/12/25	650	4,967,250
Federal Home Loan Bank	03/12/24	193	9,733,826
Federal Home Loan Bank	12/20/24	476	9,954,761
Federal Home Loan Bank	01/27/25	514	9,542,947
Federal Home Loan Bank	10/27/23	56	9,957,247
Federal Home Loan Bank	11/28/23	88	4,989,256
Federal Agricultural Mortgage Corporation	04/22/24	234	4,849,548
Federal Home Loan Mortgage Corporation	07/26/24	329	4,969,951
Federal Home Loan Mortgage Corporation	12/30/24	486	4,961,598
Federal Home Loan Mortgage Corporation	12/27/24	483	9,941,103
Federal Home Loan Mortgage Corporation	06/26/25	664	9,941,060
			\$ 115,171,486

Note 2 - Deposits and Investments (continued)

Credit Risk

Texas state law and the Galena Park Independent School District's Board adopted Investment Policy place high credit quality as a priority in its investment process. Credit minimums are set for appropriate investment types and a procedure is included in the policy for monitoring, disclosing and acting on credit downgrades. The maximum maturity of any investment is set by policy at three (3) years and the maximum allowable dollar weighted average maturity by policy is one year.

All time and demand deposits are required to be FDIC insured or collateralized to 102% (or 110% if mortgage-backed securities). They must be in eligible depositories doing business in Texas and be under the terms of a written collateral agreement. The maximum maturity on depository CD as stated in the Policy is three (3) years. The bank is contractually liable for monitoring and maintaining the collateral margins.

Obligations of the US Government, its agencies and instrumentalities are authorized to a maximum maturity of three years.

Brokered CD securities must be FDIC insured and delivered versus payment to the District's depository. Maximum maturity of one year and FDIC insurance must be verified before purchase.

Banker's acceptances must be eligible as collateral by the Federal Reserve.

Commercial paper must be rated A1/P1 or equivalent by two nationally recognized rating agencies and not exceed 270 days to stated maturity.

State law and the adopted Investment Policy limit repurchase agreements to Texas banks and primary dealers. State law and the policy require a defined termination date, an industry standard, written master repurchase agreement, independent safekeeping of collateral, and a 102% margin on collateral. The term of any reverse security repurchase agreement cannot exceed the maturity of the reverse.

Obligations of the State of Texas or its agencies and instrumentalities or obligations of other states, agencies, counties, cities and other political subdivisions rated as to investment quality by a nationally recognized rating firm (NRSRO) not less than A or its equivalent are authorized. Debt obligations have a maximum maturity of three years.

AAA-rated, local government investment pools striving to maintain a \$1 net asset value as defined by state law (2256.016) and approved by the District's adopted policy are authorized. By State law all local government pools are rated AAA or equivalent by at least one NRSRO.

Money market mutual funds must comply with SEC Rule 2a-7 and strive to maintain a \$1 net asset value.

All demand and time deposits must be fully FDIC insured or collateralized in accordance with the District policy.

As of August 31, 2023:

- Insured or collateralized demand deposits represented 2% of the total portfolio.
- A1/P1 commercial paper represented 4% of the total portfolio.
- Municipal debt represented 2% of the total portfolio.
- Holdings in local government investment pools that are rated AAA represented 77% of the total portfolio.
- US Government agency securities represented 15% of the total portfolio.

Note 2 - Deposits and Investments (continued)

Concentration of Credit Risk:

The District's ISD's adopted Investment Policy requires diversification on all authorized investment types which are monitored on at least a monthly basis. The segmented time distribution of securities as of August 31, 2023 is shown below:

	Fair Value	Investment Maturity in Years		
		Less than 1 Year	1-2 Years	2-3 Years
Bank deposits	\$ 1,733,864	\$ 1,733,864	\$ -	\$ -
Local Government Investment Pools:				
LOGIC	10,738,471	10,738,471	-	-
Lone Star - Corporate Overnight Plus Fund	52,348,618	52,348,618	-	-
Texas CLASS	27,700,989	27,700,989	-	-
TexPool Prime	14,290,208	14,290,208	-	-
Investment Securities				
FHLMC	29,813,713	4,969,950	24,843,763	-
FHLB	75,518,495	44,600,560	30,917,935	-
FAMCA	4,849,548	4,849,548	-	-
FNMA	4,989,730	4,989,730	-	-
Commercial Paper	44,364,254	44,364,254	-	-
	<u>\$ 266,347,890</u>	<u>\$ 210,586,192</u>	<u>\$ 55,761,698</u>	<u>\$ -</u>

Custodial Credit Risk

To control custody risk State law and the District's ISD's adopted Investment Policy requires collateral for all time and demand deposits and repurchase agreements with securities transferred only on a delivery versus payment basis and held by an independent party approved by the District and held in the District's name. The custodian is required to provide original safekeeping receipts and monthly reporting of positions and position descriptions including market value. Repurchase agreements and deposits must be collateralized to 102% (with 110% on mortgaged-backed securities) and transactions are required to be executed under a written agreement. The counter-party of each type transaction is held contractually liable for monitoring and maintaining the required collateral margins on a daily basis.

Portfolio disclosure as of August 31, 2023:

- all demand and time deposits were fully insured or collateralized,
- the portfolio contained no repurchase agreements, and
- all pledged bank collateral for demand deposits was held by an independent institution outside the bank's holding company.

Note 3 - Receivables, Unavailable Revenues and Unearned Revenues

Receivables as of August 31, 2023, for the District's individual major and non-major funds and internal service and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General Fund	Debt Service Fund	Capital Projects Fund	CRRSA Act ESSER II	Nonmajor Governmental Funds	Internal Service Fund	Total
Property Taxes	\$ 9,448,187	\$ 2,341,424	\$ -	\$ -	\$ -	\$ -	\$ 11,789,611
Due from other governments	11,775,355	-	-	10,588,208	9,106,940	-	31,470,503
Accrued interest	1,720,675	-	257,914	-	-	-	1,978,589
Other receivables	1,305,429	52,743	-	-	11,711	412	1,370,295
Gross Receivables	24,249,646	2,394,167	257,914	10,588,208	9,118,651	412	46,608,998
Less allowance for doubtful accounts	(1,454,291)	(330,499)	-	-	-	-	(1,784,790)
Net Total Receivables	\$ 22,795,355	\$ 2,063,668	\$ 257,914	\$ 10,588,208	\$ 9,118,651	\$ 412	\$ 44,824,208

Governmental funds do not recognize revenue in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of *unearned* reported in the governmental funds were as follows:

	Unearned Revenue
Advanced collection of miscellaneous student fees	\$ 9,977
Advanced collection of preseason athletic sales	9,290
Adjustment to state aid (General Fund)	174,963
Adjustment to EDA (Debt Service Fund)	60,390
Grant funds received prior to meeting eligibility requirements	561,713
Total unearned revenue for governmental funds	\$ 816,333

Lessor Agreement

The District has an agreement in place to lease a tract of land to operate a cell tower. The District is reasonably certain to exercise renewal options through June 2039. The lessee is required to pay monthly payments between \$1,384 and \$2,357 over the life of the agreement. The District recognized \$15,819 in lease revenue and \$1,718 in interest revenue during the current fiscal year related to this lease. As of August 31, 2023, the District's receivable for lease payments was \$353,886. Also, the District has a deferred inflow of resources associated with this lease that will be recognized as revenue over the lease term. As of August 31, 2023, the balance of the deferred inflow of resources was \$353,886.

Fiscal Year	Principal	Interest	Total
2024	\$ 16,421	\$ 1,642	\$ 18,063
2025	17,042	1,563	18,605
2026	17,682	1,481	19,163
2027	18,343	1,395	19,738
2028 - 2032	102,351	5,584	107,935
2033 - 2037	122,193	2,933	125,126
2038 - 2039	59,854	323	60,177
Total	\$ 353,886	\$ 14,921	\$ 368,807

Note 4 - Capital Assets

Capital asset activity for the year ended August 31, 2023, was as follows:

	Balance September 1, 2022 as Restated	Additions	(Retirements)	Transfers	Balance August 31, 2023
Capital assets, not being depreciated/amortized					
Land	\$ 26,044,416	\$ 2,708,638	\$ (1,990,757)	\$ 787,900	\$ 27,550,197
Construction in progress	22,556,707	40,231,550	-	(9,133,132)	53,655,125
Total Capital Assets, not being depreciated/amortized	48,601,123	42,940,188	(1,990,757)	(8,345,232)	81,205,322
Capital assets, being depreciated/amortized					
Buildings and improvements	523,731,127	467,436	(3,456,482)	4,214,877	524,956,958
Furniture and equipment	27,461,247	3,576,559	(745,978)	4,130,355	34,422,183
Vehicles	14,745,760	51,538	(59,027)	-	14,738,271
Right-to-use lease assets	1,897,156	-	-	-	1,897,156
SBITA assets	769,117	1,255,805	-	-	2,024,922
Total Capital Assets, being depreciated/amortized	568,604,407	5,351,338	(4,261,487)	8,345,232	578,039,490
Less accumulated depreciation/amortization for:					
Buildings and improvements	(194,154,706)	(13,257,694)	2,001,934	-	(205,410,466)
Furniture and Equipment	(19,094,978)	(1,951,145)	710,474	-	(20,335,649)
Vehicles	(10,751,443)	(1,105,445)	59,027	-	(11,797,861)
Right-to-use lease assets	(896,630)	(903,809)	-	-	(1,800,439)
SBITA assets	-	(628,164)	-	-	(628,164)
Total Accumulated Depreciation/Amortization	(224,897,757)	(17,846,257)	2,771,435	-	(239,972,579)
Governmental Capital Assets	\$ 392,307,773	\$ 30,445,269	\$ (3,480,809)	\$ -	\$ 419,272,233
					Less associated bonds, leases, and SBITAs (343,038,410)
					Plus unspent bond proceeds 33,176,480
					Plus deferred charge on refunding 755,313
					\$ 110,165,616

Depreciation/amortization expense was charged to functions/programs of the District as follows:

Function	Depreciation / Amortization Expense
Instruction	\$ 7,930,704
Instructional resources and media services	245,237
Curriculum and staff development	166,047
Instructional leadership	292,977
School leadership	654,977
Guidance, counseling and evaluation services	251,634
Social work services	67,433
Health services	113,898
Student transportation	1,139,203
Food Services	1,174,851
Extracurricular activities	570,789
General administration	528,627
Facilities maintenance and operations	3,805,214
Security and monitoring services	145,636
Data processing services	735,694
Community services	23,336
	\$ 17,846,257

Note 4 - Capital Assets (continued)

The District has active construction projects as of August 31, 2023. The District's commitments with contractors as of August 31, 2023 are as follows:

Project	Approved Construction	Construction in Progress	Remaining Commitment
Galena Park High School - Additions/Renovations Phase 2	\$ 42,914,159	\$ 21,593,241	\$ 21,320,918
Pyburn Elementary - Replacement	32,641,202	28,506,838	4,134,364
North Shore Senior High School 10th Grade Center - Glass Replacement	224,948	130,096	94,852
Harvard Elementary Renerator	158,490	3,238	155,252
North Shore Middle School Generator	174,490	3,238	171,252
Tice Elementary Generator	163,490	3,238	160,252
MacArthur Elementary HVAC Replacement	3,522,800	2,696,228	826,572
Tice Elementary HVAC Replacement	1,705,050	271,950	1,433,100
Woodland Acres Middle School Roof Replacement	480,238	447,058	33,180
	<u>\$ 81,984,867</u>	<u>\$ 53,655,125</u>	<u>\$ 28,329,742</u>

Note 5 - Interfund Receivables, Payables, and Transfers

Interfund balances consist of short-term lending/borrowing arrangements that result primarily from payroll, warehouse ordering and other regularly occurring charges that are paid by the general fund and then charged back to the appropriate other fund. Additionally, some lending/borrowing may occur between two or more nonmajor governmental funds. The composition of interfund balances as of August 31, 2023, is as follows:

	Payable Fund				Totals
	General Fund	CRRSA Act ESSER II	Nonmajor Governmental Funds	Internal Service Fund	
Receivable Fund					
Governmental activities					
General fund	\$ -	\$ 9,335,054	\$ 6,369,445	\$ 2,940	\$ 15,707,439
Nonmajor governmental funds	27,531	-	22,384	-	49,915
Internal Service Funds	-	-	2,125	-	2,125
Total governmental activities	<u>\$ 27,531</u>	<u>\$ 9,335,054</u>	<u>\$ 6,393,954</u>	<u>\$ 2,940</u>	<u>\$ 15,759,479</u>

During the current fiscal year, the District transferred \$105,000 from the General Fund to the Internal Service Fund to cover the deficit net position and \$10,348 from the General Fund to the Campus Activity Funds to adjust the proportion of program versus nonprogram costs.

	Transfers in:		
	Nonmajor Governmental Funds	Internal Service Fund	Totals
Transfers out:			
Governmental activities			
General fund	\$ 10,348	\$ 105,000	\$ 115,348
Total transfers out	<u>\$ 10,348</u>	<u>\$ 105,000</u>	<u>\$ 115,348</u>

Note 6 - Long-term Liabilities

Changes in Long-term Liabilities

Long-term liability activity for the governmental activities for the year ended August 31, 2023 was as follows:

	Balance September 1, 2022 as Restated	Additions	Retirements	Balance August 31, 2023	Due Within One Year
General Obligation Bonds Payable	\$ 331,405,674	\$ -	\$ (18,350,063)	\$ 313,055,611	\$ 16,960,673
Premiums on bonds	30,750,609	-	(2,039,606)	28,711,003	-
Total Bonds Payable	<u>362,156,283</u>	<u>-</u>	<u>(20,389,669)</u>	<u>341,766,614</u>	<u>16,960,673</u>
Leases	1,004,742	-	(907,241)	97,501	83,228
SBITAs	386,409	1,255,805	(467,919)	1,174,295	471,799
Accretion on Compound Interest Bonds	62,636,203	5,058,108	(5,724,938)	61,969,373	5,819,327
Compensated Absences	1,565,839	346,580	(306,937)	1,605,482	355,354
	<u>\$ 427,749,476</u>	<u>\$ 6,660,493</u>	<u>\$ (27,796,704)</u>	<u>\$ 406,613,265</u>	<u>\$ 23,690,381</u>

General Obligation Bonds

The District issues general obligation bonds for governmental activities to provide resources for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the District.

General obligation bonds payable at August 31, 2023, are summarized as follows:

Bond Series	Issue Amount	Interest Rate (%)	Matures	Amount Outstanding
1996 Unlimited Tax School Bldg. & Refunding Bonds	\$ 40,054,475	4.400 - 6.425	2031	\$ 4,290,219
2002 Unlimited Tax School Bldg. & Refunding Bonds	29,496,438	3.000 - 5.000	2032	14,965,392
2014 Unlimited Tax Refunding Bonds	8,970,000	2.000 - 3.250	2033	5,175,000
2015 Unlimited Tax Refunding Bonds	9,505,000	2.000 - 4.000	2026	2,530,000
2016 Unlimited Tax School Bldg. & Refunding Bonds	98,595,000	2.000 - 5.000	2041	76,480,000
2017 Unlimited Tax Refunding Bonds	29,720,000	2.000 - 5.000	2033	18,240,000
2018 Unlimited Tax School Bldg. & Refunding Bonds	100,230,000	3.000 - 5.000	2041	88,070,000
2019 Unlimited Tax School Building Bonds	92,760,000	3.000 - 5.000	2041	89,240,000
2020 Unlimited Tax School Building & Refunding Bonds	14,850,000	3.000 - 5.000	2034	14,065,000
				<u>\$ 313,055,611</u>

Note 6 - Long-term Liabilities (continued)

General Obligation Bonds (continued)

Annual debt service requirements to maturity are as follows:

Year Ending August 31,	Principal	Interest	Total
2024	\$ 16,960,673	\$ 11,250,750	\$ 28,211,423
2025	17,593,767	10,515,500	28,109,267
2026	18,290,023	9,743,038	28,033,061
2027	14,023,400	8,917,788	22,941,188
2028	14,276,443	8,479,950	22,756,393
2029 - 2033	86,886,305	35,701,950	122,588,255
2034 - 2038	90,380,000	19,217,682	109,597,682
2039 - 2043	54,645,000	3,999,689	58,644,689
	<u>\$ 313,055,611</u>	<u>\$ 107,826,347</u>	<u>\$ 420,881,958</u>

In prior years, the District defeased certain outstanding bonds by placing proceeds of new bonds in irrevocable escrow accounts to provide for all future debt service payments on the old bonds. Accordingly, the escrow accounts to provide for all future bonds are not included in the District’s financial statements. At August 31, 2023, none of the defeased refunded bonds remain outstanding.

During the current year, the District redeemed the remaining principal balance of \$1,825,000 on the Unlimited Tax Refunding Bonds, Series 2013, by using debt service fund balance. Principal payments were scheduled annually through August 2032 at a rate of 3.00% to 3.75%. The primary reasons to call and redeem series of outstanding bonds was to reduce the total amount of interest paid over the life of the bonds and to assist with maintaining the future Interest & Sinking (I&S) tax rate that will be necessary to fund the repayment of the District’s outstanding debt. The aggregate difference between the refunding debt and refunded debt was a current period gain of \$38,113. The economic gain on the transaction was \$340,500.

Accreted Interest on Premium Compound Interest Bonds

A portion of the bonds sold in the Series 1996 and 2002 refunding bond issues were capital appreciation bonds commonly referred to as “premium compound interest bonds.” The District annually records the appreciation of bond principal for the accreted value of the bonds through maturity of the issue. The interest of these bond series will be paid upon maturity. The following table summarizes the significant features of the individual bonds, by issue:

Capital Appreciation Bonds	Maturity	Original Maturity Value of Bonds	Original Bond Principal Amount	Accreted Interest on Bonds	Accreted Value of Bonds at Year End
1996	2018-2031	\$ 80,840,000	\$ 13,279,475	\$ 24,437,358	\$ 37,716,833
2002	2022-2032	79,000,000	16,626,438	37,532,015	54,158,453
		<u>\$ 159,840,000</u>	<u>\$ 29,905,913</u>	<u>\$ 61,969,373</u>	<u>\$ 91,875,286</u>

Note 6 - Long-term Liabilities (continued)

Leases

The District has the following lease agreements in place for the right-to-use equipment as of August 31, 2023:

Description	Start Date	End Date	Interest Rate	Original Amount	Lease Liability				Due Within One Year
					September 1, 2022	Additions	Reductions	August 31, 2023	
Copy machines	09/01/21	09/30/23	0.474%	\$ 1,866,714	\$ 974,300	\$ -	\$ (899,176)	\$ 75,124	\$ 75,124
Postage machines	09/01/22	03/31/27	0.474%	30,442	30,442	-	(8,065)	22,377	8,103
				<u>\$ 1,897,156</u>	<u>\$ 1,004,742</u>	<u>\$ -</u>	<u>\$ (907,241)</u>	<u>\$ 97,501</u>	<u>\$ 83,227</u>

Description	Right-to-use Asset	Accumulated Amortization			
		September 1, 2022	Additions	Reductions	August 31, 2023
Copy machines	\$ 1,866,714	\$ (896,631)	\$ (895,638)	\$ -	\$ (1,792,269)
Postage machines	30,442	-	(8,171)	-	(8,171)
	<u>\$ 1,897,156</u>	<u>\$ (896,631)</u>	<u>\$ (903,809)</u>	<u>\$ -</u>	<u>\$ (1,800,440)</u>

The future principal and interest payments as of August 31, 2023 were as follows:

Fiscal Year	Principal	Interest	Total
2024	\$ 83,227	\$ 122	\$ 83,349
2025	8,142	53	8,195
2026	6,132	15	6,147
	<u>\$ 97,501</u>	<u>\$ 190</u>	<u>\$ 97,691</u>

Subscription-Based Information Technology Arrangements (SBITAs)

The District is under contract for noncancellable SBITAs that convey control of the right to use software. The SBITA liabilities outstanding as of August 31, 2023, are as follows:

Description	Start Date	End Date	Interest Rate	Original Amount	SBITA Liability				Due Within One Year
					September 1, 2022 as Restated	Additions	Reductions	August 31, 2023	
Finance	05/10/22	09/01/24	0.02015%	\$ 108,585	\$ 94,103	\$ -	\$ (29,184)	\$ 64,919	\$ 31,327
Support	09/01/22	09/01/24	0.02184%	157,527	-	157,527	(50,706)	106,821	51,373
Support	09/01/21	09/01/23	0.00315%	432,018	292,306	-	(145,923)	146,383	146,383
Finance	09/01/22	09/01/26	0.02366%	900,791	-	900,791	(188,681)	712,110	171,833
Finance	12/19/22	12/19/24	0.03238%	197,487	-	197,487	(53,425)	144,062	70,883
				<u>\$ 1,796,408</u>	<u>\$ 386,409</u>	<u>\$ 1,255,805</u>	<u>\$ (467,919)</u>	<u>\$ 1,174,295</u>	<u>\$ 471,799</u>

Description	SBITA Asset	Accumulated Amortization			
		September 1, 2022 as Restated	Additions	Reductions	August 31, 2023
Finance	\$ 94,103	\$ -	\$ (29,186)	\$ -	\$ (29,186)
Support	157,527	-	(50,706)	-	(50,706)
Support	292,306	-	(145,923)	-	(145,923)
Finance	900,791	-	(188,681)	-	(188,681)
Support	186,666	-	(62,222)	-	(62,222)
Finance	197,487	-	(53,425)	-	(53,425)
Instruction	196,042	-	(98,021)	-	(98,021)
	<u>\$ 2,024,922</u>	<u>\$ -</u>	<u>\$ (628,164)</u>	<u>\$ -</u>	<u>\$ (628,164)</u>

Note 6 - Long-term Liabilities (continued)

Subscription-Based Information Technology Arrangements (SBITAs) (continued)

All amounts paid were previously included in the measurement of the subscription liability and there were no other related outflows of resources for the period such as variable payments or termination penalties. In addition, there were no commitments incurred prior to commencement of any SBITA term and there were no impairment losses related to SBITA assets.

The future principal and interest payments as of August 31, 2023, were as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 471,799	\$ 25,615	\$ 497,414
2025	338,115	17,040	355,155
2026	180,060	8,621	188,681
2027	184,321	4,361	188,682
	<u>\$ 1,174,295</u>	<u>\$ 55,637</u>	<u>\$ 1,229,932</u>

Note 7 - Revenues from Local, Intermediate, and Out-of-State Sources

During the current year, revenues from local and intermediate sources consisted of the following:

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Property Taxes	\$ 115,556,382	\$ 34,414,449	\$ -	\$ -	\$ 149,970,831
Investment Income (Loss)	9,834,914	982,130	2,478,665	344,205	13,639,914
Co-curricular Student Activities	361,601	-	-	2,458,945	2,820,546
Food Sales	-	-	-	812,620	812,620
Other	1,512,922	-	125,648	65,217	1,703,787
	<u>\$ 127,265,819</u>	<u>\$ 35,396,579</u>	<u>\$ 2,604,313</u>	<u>\$ 3,680,987</u>	<u>\$ 168,947,698</u>

Note 8 - Defined Benefit Pension Plan

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.

Note 8 - Defined Benefit Pension Plan (continued)

Pension Plan Fiduciary Net Position

Detail information about the Teacher Retirement System’s fiduciary net position is available in a separately issued Annual Comprehensive Financial Report that includes financial statements and required supplementary information. That report may be obtained on the Internet at <https://www.trs.texas.gov/TRS%20Documents/acfr-2021.pdf>, or by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698, or by calling (512) 542-6592.

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 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 period that exceeds 31 years, or, if the amortization period already exceeds 31 years, the period would be increased by such action. Actuarial implications of the funding provided in the manner are determined by the TRS actuary.

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.

Employee contribution rates are set in state statute, Texas Government Code 825.402. The TRS Pension Reform Bill (Senate Bill 12) of the 86th Texas Legislature amended Texas Government Code 825.402 for member contributions and increased employee and employer contribution rates for fiscal years 2020 thru 2025.

	Contribution Rates	
	2023	2022
Member	8.0%	8.0%
Non-employer contributing agency	8.0%	7.75%
Employers	8.0%	7.75%

Note 8 - Defined Benefit Pension Plan (continued)

Contributions (continued)

	Fiscal Year
	2023
Employer (District)	\$ 8,423,220
Employee (Member)	15,352,875
Non-employer Contributing Entity	
On-behalf Contributions (State)	9,443,921

Contributors to the plan include members, employers and the State of Texas as the only non-employer contributing entity. The State is the employer for senior colleges, medical schools, and state agencies including TRS. In each respective role, 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 and junior colleges, 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 (public school, junior college, other entities, or the State of Texas as the employer for senior universities and medical 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.
- When the employing district is a public junior college or junior college district, the employer shall contribute to the retirement system an amount equal to 50% of the state contribution rate for certain instructional or administrative employees; and 100% of the state contribution rate for all other employees.

In addition to the employer contributions listed above, there is an additional surcharge an employer is subject to.

- All public schools, charter schools, and regional educational service centers must contribute 1.5% of the member's salary beginning in fiscal year 2021, gradually increasing to 2% in fiscal year 2025.
- 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.

Note 8 - Defined Benefit Pension Plan (continued)

Actuarial Assumptions

The total pension liability in the August 31, 2021 actuarial valuation was determined using the following actuarial assumptions:

Component	Result
Valuation Date	August 31, 2021, rolled forward to August 31, 2022
Actuarial Cost Method	Individual Entry Age Normal
Asset Valuation Method	Fair Value
Single Discount Rate	7.00%
Long-term Expected Rate	7.00%
Municipal Bond Rate as of August 2020	3.91% - The source for the rate is the Fixed Income Market Data/Yield Curve/Data Municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index"
Last year ending August 31 in Projection Period (100 years)	2121
Inflation	2.30%
Salary Increases	2.95% to 8.95% including inflation
Benefit changes during the year	None
Ad hoc post-employment benefit changes	None

The actuarial methods and assumptions are used in the determination of the total pension liability are the same assumptions used in the actuarial valuation as of August 31, 2021. For a full description of these assumptions please see the actuarial valuation report dated November 12, 2021.

Discount Rate

A single discount rate of 7.00% was used to measure the total pension liability. The single discount rate was based on the expected rate of return on plan investments of 7.00%. 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 2019 session. It is assumed that future employer and state contributions will be 8.50 percent of payroll in fiscal year 2020 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 periods of projected benefit payments to determine the total pension liability.

Note 8 - Defined Benefit Pension Plan (continued)

Discount Rate (continued)

The long-term rate of return on pension plan investments is 7.00%. 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 System's target asset allocation as of August 31, 2022 are summarized below:

Asset Class	Target Allocation ²	Long-Term Expected Geometric Real Rate of Return ³	Expected Contribution to Long-Term Portfolio Returns
Global Equity			
USA	18.00%	4.60%	1.12%
Non-U.S. Developed	13.00%	4.90%	0.90%
Emerging Markets	9.00%	5.40%	0.75%
Private Equity ¹	14.00%	7.70%	1.55%
Stable Value			
Government Bonds	16.00%	1.00%	0.22%
Absolute Return ¹	0.00%	3.70%	0.00%
Stable Value Hedge Funds	5.00%	3.40%	0.18%
Real Return			
Real Estate	15.00%	4.10%	0.94%
Energy, Natural Resources & Infrastructure	6.00%	5.10%	0.37%
Commodities	0.00%	3.60%	0.00%
Risk Parity	8.00%	4.60%	0.43%
Asset Allocation Leverage			
Cash	2.00%	3.00%	0.01%
Asset Allocation Leverage	-6.00%	3.60%	-0.05%
Inflation Expectation			2.70%
Volatility Drag ⁴			-0.91%
Expected Return	100.00%		8.21%

¹ Absolute Return includes Credit Sensitive Investments.

² Target allocations are based on the fiscal year 2022 policy model.

³ Capital Market Assumptions come from Aon Hewitt as of August 31, 2022.

⁴ The volatility drag results from the conversion between arithmetic and geometric mean returns.

Note 8 - Defined Benefit Pension Plan (continued)

Discount Rate Sensitivity Analysis

The following schedule shows the impact of the Net Pension Liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (7.00%) in measuring the Net Pension Liability.

	Discount Rate		
	1% Decrease (6.00%)	Current Rate (7.00%)	1% Increase (8.00%)
District's proportional share of the net pension liability	\$ 146,928,024	\$ 94,449,766	\$ 51,913,674

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

At August 31, 2023, the District reported a liability of \$94,449,766 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	\$ 94,449,766
State's proportionate share that is associated with the District	<u>112,414,762</u>
Total	<u>\$ 206,864,528</u>

The net pension liability was measured as of August 31, 2021 and rolled forward to August 31, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the employer's contributions to the pension plan relative to the contributions of all employers to the plan for the period September 1, 2021 through August 31, 2022.

At August 31, 2022, the employer's proportion of the collective net pension liability was 0.1591% which was an increase of 0.0085% from its proportion measured as of August 31, 2021.

Changes since the Prior Actuarial Valuation

There were no changes in assumptions since the prior measurement date.

Note 8 - Defined Benefit Pension Plan (continued)

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

For the year ended August 31, 2023, the District recognized pension expense of \$12,041,717. The District also recognized on-behalf pension expense and revenue of \$10,745,577 for support provided by the State.

At August 31, 2023, 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:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 1,369,514	\$ (2,059,184)
Changes of assumption	17,599,065	(4,386,179)
Net difference between projected and actual earnings on pension plan investments	9,331,334	-
Changes in proportion and differences between District contributions and proportionate share of contributions	4,285,620	(1,826,631)
District contributions subsequent to the measurement date	8,423,220	-
Total	<u><u>\$ 41,008,753</u></u>	<u><u>\$ (8,271,994)</u></u>

Deferred outflows of resources resulting from District contributions subsequent to the measurement date in the amount of \$8,423,220 will be recognized as a reduction of the net pension liability in the year ended August 31, 2024. The net amounts of the District's balances of deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Fiscal Year</u>	<u>Pension Expense Amount</u>	<u>Balance of Deferred Outflows (Inflows)</u>
2024	\$ 6,486,112	\$ 17,827,427
2025	3,437,962	14,389,465
2026	1,087,897	13,301,568
2027	11,363,360	1,938,208
2028	1,938,208	-
	<u><u>\$ 24,313,539</u></u>	

The District will continue to make the required pension contributions based on the statutorily determined rates established by the Teacher Retirement System of Texas (TRS). TRS will apply the District's contributions to the Net Pension Liability on an annual basis. The contributions are paid by the funds that pay the employees' salaries. These funding sources include the General Fund and Special Revenue funds.

Note 9 - Defined Other Post-Employment Benefit Plans

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 with a special funding situation. The TRS-Care program was established in 1986 by the Texas Legislature.

The TRS Board of Trustees administers the TRS-Care program and the related fund in accordance with Texas Insurance Code Chapter 1575. The 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. The Board may adopt rules, plans, procedures, and orders reasonably necessary to administer the program, including minimum benefits and financing standards.

OPEB Plan Fiduciary Net Position

Detail information about the Teacher Retirement System’s fiduciary net position is available in a separately issued Annual Comprehensive Financial Report that includes financial statements and required supplementary information. That report may be obtained on the Internet at https://www.trs.texas.gov/Pages/about_publications.aspx, or by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698, or by calling (512) 542-6592.

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 retirees and their dependents not enrolled in Medicare may pay premiums to participate in one of two optional insurance plans with more comprehensive benefits (TRS-Care 2 and TRS-Care 3). Eligible retirees and dependents enrolled in Medicare may elect to participate in one of the two Medicare health plans for an additional fee. To qualify for TRS-Care coverage, a retiree must have at least 10 years of service credit in the TRS pension system. There are no automatic post-employment benefit changes, including automatic COLAs.

The premium rates for retirees are reflected in the following table.

TRS-Care Monthly Premium Rates				
	Medicare		Non-Medicare	
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

Note 9 - Defined Other Post-Employment Benefit Plans (continued)

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 0.65% 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	
	2023	2022
Member	0.65%	0.65%
Non-employer contributing agency	1.25%	1.25%
Employers	0.75%	0.75%
Federal/private funding	1.25%	1.25%

	Fiscal Year
	2023
Employer (District)	\$ 1,722,987
Employee (Member)	1,247,283
Non-employer Contributing Entity	
On-behalf Contributions (State)	3,104,554

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 hiring a TRS retiree, employers are required to pay TRS Care, a monthly surcharge of \$535 per retiree.

TRS-Care received supplemental appropriations from the State of Texas as the Non-Employer Contributing Entity in the amount of \$83 million in fiscal year 2022 from the Federal Rescue Plan Act (ARPA) to help defray Covid-19-related health care costs during fiscal year 2022.

Note 9 - Defined Other Post-Employment Benefit Plans (continued)

Actuarial Assumptions

The actuarial valuation was performed as of August 31, 2021. Update procedures were used to roll forward the Total OPEB Liability to August 31, 2022. The actuarial valuation was determined using the following actuarial assumptions:

Component	Result
Valuation Date	August 31, 2021, rolled forward to August 31, 2022
Actuarial Cost Method	Individual Entry Age Normal
Inflation	2.30%
Single Discount Rate	3.91% as of August 31, 2022
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 claim costs.
Projected Salary Increases	3.05% to 9.05% including inflation
Healthcare Trend Rates	The initial medical trend rates were 8.25% for Medicare retirees and 7.25% for non-Medicare retirees. The initial prescription drug trend was 8.25% for all retirees. The initial trend rates decrease to an ultimate trend rate of 4.25% over a period of 13 years.
Election Rates	Normal Retirement: 62% participation rate prior to age 65 and 25% participation rate after age 65. Pre-65 retirees: 30% of pre-65 retirees are assumed to discontinue coverage at age 65.
Ad hoc post-employment benefit changes	None

The actuarial valuation of the OPEB plan offered through TRS-Care is similar to the actuarial valuation performed for the pension plan, except that the OPEB valuation is more complex. The demographic assumptions were developed in the experience study performed for TRS for the period ending August 31, 2017. The following assumptions and other inputs used for members of TRS-Care are based on an established pattern of practice and are identical to the assumptions used in the August 31, 2021 TRS pension actuarial valuation that was rolled forward to August 31, 2021: (a) Rates of Mortality, (b) Rates of Retirement, (c) Rates of Termination, (d) Rates of Disability, (e) General Inflation, and (f) Wage Inflation.

The active mortality rates were based on 90 percent of the RP-2014 Employee Mortality Tables for males and females. The post-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 mortality projection scale MP-2018.

Note 9 - Defined Other Post-Employment Benefit Plans (continued)

Discount Rate

A single discount rate of 3.91% was used to measure the total OPEB liability. There was a decrease of 1.96% 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. The projection of cash flows used to determine the discount rate assumed that contributions from active members and those of the contributing employers and the non-employer contributing entity are made at the statutorily required rates. Based on those assumptions, the OPEB plan’s fiduciary net position was projected to *not be able* to make all future benefit payments of current plan members. Therefore, the municipal bond rate was used for the long-term rate of return and was applied to all periods of projected benefit payments to determine the total OPEB liability.

The source of the municipal bond rate is the Fidelity “20-year Municipal GO AA Index” as of August 31, 2021 using the Fixed Income Market Data/Yield Curve/ Data Municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds.

Discount Rate Sensitivity Analysis

Discount Rate - The following schedule shows the impact of the Net OPEB Liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (3.91%) in measuring the Net OPEB Liability.

	Discount Rate		
	1% Decrease (2.91%)	Current Rate (3.91%)	1% Increase (4.91%)
District's Proportional Share of the Net OPEB Liability	\$ 54,761,455	\$ 46,444,251	\$ 39,706,248

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

At August 31, 2023, the District reported a liability of \$46,444,251 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	\$ 46,444,251
State's proportionate share that is associated with the District	56,654,690
Total	<u>\$ 103,098,941</u>

The Net OPEB Liability was measured as of August 31, 2021 and rolled forward to August 31, 2022 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 OPEB relative to the contributions of all employers to the plan for the period September 1, 2021 through August 31, 2022.

At August 31, 2022 the District’s proportion of the collective Net OPEB Liability was 0.1940% which was an increase of 0.0047% from its proportion measured as of August 31, 2021.

Note 9 - Defined Other Post-Employment Benefit Plans (continued)

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs (continued)

The following schedule shows the impact of the Net OPEB Liability if a healthcare trend rate that is 1% less than and 1% greater than the assumed healthcare cost trend rate:

	Healthcare Cost Trend Rate		
	1% Decrease	Current Rate	1% Increase
District's Proportional Share of the Net OPEB Liability	\$ 38,270,272	\$ 46,444,251	\$ 57,040,763

Changes since the Prior Actuarial Valuation

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 (TOL) since the prior measurement period:

- The discount rate changed from 1.95% as of August 31, 2021 to 3.91% as of August 31, 2022. This change decreased the Total OPEB Liability.

Changes of Benefit Terms Since the Prior Measurement Date - There were no changes in benefit terms since the prior measurement date.

For the year ended August 31, 2023, the District recognized negative OPEB expense of \$5,504,962. The District also recognized negative on-behalf OPEB expense and revenue of \$8,039,758 for support provided by the State.

At August 31, 2023, 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:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,582,136	\$ (38,692,230)
Changes of assumption	7,074,379	(32,266,703)
Net difference between projected and actual earnings on OPEB plan investments	138,344	-
Changes in proportion and differences between District contributions and proportionate share of contributions	5,404,616	(2,407,784)
District contributions subsequent to the measurement date	1,722,987	-
Total	\$ 16,922,462	\$ (73,366,717)

Note 9 - Defined Other Post-Employment Benefit Plans (continued)

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs (continued)

The \$1,722,987 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ending August , 2024. The net amounts of the District’s balances of deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Fiscal Year</u>	<u>OPEB Expense Amount</u>	<u>Balance of Deferred Outflows</u>
2024	\$ (10,795,920)	\$ (47,371,322)
2025	(10,795,419)	(36,575,903)
2026	(8,825,881)	(27,750,022)
2027	(6,159,464)	(21,590,558)
2028	(7,417,493)	(14,173,065)
Thereafter	(14,173,065)	-
	<u>\$ (58,167,242)</u>	

The District will continue to make the required OPEB contributions based on the statutorily determined rates established by the Teacher Retirement System of Texas (TRS). TRS will apply the District’s contributions to the Net OPEB Liability on an annual basis. The contributions are paid by the funds that pay the employees’ salaries. These funding sources include the General Fund and Special Revenue funds.

Medicare Part D

The Medicare Prescription Drug, Improvement, and Modernization Act of 2003, effective January 1, 2006, established prescription drug coverage for Medicare beneficiaries known as Medicare Part D. One of the provisions of Medicare Part D allows for the Texas Public School Retired Employee Group Insurance Program (TRS-Care) to receive retiree drug subsidy payments from the federal government to offset certain prescription drug expenditures for eligible TRS-Care participants. For the fiscal years ended August 31, 2023, 2022, and 2021, the subsidy payments received by TRS-Care on-behalf of the District were \$987,172, \$743,827, and \$783,164, respectively. The information for the year ended August 31, 2023 is an estimate provided by the Teacher Retirement System. These payments are recorded as equal revenues and expenditures in the governmental funds’ financial statements of the District.

Note 10 - Risk Management

Property/Liability

The District is exposed to various risks of loss related to property/liability losses for which the District carries commercial insurance. In addition, the District is a member of the Texas Association of School Boards Joint Self-Insurance Fund (Fund). The Fund was created to formulate, develop and administer a program of modified self-funding for the property and/or liability coverage for its membership, provide claims administration, and develop a comprehensive loss control program.

The District pays contributions to the Fund for its general and educators’ liability and fleet comprehensive, collision, and liability coverage. The Districts agreement with the Fund will be self-sustaining through member premiums and will provide, through commercial companies, reinsurance contracts.

Note 10 - Risk Management

Property/Liability (continued)

Employees of the District are covered by a fully insured medical plan through TRS Active Care, by a dental PPO insurance plan through Guardian and a dental HMO insurance plan through Ameritas Dental. The District and employee contributions are paid directly to the carrier and the carrier assumes all liability to the plan.

Settled claims have not exceeded insurance coverage in any of the previous three years. There has not been any significant reduction of insurance coverage from that of the previous year.

Note 11 - Contingent Liabilities

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the District expects such amounts, if any, to be immaterial.

From time to time, the District is a defendant in legal proceedings relating to its operations as a school district. In the best judgment of the District’s management, the outcome of any present legal proceedings will not have any adverse material effect on the accompanying financial statements.

Note 12 - Arbitrage

In accordance with the provisions of Section 148(f) of the Internal Revenue Code of 1986, as amended, bonds must satisfy certain arbitrage rebate requirements. Positive arbitrage is the excess of (1) the amount earned on investments purchased with bond proceeds over (2) the amount that such investments would have earned had such investments been invested at a rate equal to the yield on the bond issue. In order to comply with the arbitrage rebate requirements, positive arbitrage must be paid to the U.S. Treasury at the end of each five-year anniversary date of the bond issue. As of August 31, 2023, there was no liability related to arbitrage.

Note 13 - Shared Service Arrangements

The District participates in the Tri County East-Regional Day School for the Deaf Shared Service Arrangement (SSA), which provides educational and related services to eligible students with auditory impairments. Galena Park ISD participates in the SSA along with Anahuac ISD, Barbers Hill ISD, Channelview ISD, Cleveland ISD, Devers ISD, Goose Creek CISD, Hardin ISD, Hull-Daisetta ISD, La Porte ISD, Liberty ISD, and Tarkington ISD. The fiscal agent for this SSA is Goose Creek CISD. The District neither has a joint ownership interest in fixed assets purchased by the fiscal agent nor does the District have a net equity interest in the fiscal agent. The fiscal agent is neither accumulating significant financial resources nor fiscal exigencies that would rise to a future additional benefit or burden to Galena Park ISD. The fiscal agent is responsible for all financial activities of the SSA. Revenues attributable to the District’s participation were \$291,152 for the 2023 fiscal year. Expenditures in the same amount were attributable to payroll costs.

Revenues	
5700 Local revenue from member districts	\$ 291,152
	<u>\$ 291,152</u>
Expenditures	
6400 Miscellaneous operating costs	\$ 291,152
	<u>\$ 291,152</u>

Note 14 - Fund Balance

As of August 31, 2023, assigned fund balance is as follows:

<u>Assigned Description</u>	<u>General Fund</u>
Insurance Deductibles	\$ 6,282,500
Average Daily Attendance Adjustment	36,509
Campus Match for Fixed Asset Replacements	363,168
Expiration of Federal Funding	15,733,250
Uncollectible Property Taxes	4,000,000
Mid Year Hires	794,793
Fine Arts Enhancements	500,000
Building Renovations and Facility Needs	69,548,725
Outstanding Encumbrances	802,286
Potential Land Acquisition/Renovations	57,500,000
Fleet Replacement	1,300,000
Health and Wellness Initiatives	297,600
Technology Initiatives	2,000,000
One time Funding for Expenditures	500,000
Total Assigned Fund Balance	<u><u>\$ 159,658,831</u></u>

Note 15 – Prior Period Adjustment

The implementation of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, required that the District restate beginning balances for right to use SBITA assets and SBITA liabilities.

	<u>Governmental Activities</u>
Beginning Fund Balance / Net Position, as Originally Presented	\$ 85,691,927
GASB 96 Implementation - Right to Use SBITA Assets	769,116
GASB 96 Implementation - SBITA Liability	(386,409)
Prior period adjustment	<u>382,707</u>
Beginning Fund Balance / Net Position, as Restated	<u><u>\$ 86,074,634</u></u>



Galena Park
Independent School District

REQUIRED SUPPLEMENTARY INFORMATION



Galena Park
Independent School District

GALENA PARK INDEPENDENT SCHOOL DISTRICT

Exhibit G-1

BUDGETARY COMPARISON SCHEDULE

GENERAL FUND

For the Year Ended August 31, 2023

	Budgeted Amounts		Actual	Variance with Final Budget - Favorable (Unfavorable)
	Original	Final		
Revenues				
Local revenues	\$ 118,146,100	\$ 125,410,262	\$ 127,265,819	\$ 1,855,557
State program revenues	110,267,600	120,724,410	121,353,954	629,544
Federal program revenues	9,690,900	11,868,273	11,824,110	(44,163)
Total Revenues	238,104,600	258,002,945	260,443,883	2,440,938
Expenditures				
Current:				
Instruction	134,907,900	133,014,962	130,223,525	2,791,437
Instructional resources and media services	2,699,900	2,703,238	2,614,829	88,409
Curriculum and staff development	4,632,800	4,833,817	4,636,857	196,960
Instructional leadership	6,480,900	6,424,804	5,695,701	729,103
School leadership	17,805,900	17,966,574	17,197,475	769,099
Guidance, counseling and evaluation services	9,385,300	9,382,787	9,306,125	76,662
Social work services	690,000	796,821	735,650	61,171
Health services	2,300,200	2,298,025	2,245,044	52,981
Student transportation	10,280,800	10,599,356	9,394,667	1,204,689
Food services	30,900	30,900	77	30,823
Extracurricular activities	4,400,500	4,486,865	4,372,315	114,550
General administration	10,580,000	10,535,830	9,395,759	1,140,071
Facilities maintenance and operations	27,820,200	29,786,560	28,401,669	1,384,891
Security and monitoring services	3,733,000	3,864,385	3,797,467	66,918
Data processing services	5,168,200	5,653,908	5,638,522	15,386
Community services	1,646,300	1,694,844	1,590,410	104,434
Debt Service:				
Principal on long-term debt	99,491	1,022,885	990,505	32,380
Interest on long-term debt	700,209	7,527	2,366	5,161
Capital outlay:				
Facilities acquisition and construction	457,900	1,583,633	1,521,165	62,468
Intergovernmental:				
Payments to Juvenile Justice Alt. Ed. Prgm.	-	18,886	-	18,886
Payments to appraisal district	1,115,000	1,115,000	1,083,695	31,305
Total Expenditures	244,935,400	247,821,607	238,843,823	8,977,784
Excess (Deficiency) Revenues Over (Under) Expenditures	(6,830,800)	10,181,338	21,600,060	11,418,722
Other Financing Sources (Uses)				
Sale of real or personal property	-	5,890,562	5,890,562	-
Other resources	-	157,527	157,527	-
Transfers out	-	-	(115,348)	(115,348)
Other uses	-	(1,646,545)	(1,646,545)	-
Total Other Financing Sources (Uses)	-	4,401,544	4,286,196	(115,348)
Net Change in Fund Balances	(6,830,800)	14,582,882	25,886,256	11,303,374
Fund Balances - Beginning	194,683,206	194,683,206	194,683,206	-
Fund Balances - Ending	\$ 187,852,406	\$ 209,266,088	\$ 220,569,462	\$ 11,303,374

GALENA PARK INDEPENDENT SCHOOL DISTRICT

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

The District adopts annual appropriations type budgets for the General Fund, Child Nutrition Special Revenue Fund, and the Debt Service Fund using the same method of accounting as for financial reporting, as required by law. The remaining Special Revenue Funds (primarily federal grant programs) utilize a managerial type budget approved at the fund level by the Board of Trustees upon acceptance of the grants. These grants are subject to Federal, State and locally imposed project length budgets and monitoring through submission of reimbursement reports.

Expenditures may not legally exceed budgeted appropriations at the function or activity level. Expenditure requests which would require an increase in total budgeted appropriations must be approved by the Trustees through formal budget amendment. State law prohibits trustees from making budget appropriations in excess of funds available and estimated revenues. State law also prohibits amendment of the budget after fiscal year end. Supplemental appropriations were made to the General Fund during the fiscal year ended August 31, 2023.

The administrative level at which responsibility for control of budgeted appropriations begins is at the organizational level within each function of operations. The business services department reviews closely the expenditure requests submitted by the various organizational heads (principal and department heads) throughout the year to ensure proper spending compliance. No public funds of the District shall be expended in any manner other than as provided for in the budget adopted by the Board of Trustees.

The official school budget was prepared for adoption for budgeted governmental fund types by August 31, 2022. The budget was formally adopted by the Board of Trustees at a duly advertised public meeting prior to the expenditure of funds. The final amended budget is filed with the Texas Education Agency (TEA) through inclusion in the annual financial and compliance report.

Encumbrance accounting is utilized in all government fund types. Encumbrances for goods or purchased services are documented by purchase orders or contracts. Under Texas law, appropriations lapse at year-end and encumbrances outstanding at that time are appropriately provided for in the subsequent year's budget.

During 2023, expenditures exceeded appropriations for Child Nutrition plant maintenance and operations (FN 51) by \$998 and principal on long-term debt (function 71) by \$253. The excess expenditures were due to implementation of GASB 96 *Subscription-Based Information Technology Arrangements*.

GALENA PARK INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF
THE NET PENSION LIABILITY
TEACHER RETIREMENT SYSTEM OF TEXAS
For the Last Nine Measurement Years Ended August 31

Exhibit G-2

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
District's proportion of the net pension liability	0.1591%	0.1506%	0.1487%	0.1567%	0.1547%
District's proportionate share of the net pension liability	\$ 94,449,766	\$ 38,339,772	\$ 79,650,803	\$ 81,472,130	\$ 85,158,483
State's proportionate share of the net pension liability associated with the District	112,414,762	52,915,842	111,217,581	106,545,010	117,096,424
Total	\$ 206,864,528	\$ 91,255,614	\$ 190,868,384	\$ 188,017,140	\$ 202,254,907
District's covered payroll (for Measurement Year)	\$ 182,969,795	\$ 176,008,187	\$ 170,666,915	\$ 162,039,276	\$ 157,289,669
District's proportionate share of the net pension liability as a percentage of covered payroll	51.62%	21.78%	46.67%	50.28%	54.14%
Plan's fiduciary net position as a percentage of the total pension liability *	75.65%	88.79%	75.54%	75.24%	73.74%
Plan's net pension liability as a percentage of covered payroll *	112.72%	51.08%	110.36%	114.93%	126.11%

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's proportion of the net pension liability	0.1526%	0.1484%	0.1397%	0.0961%
District's proportionate share of the net pension liability	\$ 48,789,176	\$ 56,068,678	\$ 49,393,685	\$ 25,667,021
State's proportionate share of the net pension liability associated with the District	69,993,572	83,923,356	80,743,272	68,611,587
Total	\$ 118,782,748	\$ 139,992,034	\$ 130,136,957	\$ 94,278,608
District's covered payroll (for Measurement Year)	\$ 151,760,707	\$ 145,634,727	\$ 138,624,105	\$ 130,249,117
District's proportionate share of the net pension liability as a percentage of covered payroll	32.15%	38.50%	35.63%	19.71%
Plan's fiduciary net position as a percentage of the total pension liability *	82.17%	78.00%	78.43%	83.25%
Plan's net pension liability as a percentage of covered payroll *	75.93%	92.75%	91.94%	72.89%

The amounts presented for each Plan year which ends the preceding August 31 of the District's fiscal year. Net pension liability is presented prospectively in accordance with GASB 68.

* Per Teacher Retirement System of Texas' annual comprehensive financial report.

GALENA PARK INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PENSION CONTRIBUTIONS
TEACHER RETIREMENT SYSTEM OF TEXAS
Last Ten Fiscal Years Ended August 31

Exhibit G-3

	2023	2022	2021	2020	2019
Contractually required contributions	\$ 8,423,220	\$ 7,422,478	\$ 6,424,136	\$ 6,113,629	\$ 5,484,651
Contributions in relation to the contractually required contributions	<u>8,423,220</u>	<u>7,422,478</u>	<u>6,424,136</u>	<u>6,113,629</u>	<u>5,484,651</u>
Contribution deficiency (excess)	<u>\$ -</u>				
District's covered payroll	\$ 192,095,648	\$ 182,969,795	\$ 176,008,187	\$ 170,666,915	\$ 162,039,276
Contributions as a percentage of covered payroll	4.38%	4.06%	3.65%	3.58%	3.38%
	2018	2017	2016	2015	2014
Contractually required contributions	\$ 5,214,328	\$ 5,007,387	\$ 4,714,247	\$ 4,140,459	\$ 2,436,154
Contributions in relation to the contractually required contributions	<u>5,214,328</u>	<u>5,007,387</u>	<u>4,714,247</u>	<u>4,140,459</u>	<u>2,436,154</u>
Contribution deficiency (excess)	<u>\$ -</u>				
District's covered payroll	\$ 157,289,669	\$ 151,760,707	\$ 145,634,727	\$ 138,624,105	\$ 130,249,117
Contributions as a percentage of covered payroll	3.32%	3.30%	3.24%	2.99%	1.87%

GALENA PARK INDEPENDENT SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PENSIONS

Changes of Assumptions

Measurement Year 2018: The discount rate changed from 8.0% as of August 31, 2017 to a blended rate of 6.907% as of August 31, 2018. The long-term assumed rate of return changed from 8.0% as of August 31, 2017 to 7.25% as of August 31, 2018. Demographic and economic assumptions were updated based on the experience study performed for TRS for the period ending August 31, 2017. The total pension liability as of August 31, 2018 was developed using a roll-forward method from the August 31, 2017 valuation.

Measurement Year 2020: The state and employer contribution rate changed from 6.8% to 7.5%. The 1.5% public education employer contribution applied to just employers whose employees were not covered by OASDI in 2019 and it changed in 2020 to apply to all public schools, charter schools and regional education centers irrespective of participation in OASDI.

Measurement Year 2021: The public education employer contribution rate changed from 1.5% in 2020 to 1.6% in 2021.

Measurement Year 2022: The discount rate changed from 7.25% to 7.00%.

GALENA PARK INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF
THE NET OPEB LIABILITY
TEACHER RETIREMENT SYSTEM OF TEXAS
For the Last Six Measurement Years Ended August 31

Exhibit G-4

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
District's proportion of the net OPEB liability	0.1940%	0.1893%	0.1890%	0.1947%	0.1919%
District's proportionate share of the net OPEB liability	\$ 46,444,251	\$ 73,037,520	\$ 71,828,727	\$ 92,060,087	\$ 95,818,099
State's proportionate share of the net OPEB liability associated with the District	56,654,690	97,854,000	96,520,591	122,327,262	132,116,561
Total	<u>\$ 103,098,941</u>	<u>\$ 170,891,520</u>	<u>\$ 168,349,318</u>	<u>\$ 214,387,349</u>	<u>\$ 227,934,660</u>
District's covered payroll (for Measurement Year)	\$ 182,969,795	\$ 176,008,187	\$ 170,666,915	\$ 162,039,276	\$ 157,289,669
District's proportionate share of the net OPEB liability as a percentage of its covered payroll	25.38%	41.50%	42.09%	56.81%	60.92%
Plan fiduciary net position as a percentage of the total OPEB liability	11.52%	6.18%	4.99%	2.66%	1.57%
Plan's net OPEB liability as a percentage of covered payroll	59.10%	100.13%	101.46%	135.21%	146.64%
	<u>2017</u>				
District's proportion of the net OPEB liability	0.1853%				
District's proportionate share of the net OPEB liability	\$ 80,595,763				
State's proportionate share of the net OPEB liability associated with the District	116,350,040				
Total	<u>\$ 196,945,803</u>				
District's covered payroll (for Measurement Year)	\$ 151,760,707				
District's proportionate share of the net OPEB liability as a percentage of its covered payroll	53.11%				
Plan fiduciary net position as a percentage of the total OPEB liability	0.91%				
Plan's net OPEB liability as a percentage of covered payroll	132.55%				

The amounts presented for each Plan year which ends the preceding August 31 of the District's fiscal year. Net OPEB liability is presented prospectively in accordance with GASB 75.

* Per Teacher Retirement System of Texas' annual comprehensive financial report.

GALENA PARK INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S OPEB CONTRIBUTIONS
TEACHER RETIREMENT SYSTEM OF TEXAS
Last Ten Fiscal Years Ended August 31

Exhibit G-5

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Contractually required contributions	\$ 1,722,987	\$ 1,593,424	\$ 1,478,656	\$ 1,435,969	\$ 1,381,346
Contributions in relation to the contractually required contributions	1,722,987	1,593,424	1,478,656	1,435,969	1,381,346
Contribution deficiency (excess)	<u>\$ -</u>				
District's covered payroll	\$ 192,095,648	\$ 182,969,795	\$ 176,008,187	\$ 170,666,915	\$ 162,039,276
Contributions as a percentage of covered payroll	0.90%	0.87%	0.84%	0.84%	0.85%
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contributions	\$ 1,323,845	\$ 963,583	\$ 916,754	\$ 875,679	\$ 789,064
Contributions in relation to the contractually required contributions	1,323,845	963,583	916,754	875,679	789,064
Contribution deficiency (excess)	<u>\$ -</u>				
District's covered payroll	\$ 157,289,669	\$ 151,760,707	\$ 145,634,727	\$ 138,624,105	\$ 130,249,117
Contributions as a percentage of covered payroll	0.84%	0.63%	0.63%	0.63%	0.61%

GALENA PARK INDEPENDENT SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - OPEB

Changes of Assumptions

Measurement Year 2018: The discount rate changed from 3.42% as of August 31, 2017 to 3.69% as of August 31, 2018, updated the health care trend rate assumption, and revised demographic and economic assumptions based on the TRS experience study.

Measurement Year 2019: The discount rate changed from 3.69% as of August 31, 2018 to 2.63% as of August 31, 2019, lowered the participation rates and updated the health care trend rate assumption.

Measurement Year 2020: The discount rate changed from 2.63% as of August 31, 2019 to 2.33% as of August 31, 2020, lowered the participation rate assumption for employees who retire after the age of 65, and lowered the ultimate health care trend rate assumption to reflect the repeal of the excise (Cadillac) tax on high-cost employer health plans.

Measurement Year 2021: The discount rate changed from 2.33% as of August 31, 2020 to 1.95% as of August 31, 2021.

Measurement Year 2022: The discount rate changed from 1.95% as of August 31, 2021 to 3.91% as of August 31, 2022, lowered the participation rates, and updated the healthcare trend rate assumption.

OTHER SUPPLEMENTARY INFORMATION



Galena Park
Independent School District

**Nonmajor Governmental Funds
Special Revenue Funds**

The Special Revenue Funds are used to account for all federal, state and locally funded grants. These grants are awarded to the District with the purpose of accomplishing specific educational goals. Grants included in the Special Revenue Funds are described below.

Fund Number	Fund Name & Description
203	Child Care and Development Block Grant - funds used to account for funds granted under Title XX of the Social Security Act.
205	Early Head Start Program - funds used to promote the school readiness of low-income preschool children (ages 3-5), including children of migratory seasonal and farm workers, and infants and toddlers (birth through age 3) by enhancing their cognitive social and emotional development in learning environments that support their growth in language, literacy, mathematics, science, social and emotional functioning, creative art, physical skills and approaches to learning.
206	McKinney - Vento Support for Homeless Education - to ensure the enrollment, attendance and success of homeless children and youth in school.
211	ESEA, Title I, Part A - Improving Basic Programs - supplemental service designed to accelerate the academic achievement of economically disadvantaged students, especially in the tested areas, to ensure that state standards are met on identified campuses.
212	ESEA Title I, Part C – for funds granted for programs benefiting children of migrant agriculture or agriculture-related workers and children of migrant fisherman.
224	IDEA, Part B - Formula - salaries and supplies to aid children with disabilities with low reading achievement.
225	IDEA, Part B - Preschool - aids preschool students with disabilities.
226	IDEA - Part B, Discretionary (High Cost Fund) - assists with high need students with disabilities whose direct special education and related services costs exceed \$25,000 per school year
240	National School Breakfast and Lunch Program – federal reimbursement revenues originating from the United States Department of Agriculture and fees from child and adult meals.
244	Vocational Education - Basic - funds are for the use of various vocationally-inclined students in regular, disadvantaged and disability classes.
255	ESEA, Title II, Part A - supplements the professional development, retention and recruitment programs district-wide, specifically on high needs campuses.
263	ESEA, Title III, Part A - provides additional educational opportunities to supplement programs for students of limited English proficiency and immigrant children by assisting the children to learn English and meet challenging State academic content and student academic achievement standards.
265	ESEA, Title IV Part B - provides after-school activities for students in elementary through high school.

Nonmajor Governmental Funds (continued)
Special Revenue Funds (continued)

Fund Number	Fund Name & Description
278	American Rescue Plan Elementary and Secondary Emergency Relief Fund - Homeless Children and Youth (ARP-HYC) - accounts for federal stimulus ESSER funds granted to the district to identify homeless children and youth, to provide homeless children and youth with wrap-around services to address the challenges of COVID-19, and to enable homeless children and youth to attend school and fully participate in school activities.
279	Texas COVID Learning Acceleration Supports (TCLAS) - used to account for funds for targeted support to accelerate student learning due to learning loss caused by the COVID-19 pandemic
280	American Rescue Plan Act - Homeless II - accounts for federal stimulus funds granted to the District to identify and provide homeless children and youth with services in light of the challenges of COVID-19, and to enable homeless children and youth to attend school and participate fully in school activities.
282	American Rescue Plan Act of 2021 - Elementary & Secondary School Emergency Relief Fund (ESSER III) – accounts for federal stimulus ESSER III funds granted to Districts through the American Rescue Plan Act to address learning loss and the disproportionate impact of the coronavirus on certain student subgroups, identify and provide homeless children and youth with services in light of challenges of COVID-19, and to enable homeless children and youth to attend school and participate fully in school activities.
284	IDEA - Part B Formula - American Rescue Plan Act - accounts for federal stimulus funds granted under the APR Act to operate educational programs for children with disabilities.
288	Summer School LEP - provides funds for summer school programs for LEP students.
289	Various Federal Funds - supports and encourages the development of new, self-supporting, community anti-drug coalitions; early childhood summer programs, library grants and wetlands and water education, and for various education related costs due to disruptions of the learning environment due to Hurricane Harvey.
397	Advanced Placement Incentives - enhancement of Advanced Placement programs on specific campuses based on student scores on Advanced Placement examinations.
410	Instructional Materials Allotment - provides funds to purchase instructional materials, technological equipment and technology-related services.
427	Read to Succeed Award – License plates purchased through TXDMV; Grants to TX Reads program for educational library materials.
429	Other State Funded Special Revenue Funds - provides funds to help schools fund various programs including mentors and campus awards.
461	Campus Activity Funds - proceeds from fundraising activities, vending sales, corporate and private donations to school-sponsored activities benefiting students and staff of the campus.
481	Other Local Grants - grants from local businesses or organizations to be used for educational activities.
486	Miscellaneous Donations – local donations used for specific education purposes as specified by the donor.

GALENA PARK INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
ALL NONMAJOR GOVERNMENTAL FUNDS
August 31, 2023

Exhibit H-1
Page 1 of 7

		203	205	206	211
Data Control Codes		Child Care & Development Block Grant	Early Head Start Program	McKinney - Vento Support for Homeless Education	ESEA Title I, Part A Improving Basic Programs
Assets					
1110	Cash and temporary investments	\$ 427,680	\$ -	\$ -	\$ -
Receivables:					
1240	Receivables from other governments	-	98,021	11,854	1,688,077
1260	Due from other funds	-	-	-	-
1290	Other receivables	1,273	484	-	-
1310	Inventories, at cost	-	-	-	-
1000	Total Assets	<u>\$ 428,953</u>	<u>\$ 98,505</u>	<u>\$ 11,854</u>	<u>\$ 1,688,077</u>
Liabilities and Fund Balance					
Liabilities:					
Current Liabilities:					
2110	Accounts payable	\$ 6,672	\$ 336	\$ 7	\$ 169,538
2160	Accrued wages payable	9,340	25,053	-	370,061
2170	Due to other funds	23,853	73,116	11,763	1,148,478
2180	Payable to other governments	-	-	84	-
2300	Unearned revenues	389,088	-	-	-
2000	Total Liabilities	<u>428,953</u>	<u>98,505</u>	<u>11,854</u>	<u>1,688,077</u>
Fund Balances:					
Restricted					
3450	Federal/State grant restrictions	-	-	-	-
Committed					
3545	Campus activity	-	-	-	-
3000	Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4000	Total Liabilities and Fund Balance	<u>\$ 428,953</u>	<u>\$ 98,505</u>	<u>\$ 11,854</u>	<u>\$ 1,688,077</u>

GALENA PARK INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
ALL NONMAJOR GOVERNMENTAL FUNDS
August 31, 2023

Exhibit H-1
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	212	224	225	226
Data Control Codes	ESEA Title I, Part C	IDEA, Part B - Formula	IDEA, Part B Preschool	IDEA, Part B- Discretionary
Assets				
1110	\$ -	\$ -	\$ -	\$ -
Receivables:				
1240	7,719	1,005,440	9,952	-
1260	-	-	-	-
1290	-	-	-	-
1310	-	-	-	-
1000 Total Assets	\$ 7,719	\$ 1,005,440	\$ 9,952	\$ -
Liabilities and Fund Balance				
Liabilities:				
Current Liabilities:				
2110	\$ -	\$ 149,757	\$ -	\$ -
2160	781	184,249	5,009	-
2170	6,938	671,434	4,943	-
2180	-	-	-	-
2300	-	-	-	-
2000 Total Liabilities	7,719	1,005,440	9,952	-
Fund Balances:				
Restricted				
3450	-	-	-	-
Committed				
3545	-	-	-	-
3000 Total Fund Balances	-	-	-	-
4000				
Total Liabilities and Fund Balance	\$ 7,719	\$ 1,005,440	\$ 9,952	\$ -

GALENA PARK INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
ALL NONMAJOR GOVERNMENTAL FUNDS
August 31, 2023

Exhibit H-1
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		240	244	255	263
Data Control Codes		National School Breakfast and Lunch Program	Vocational Education - Basic	ESEA, Title II Part A	ESEA, Title III Part A
Assets					
1110	Cash and temporary investments	\$ 5,557,319	\$ -	\$ -	\$ -
Receivables:					
1240	Receivables from other governments	1,593,814	84,162	362,866	314,937
1260	Due from other funds	49,613	-	-	-
1290	Other receivables	2,006	-	-	-
1310	Inventories, at cost	551,271	-	-	-
1000	Total Assets	<u>\$ 7,754,023</u>	<u>\$ 84,162</u>	<u>\$ 362,866</u>	<u>\$ 314,937</u>
Liabilities and Fund Balance					
Liabilities:					
Current Liabilities:					
2110	Accounts payable	\$ 746,000	\$ 7	\$ -	\$ -
2160	Accrued wages payable	451,917	-	44,327	21,294
2170	Due to other funds	824,777	84,155	318,539	293,643
2180	Payable to other governments	-	-	-	-
2300	Unearned revenues	-	-	-	-
2000	Total Liabilities	<u>2,022,694</u>	<u>84,162</u>	<u>362,866</u>	<u>314,937</u>
Fund Balances:					
Restricted					
3450	Federal/State grant restrictions	5,731,329	-	-	-
Committed					
3545	Campus activity	-	-	-	-
3000	Total Fund Balances	<u>5,731,329</u>	<u>-</u>	<u>-</u>	<u>-</u>
4000	Total Liabilities and Fund Balance	<u>\$ 7,754,023</u>	<u>\$ 84,162</u>	<u>\$ 362,866</u>	<u>\$ 314,937</u>

GALENA PARK INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
ALL NONMAJOR GOVERNMENTAL FUNDS
August 31, 2023

Exhibit H-1
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Data Control Codes		265	278	279	280
		ESEA, Title IV Part B	American Rescue Plan ESSER Fund - Homeless Children and Youth	Title II, Part D, Subpart 1- Enhancing Education Through Technology- ARRA	ESEA, Title X, Part C- Education for the Homeless Children and Youth-ARRA
Assets					
1110	Cash and temporary investments	\$ -	\$ -	\$ -	\$ -
Receivables:					
1240	Receivables from other governments	110,821	5,793	11,406	28,932
1260	Due from other funds	-	-	-	-
1290	Other receivables	-	-	-	-
1310	Inventories, at cost	-	-	-	-
1000	Total Assets	<u>\$ 110,821</u>	<u>\$ 5,793</u>	<u>\$ 11,406</u>	<u>\$ 28,932</u>
Liabilities and Fund Balance					
Liabilities:					
Current Liabilities:					
2110	Accounts payable	\$ -	\$ -	\$ -	\$ -
2160	Accrued wages payable	8,958	-	-	-
2170	Due to other funds	101,863	5,793	11,406	28,932
2180	Payable to other governments	-	-	-	-
2300	Unearned revenues	-	-	-	-
2000	Total Liabilities	<u>110,821</u>	<u>5,793</u>	<u>11,406</u>	<u>28,932</u>
Fund Balances:					
Restricted					
3450	Federal/State grant restrictions	-	-	-	-
Committed					
3545	Campus activity	-	-	-	-
3000	Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4000	Total Liabilities and Fund Balance	<u>\$ 110,821</u>	<u>\$ 5,793</u>	<u>\$ 11,406</u>	<u>\$ 28,932</u>

GALENA PARK INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
ALL NONMAJOR GOVERNMENTAL FUNDS
August 31, 2023

Exhibit H-1
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		282	284	288	289
Data Control Codes		ARP Act ESSER III	ARRA - IDEA B Preschool	Summer School LEP	Various Federal Funds
Assets					
1110	Cash and temporary investments	\$ -	\$ -	\$ 45,733	\$ -
Receivables:					
1240	Receivables from other governments	3,305,883	224,084	-	182,945
1260	Due from other funds	-	-	-	-
1290	Other receivables	-	-	-	-
1310	Inventories, at cost	-	-	-	-
1000	Total Assets	<u>\$ 3,305,883</u>	<u>\$ 224,084</u>	<u>\$ 45,733</u>	<u>\$ 182,945</u>
Liabilities and Fund Balance					
Liabilities:					
Current Liabilities:					
2110	Accounts payable	\$ 326,334	\$ -	\$ 23,258	\$ 4,118
2160	Accrued wages payable	623,212	-	3,843	10,725
2170	Due to other funds	2,356,337	224,084	-	144,118
2180	Payable to other governments	-	-	-	-
2300	Unearned revenues	-	-	18,632	23,984
2000	Total Liabilities	<u>3,305,883</u>	<u>224,084</u>	<u>45,733</u>	<u>182,945</u>
Fund Balances:					
Restricted					
3450	Federal/State grant restrictions	-	-	-	-
Committed					
3545	Campus activity	-	-	-	-
3000	Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4000	Total Liabilities and Fund Balance	<u>\$ 3,305,883</u>	<u>\$ 224,084</u>	<u>\$ 45,733</u>	<u>\$ 182,945</u>

GALENA PARK INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
ALL NONMAJOR GOVERNMENTAL FUNDS
August 31, 2023

Exhibit H-1
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	397	410	427	429	
Data Control Codes	Advanced Placement Incentives	Instructional Materials Allotment	State Funded Special Revenue Funds	Other State Funded Special Revenue Funds	
Assets					
1110	Cash and temporary investments	\$ 5,319	\$ 673,936	\$ 38	\$ -
Receivables:					
1240	Receivables from other governments	-	-	-	60,234
1260	Due from other funds	-	-	-	-
1290	Other receivables	-	4,500	-	-
1310	Inventories, at cost	-	-	-	-
1000	Total Assets	\$ 5,319	\$ 678,436	\$ 38	\$ 60,234
Liabilities and Fund Balance					
Liabilities:					
Current Liabilities:					
2110	Accounts payable	\$ -	\$ 204,786	\$ -	\$ 837
2160	Accrued wages payable	-	-	-	2,229
2170	Due to other funds	-	-	-	57,130
2180	Payable to other governments	-	-	-	-
2300	Unearned revenues	5,319	-	38	38
2000	Total Liabilities	5,319	204,786	38	60,234
Fund Balances:					
Restricted					
3450	Federal/State grant restrictions	-	473,650	-	-
Committed					
3545	Campus activity	-	-	-	-
3000	Total Fund Balances	-	473,650	-	-
4000	Total Liabilities and Fund Balance	\$ 5,319	\$ 678,436	\$ 38	\$ 60,234

GALENA PARK INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
ALL NONMAJOR GOVERNMENTAL FUNDS
August 31, 2023

Exhibit H-1
Page 7 of 7

		461	481	486	
Data Control Codes		Campus Activity Funds	Other Local Funds	Miscellaneous Donations	Total Nonmajor Governmental Funds
Assets					
1110	Cash and temporary investments	\$ 1,357,118	\$ 124,614	\$ -	\$ 8,191,757
Receivables:					
1240	Receivables from other governments	-	-	-	9,106,940
1260	Due from other funds	302	-	-	49,915
1290	Other receivables	3,448	-	-	11,711
1310	Inventories, at cost	-	-	-	551,271
1000	Total Assets	<u>\$ 1,360,868</u>	<u>\$ 124,614</u>	<u>\$ -</u>	<u>\$ 17,911,594</u>
Liabilities and Fund Balance					
Liabilities:					
Current Liabilities:					
2110	Accounts payable	\$ 64,427	\$ -	\$ -	\$ 1,696,077
2160	Accrued wages payable	271	-	-	1,761,269
2170	Due to other funds	2,652	-	-	6,393,954
2180	Payable to other governments	-	-	-	84
2300	Unearned revenues	-	124,614	-	561,713
2000	Total Liabilities	<u>67,350</u>	<u>124,614</u>	<u>-</u>	<u>10,413,097</u>
Fund Balances:					
Restricted					
3450	Federal/State grant restrictions	-	-	-	6,204,979
Committed					
3545	Campus activity	1,293,518	-	-	1,293,518
3000	Total Fund Balances	<u>1,293,518</u>	<u>-</u>	<u>-</u>	<u>7,498,497</u>
4000	Total Liabilities and Fund Balance	<u>\$ 1,360,868</u>	<u>\$ 124,614</u>	<u>\$ -</u>	<u>\$ 17,911,594</u>



Galena Park
Independent School District

GALENA PARK INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - ALL NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended August 31, 2023

	203	205	206	211
Data Control Codes	Child Care & Development Block Grant	Early Head Start Program	McKinney - Vento Support for Homeless Education	ESEA Title I, Part A Improving Basic Programs
Revenues				
5700 Local, intermediate, and out-of-state	\$ -	\$ -	\$ -	\$ -
5800 State program revenues	-	-	-	-
5900 Federal program revenues	837,098	964,396	63,280	8,655,890
5020 Total Revenues	837,098	964,396	63,280	8,655,890
Expenditures				
Current:				
0011 Instruction	-	-	40,537	5,625,973
0012 Instructional resources and media services	-	-	-	4,210
0013 Curriculum and instructional staff development	-	-	-	1,613,234
0021 Instructional leadership	-	153,510	1,111	281,957
0023 School leadership	-	-	-	-
0031 Guidance, counseling and evaluation services	-	-	-	-
0032 Social work services	-	138	953	437,496
0033 Health services	-	32,156	-	-
0034 Student transportation	-	-	20,189	544,937
0035 Food services	-	-	-	-
0036 Extracurricular activities	-	-	490	-
0041 General administration	-	-	-	-
0051 Facilities maintenance and operations	-	-	-	-
0052 Security and monitoring services	-	-	-	-
0053 Data processing services	-	-	-	-
0061 Community services	513,131	735,891	-	148,083
Debt service:				
0071 Principal on long-term debt	-	2,905	-	-
0072 Interest on long-term debt	-	9	-	-
Capital outlay:				
0081 Facilities acquisition and construction	323,967	39,787	-	-
Intergovernmental:				
0093 Payments related to shared services arrangement	-	-	-	-
6030 Total Expenditures	837,098	964,396	63,280	8,655,890
1100 Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
Other Financing Sources (Uses)				
7912 Sale of real and personal property	-	-	-	-
7915 Transfers in	-	-	-	-
7949 Other resources	-	-	-	-
8911 Transfers out	-	-	-	-
7080 Total Other Financing Sources (Uses)	-	-	-	-
1200 Net change in fund balances	-	-	-	-
0100 Fund Balance - Beginning	-	-	-	-
3000 Fund Balance - Ending	\$ -	\$ -	\$ -	\$ -

GALENA PARK INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - ALL NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended August 31, 2023

	212	224	225	226
Data Control Codes	ESEA Title I, Part C	IDEA, Part B - Formula	IDEA, Part B Preschool	IDEA, Part B-Discretionary
Revenues				
5700 Local, intermediate, and out-of-state	\$ -	\$ -	\$ -	\$ -
5800 State program revenues	-	-	-	-
5900 Federal program revenues	39,524	3,559,585	71,143	130,847
5020 Total Revenues	39,524	3,559,585	71,143	130,847
Expenditures				
Current:				
0011 Instruction	6,243	2,578,646	71,143	63,000
0012 Instructional resources and media services	-	-	-	-
0013 Curriculum and instructional staff development	-	331,832	-	-
0021 Instructional leadership	-	44,788	-	-
0023 School leadership	-	-	-	-
0031 Guidance, counseling and evaluation services	-	246,632	-	-
0032 Social work services	33,281	-	-	-
0033 Health services	-	65,175	-	-
0034 Student transportation	-	1,360	-	67,847
0035 Food services	-	-	-	-
0036 Extracurricular activities	-	-	-	-
0041 General administration	-	-	-	-
0051 Facilities maintenance and operations	-	-	-	-
0052 Security and monitoring services	-	-	-	-
0053 Data processing services	-	-	-	-
0061 Community services	-	-	-	-
Debt service:				
0071 Principal on long-term debt	-	-	-	-
0072 Interest on long-term debt	-	-	-	-
Capital outlay:				
0081 Facilities acquisition and construction	-	-	-	-
Intergovernmental:				
0093 Payments related to shared services arrangement	-	291,152	-	-
6030 Total Expenditures	39,524	3,559,585	71,143	130,847
1100 Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
Other Financing Sources (Uses)				
7912 Sale of real and personal property	-	-	-	-
7915 Transfers in	-	-	-	-
7949 Other resources	-	-	-	-
8911 Transfers out	-	-	-	-
7080 Total Other Financing Sources (Uses)	-	-	-	-
1200 Net change in fund balances	-	-	-	-
0100 Fund Balance - Beginning	-	-	-	-
3000 Fund Balance - Ending	\$ -	\$ -	\$ -	\$ -

GALENA PARK INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - ALL NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended August 31, 2023

Exhibit H-2
Page 3 of 7

	240	244	255	263
Data Control Codes	National School Breakfast and Lunch Program	Vocational Education - Basic	ESEA, Title II Part A	ESEA, Title III Part A
Revenues				
5700	Local, intermediate, and out-of-state	\$ 1,156,825	\$ -	\$ -
5800	State program revenues	66,112	-	-
5900	Federal program revenues	18,482,634	402,932	1,123,011
5020	Total Revenues	19,705,571	402,932	1,123,011
Expenditures				
Current:				
0011	Instruction	-	397,122	25,990
0012	Instructional resources and media services	-	-	-
0013	Curriculum and instructional staff development	-	-	1,097,021
0021	Instructional leadership	-	5,810	-
0023	School leadership	-	-	-
0031	Guidance, counseling and evaluation services	-	-	-
0032	Social work services	-	-	-
0033	Health services	-	-	-
0034	Student transportation	-	-	1,090
0035	Food services	20,480,998	-	-
0036	Extracurricular activities	-	-	-
0041	General administration	-	-	-
0051	Facilities maintenance and operations	247,398	-	-
0052	Security and monitoring services	-	-	-
0053	Data processing services	-	-	-
0061	Community services	-	-	7,084
Debt service:				
0071	Principal on long-term debt	7,433	-	-
0072	Interest on long-term debt	20	-	-
Capital outlay:				
0081	Facilities acquisition and construction	-	-	-
Intergovernmental:				
0093	Payments related to shared services arrangement	-	-	-
6030	Total Expenditures	20,735,849	402,932	1,123,011
1100	Excess (deficiency) of revenues over (under) expenditures	(1,030,278)	-	-
Other Financing Sources (Uses)				
7912	Sale of real and personal property	55,598	-	-
7915	Transfers in	-	-	-
7949	Other resources	-	-	-
8911	Transfers out	-	-	-
7080	Total Other Financing Sources (Uses)	55,598	-	-
1200	Net change in fund balances	(974,680)	-	-
0100	Fund Balance - Beginning	6,706,009	-	-
3000	Fund Balance - Ending	\$ 5,731,329	\$ -	\$ -

GALENA PARK INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - ALL NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended August 31, 2023

Exhibit H-2
Page 4 of 7

Data Control Codes		265	278	279	280
		ESEA, Title IV Part B	American Rescue Plan ESSER Fund - Homeless Children and Youth	Title II, Part D, Subpart 1- Enhancing Education Through Technology-ARRA	ESEA, Title X, Part C- Education for the Homeless Children and Youth-ARRA
Revenues					
5700	Local, intermediate, and out-of-state	\$ -	\$ -	\$ -	\$ -
5800	State program revenues	-	-	-	-
5900	Federal program revenues	467,839	47,698	18,314	44,993
5020	Total Revenues	467,839	47,698	18,314	44,993
Expenditures					
Current:					
0011	Instruction	280,200	8,400	18,314	16,061
0012	Instructional resources and media services	-	-	-	-
0013	Curriculum and instructional staff development	-	-	-	-
0021	Instructional leadership	187,639	156	-	-
0023	School leadership	-	-	-	-
0031	Guidance, counseling and evaluation services	-	2,154	-	-
0032	Social work services	-	-	-	-
0033	Health services	-	-	-	-
0034	Student transportation	-	36,988	-	28,932
0035	Food services	-	-	-	-
0036	Extracurricular activities	-	-	-	-
0041	General administration	-	-	-	-
0051	Facilities maintenance and operations	-	-	-	-
0052	Security and monitoring services	-	-	-	-
0053	Data processing services	-	-	-	-
0061	Community services	-	-	-	-
Debt service:					
0071	Principal on long-term debt	-	-	-	-
0072	Interest on long-term debt	-	-	-	-
Capital outlay:					
0081	Facilities acquisition and construction	-	-	-	-
Intergovernmental:					
0093	Payments related to shared services arrangement	-	-	-	-
6030	Total Expenditures	467,839	47,698	18,314	44,993
1100	Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
Other Financing Sources (Uses)					
7912	Sale of real and personal property	-	-	-	-
7915	Transfers in	-	-	-	-
7949	Other resources	-	-	-	-
8911	Transfers out	-	-	-	-
7080	Total Other Financing Sources (Uses)	-	-	-	-
1200	Net change in fund balances	-	-	-	-
0100	Fund Balance - Beginning	-	-	-	-
3000	Fund Balance - Ending	\$ -	\$ -	\$ -	\$ -

GALENA PARK INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - ALL NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended August 31, 2023

	282	284	288	289
Data Control Codes	ARP Act ESSER III	ARRA - IDEA B Preschool	Summer School LEP	Various Federal Funds
Revenues				
5700	\$ -	\$ -	\$ -	\$ -
5800	-	-	-	-
5900	16,050,121	224,085	42,432	1,094,342
5020 Total Revenues	16,050,121	224,085	42,432	1,094,342
Expenditures				
Current:				
0011	9,755,119	49,630	37,785	167,724
0012	-	-	-	23
0013	1,111,075	-	4,647	42,713
0021	267,350	-	-	3,833
0023	-	-	-	624
0031	331,637	174,455	-	144,678
0032	-	-	-	137,063
0033	135,847	-	-	66,362
0034	-	-	-	2,895
0035	-	-	-	-
0036	92,871	-	-	7,798
0041	11,617	-	-	-
0051	4,344,605	-	-	483,797
0052	-	-	-	28
0053	-	-	-	7,483
0061	-	-	-	29,321
Debt service:				
0071	-	-	-	-
0072	-	-	-	-
Capital outlay:				
0081	-	-	-	-
Intergovernmental:				
0093	-	-	-	-
6030 Total Expenditures	16,050,121	224,085	42,432	1,094,342
1100	-	-	-	-
Other Financing Sources (Uses)				
7912	-	-	-	-
7915	-	-	-	-
7949	-	-	-	-
8911	-	-	-	-
7080 Total Other Financing Sources (Uses)	-	-	-	-
1200	-	-	-	-
0100 Fund Balance - Beginning	-	-	-	-
3000 Fund Balance - Ending	\$ -	\$ -	\$ -	\$ -

GALENA PARK INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - ALL NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended August 31, 2023

	397	410	427	429
Data Control Codes	Advanced Placement Incentives	Instructional Materials Allotment	State Funded Special Revenue Funds	Other State Funded Special Revenue Funds
Revenues				
5700	\$ -	\$ -	\$ -	\$ 12,714
5800	5,788	1,088,152	-	374,558
5900	-	-	-	-
5020 Total Revenues	5,788	1,088,152	-	387,272
Expenditures				
Current:				
0011	1,813	2,014,802	-	248,040
0012	-	-	-	-
0013	3,975	-	-	29,116
0021	-	-	-	558
0023	-	-	-	2,308
0031	-	-	-	-
0032	-	-	-	53,280
0033	-	-	-	-
0034	-	-	-	-
0035	-	-	-	-
0036	-	-	-	-
0041	-	-	-	-
0051	-	690	-	-
0052	-	-	-	41,256
0053	-	-	-	-
0061	-	-	-	12,714
Debt service:				
0071	-	188,682	-	-
0072	-	-	-	-
Capital outlay:				
0081	-	-	-	-
Intergovernmental:				
0093	-	-	-	-
6030 Total Expenditures	5,788	2,204,174	-	387,272
1100	-	(1,116,022)	-	-
Other Financing Sources (Uses)				
7912	-	-	-	-
7915	-	-	-	-
7949	-	900,791	-	-
8911	-	-	-	-
7080 Total Other Financing Sources (Uses)	-	900,791	-	-
1200	-	(215,231)	-	-
0100 Fund Balance - Beginning	-	688,881	-	-
3000 Fund Balance - Ending	\$ -	\$ 473,650	\$ -	\$ -

GALENA PARK INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - ALL NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended August 31, 2023

Exhibit H-2
Page 7 of 7

		461	481	486	
Data Control Codes		Campus Activity Funds	Other Local Funds	Miscellaneous Donations	Total Nonmajor Governmental Funds
Revenues					
5700	Local, intermediate, and out-of-state	\$ 2,461,880	\$ 49,464	\$ 104	\$ 3,680,987
5800	State program revenues	-	-	-	1,534,610
5900	Federal program revenues	-	-	-	53,074,919
5020	Total Revenues	2,461,880	49,464	104	58,290,516
Expenditures					
Current:					
0011	Instruction	225,236	17,120	-	21,893,065
0012	Instructional resources and media services	30,534	288	-	35,055
0013	Curriculum and instructional staff development	1,201	22,840	-	4,743,796
0021	Instructional leadership	2,699	2,500	-	968,183
0023	School leadership	163,147	5,000	-	171,079
0031	Guidance, counseling and evaluation services	-	-	-	899,556
0032	Social work services	-	360	-	662,571
0033	Health services	-	-	-	299,540
0034	Student transportation	2,050	-	-	706,288
0035	Food services	-	-	-	20,480,998
0036	Extracurricular activities	2,013,048	364	-	2,114,571
0041	General administration	1,500	-	-	13,117
0051	Facilities maintenance and operations	6,302	-	-	5,082,792
0052	Security and monitoring services	-	-	-	41,284
0053	Data processing services	-	-	-	7,483
0061	Community services	6,833	992	104	1,454,153
Debt service:					
0071	Principal on long-term debt	3,872	-	-	202,892
0072	Interest on long-term debt	11	-	-	40
Capital outlay:					
0081	Facilities acquisition and construction	-	-	-	363,754
Intergovernmental:					
0093	Payments related to shared services arrangement	-	-	-	291,152
6030	Total Expenditures	2,456,433	49,464	104	60,431,369
1100	Excess (deficiency) of revenues over (under) expenditures	5,447	-	-	(2,140,853)
Other Financing Sources (Uses)					
7912	Sale of real and personal property	-	-	-	55,598
7915	Transfers in	10,348	-	-	10,348
7949	Other resources	-	-	-	900,791
8911	Transfers out	-	-	-	-
7080	Total Other Financing Sources (Uses)	10,348	-	-	966,737
1200	Net change in fund balances	15,795	-	-	(1,174,116)
0100	Fund Balance - Beginning	1,277,723	-	-	8,672,613
3000	Fund Balance - Ending	\$ 1,293,518	\$ -	\$ -	\$ 7,498,497

GALENA PARK INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DELINQUENT TAXES RECEIVABLE
For the Year Ended August 31, 2023

Exhibit J-1

Last Ten Fiscal Years	1		2	3	10	20	31	32	40	50
	Tax Rates		Net Assessed / Appraised Value For School Tax Purposes	Beginning Balance 9/1/2022	Current Year's Total Levy	Maintenance Total Collections	Debt Service Total Collections	Entire Year's Adjustments	Ending Balance 8/31/2023	
	Maintenance	Debt Service								
2014 and prior	Various	Various	Various	\$ 1,632,561	\$ -	\$ 40,274	\$ 7,617	\$ (34,572)	\$1,550,098	
2015	1.24330	0.27010	\$7,433,199,935	184,884	-	6,979	1,516	(550)	175,839	
2016	1.24330	0.27010	8,142,261,887	169,735	-	14,841	3,224	201	151,871	
2017	1.24330	0.32000	8,161,446,159	235,090	-	19,611	5,048	(965)	209,466	
2018	1.24330	0.32000	8,177,706,984	421,254	-	29,904	7,697	1,168	384,821	
2019	1.24330	0.33000	8,532,674,721	429,156	-	49,135	13,042	6,232	373,211	
2020	1.14165	0.33000	9,731,032,854	2,745,450	-	933,733	269,900	(2,520,423)	(978,606)	
2021	1.12810	0.33000	10,118,991,869	2,751,321	-	711,669	208,183	(2,037,841)	(206,372)	
2022	1.12510	0.34000	9,787,342,093	4,561,313	-	1,040,040	314,295	(2,288,850)	918,128	
2023	1.04270	0.31148	11,101,281,873	-	150,331,339	112,082,405	33,481,757	-	4,767,177	
1000 Totals				<u>\$ 13,130,764</u>	<u>\$ 150,331,339</u>	<u>\$ 114,928,591</u>	<u>\$ 34,312,279</u>	<u>\$ (6,875,600)</u>	<u>7,345,633</u>	
									Penalty and interest receivable on taxes	<u>4,443,978</u>
									Total taxes receivable per Governmental Fund Balance Sheet (C-1)	<u>\$ 11,789,611</u>
8000	Taxes refunded under Section 26.155(c), Tax Code, for tax refunds issued for immediate homestead exemptions pursuant to Senate Bill (SB) 8, 87-2						<u>\$ 19,023</u>			

GALENA PARK INDEPENDENT SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
NATIONAL SCHOOL BREAKFAST AND LUNCH PROGRAM
For the Year Ended August 31, 2023

Exhibit J-2

	Budgeted Amounts		Actual	Variance with Final Budget - (Unfavorable)
	Original	Final		
Revenues				
Local, Intermediate, and Out-of-State	\$ 749,500	\$ 749,500	\$ 1,156,825	\$ 407,325
State Program Revenues	25,000	25,000	66,112	41,112
Federal Program Revenues	16,608,900	16,608,900	18,482,634	1,873,734
Total Revenues	<u>17,383,400</u>	<u>17,383,400</u>	<u>19,705,571</u>	<u>2,322,171</u>
Expenditures				
Current:				
Food Services	17,129,800	20,928,766	20,480,998	447,768
Plant maintenance and operations	246,400	246,400	247,398	(998)
Debt Service:				
Principal on long-term debt	7,180	7,180	7,433	(253)
Interest on long-term debt	20	20	20	-
Total Expenditures	<u>17,383,400</u>	<u>21,182,366</u>	<u>20,735,849</u>	<u>446,517</u>
Excess (Deficiency) Revenues Over (Under) Expenditures	-	(3,798,966)	(1,030,278)	2,768,688
Other Financing Sources (Uses)				
Sale of real or personal property	-	-	55,598	55,598
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>55,598</u>	<u>55,598</u>
Net change in fund balances	-	(3,798,966)	(974,680)	2,824,286
Fund Balance - Beginning	<u>6,706,009</u>	<u>6,706,009</u>	<u>6,706,009</u>	<u>-</u>
Fund Balance - Ending	<u>\$ 6,706,009</u>	<u>\$ 2,907,043</u>	<u>\$ 5,731,329</u>	<u>\$ 2,824,286</u>

GALENA PARK INDEPENDENT SCHOOL DISTRICT

BUDGETARY COMPARISON SCHEDULE

DEBT SERVICE FUND

For the Year Ended August 31, 2023

Exhibit J-3

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget - Favorable (Unfavorable)
Revenues				
Local, Intermediate, and Out-of-State	\$ 34,276,700	\$ 35,572,075	\$ 35,396,579	\$ (175,496)
State Program Revenues	-	759,138	748,522	(10,616)
Total Revenues	<u>34,276,700</u>	<u>36,331,213</u>	<u>36,145,101</u>	<u>(186,112)</u>
Expenditures				
Debt Service:				
Principal on long-term debt	16,525,063	18,350,063	18,350,063	-
Interest on long-term debt	17,744,637	17,744,637	17,744,611	26
Bond issuance costs and fees	7,000	7,000	6,000	1,000
Total Expenditures	<u>34,276,700</u>	<u>36,101,700</u>	<u>36,100,674</u>	<u>1,026</u>
Other Financing Sources (Uses)				
Other uses - court ordered tax refunds	-	(477,931)	(477,931)	-
Total other financing sources and uses	<u>-</u>	<u>(477,931)</u>	<u>(477,931)</u>	<u>-</u>
Net change in fund balances	-	(248,418)	(433,504)	(185,086)
Fund Balance - Beginning	<u>2,523,142</u>	<u>2,523,142</u>	<u>2,523,142</u>	<u>-</u>
Fund Balance - Ending	<u>\$ 2,523,142</u>	<u>\$ 2,274,724</u>	<u>\$ 2,089,638</u>	<u>\$ (185,086)</u>

GALENA PARK INDEPENDENT SCHOOL DISTRICT
COMPENSATORY EDUCATION PROGRAM AND BILINGUAL EDUCATION PROGRAM COMPLIANCE RESPONSES
For the Year Ended August 31, 2023

Exhibit J-4

Data Codes	Section A: Compensatory Education Programs	Responses
AP1	Did your LEA expend any state compensatory education program state allotment funds during the district's fiscal year?	Yes
AP2	Does the LEA have written policies and procedures for its state compensatory education program?	Yes
AP3	List the total state allotment funds received for state compensatory education programs during the district's fiscal year.	\$ 29,988,574
AP4	List the actual direct program expenditures for state compensatory education programs during the LEA's fiscal year. (PICs 24, 26, 28, 29, 30)	\$ 10,562,891
Section B: Bilingual Education Programs		
AP5	Did your LEA expend any bilingual education program state allotment funds during the LEA's fiscal year?	Yes
AP6	Does the LEA have written policies and procedures for its bilingual education program?	Yes
AP7	List the total state allotment funds received for bilingual education programs during the LEA's fiscal year.	\$ 5,764,735
AP8	List the actual direct program expenditures for bilingual education programs during the LEA's fiscal year. (PIC 25)	\$ 2,219,100



Galena Park
Independent School District

STATISTICAL SECTION
(UNAUDITED)



Galena Park
Independent School District

GALENA PARK INDEPENDENT SCHOOL DISTRICT
STATISTICAL SECTION

The statistical section of the Galena Park Independent School District’s Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District’s economic condition and overall financial health. To assist financial statement users, the information contained within this section is categorized as follows:

	<u>Page</u>
Financial Trends	104
These schedules contain trend information to show how the District’s financial performance and position have changed over time	
Revenue Capacity	112
These schedules contain information to help assess the factors affecting the District’s most significant local revenue source, the property tax.	
Debt Capacity	120
These schedules present information to help assess the affordability of the District’s current debt burden and its ability to issue additional debt in the future.	
Demographic and Economic Information	126
These schedules provide demographic and economic indicators to help in understanding the environment in which the District operates and to facilitate in comparisons over time.	
Operating Information	130
These schedules provide information about the District’s operations and resources to assist in using the financial statement information to better understand and assess the District’s economic condition.	

Sources: Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Reports for the relevant year.

GALENA PARK INDEPENDENT SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

Table 1
Page 1 of 2

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Governmental Activities:					
Net investment in					
capital assets	\$ 110,165,616	\$ 95,418,867	\$ 90,011,934	\$ 82,381,316	\$ 70,926,256
Restricted	9,816,379	12,999,492	13,133,219	16,479,483	15,707,088
Unrestricted	1,752,641	(22,726,432)	(32,768,490)	(45,243,522)	(46,367,360)
Total Governmental					
Activities Net Position	<u>\$ 121,734,636</u>	<u>\$ 85,691,927</u>	<u>\$ 70,376,663</u>	<u>\$ 53,617,277</u>	<u>\$ 40,265,984</u>

Source of Information: Galena Park Independent School District's Financial Statements.

Notes:

During the fiscal year 2015, the District adopted GASB Statement No. 68.

During the fiscal year 2018, the District adopted GASB 75.

GALENA PARK INDEPENDENT SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

Table 1
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	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Governmental Activities:					
Net investment in					
capital assets	\$ 74,968,166	\$ 77,029,615	\$ 71,473,347	\$ 64,843,915	\$ 50,303,111
Restricted	15,117,125	13,199,434	11,671,948	9,080,679	13,823,205
Unrestricted	(48,808,224)	60,846,881	58,897,199	50,004,043	57,092,596
Total Governmental					
Activities Net Position	<u>\$ 41,277,067</u>	<u>\$ 151,075,930</u>	<u>\$ 142,042,494</u>	<u>\$ 123,928,637</u>	<u>\$ 121,218,912</u>

Source of Information: Galena Park Independent School District's Financial Statements.

Notes:

During the fiscal year 2015, the District adopted GASB Statement No. 68.

During the fiscal year 2018, the District adopted GASB 75.

GALENA PARK INDEPENDENT SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

Table 2
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	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Expenses:					
Governmental Activities:					
Instruction	\$ 158,390,425	\$ 148,052,627	162,718,256	\$ 153,242,430	\$ 144,116,946
Instructional Resources and Media Services	2,801,347	2,852,909	3,100,617	2,859,936	3,111,190
Curriculum and Instructional Staff Development	9,152,485	9,430,176	9,075,087	8,223,134	8,429,223
Instructional Leadership	6,697,056	6,469,405	6,900,962	7,939,367	7,174,319
School Leadership	17,421,347	16,667,212	18,015,282	18,314,290	17,162,560
Guidance, Counseling, and Evaluation Services	10,406,775	10,246,617	10,141,622	9,453,702	8,717,168
Social Work Services	1,268,191	1,063,713	1,126,211	1,074,481	1,096,919
Health Services	2,727,441	2,600,631	2,949,124	2,524,360	2,187,509
Student (Pupil) Transportation	11,127,074	10,553,744	9,554,362	9,622,201	9,786,986
Food Services	19,014,199	16,269,472	14,927,236	16,406,346	18,079,109
Cocurricular/Extracurricular Activities	6,849,601	5,754,307	5,210,628	5,903,790	5,570,196
General Administration	9,649,997	9,914,275	9,706,591	10,414,676	9,792,793
Facilities Maintenance and Operations	37,074,110	32,533,648	31,832,708	33,293,766	38,033,842
Security and Monitoring Services	6,255,791	4,167,230	3,570,635	4,017,895	3,105,078
Data Processing Services	6,142,937	5,348,311	5,118,380	5,212,184	4,355,431
Community Services	2,902,184	2,539,775	2,537,001	2,384,822	1,855,894
Debt Service - Interest on Long-term Debt	15,308,850	15,222,187	16,882,470	17,551,973	16,512,159
Debt Service - Bond Issuance Costs and Fees	-	-	-	-	9,810
Payments Related to Shared Service Arrangements	291,152	376,824	343,072	395,167	-
Payments to appraisal district	1,083,695	1,046,378	1,051,148	1,043,300	978,581
Total Expenses	<u>324,564,657</u>	<u>301,109,441</u>	<u>314,761,392</u>	<u>309,877,820</u>	<u>300,075,713</u>
Program Revenues:					
Governmental Activities:					
Charges for Services:					
Instruction	1,664,240	1,419,252	831,125	726,617	812,261
School Leadership	164,447	149,934	94,634	132,931	243,410
Food Services	812,620	625,143	231,721	665,867	1,137,995
Cocurricular/Extracurricular Activities	2,390,748	1,537,531	695,172	1,588,542	1,160,518
General Administration	1,503	40,691	1,512	80,831	79,157
Facilities Maintenance and Operations	69,500	73,566	47,007	133,883	180,014
Security and Monitoring Services	16,533	16,869	24,198	17,458	16,930
Other Activities	78,452	133,333	53,314	127,097	181,789
Operating Grants and Contributions	89,450,030	61,521,354	57,042,073	60,970,808	56,560,228
Total Program Revenues	<u>94,648,073</u>	<u>65,517,673</u>	<u>59,020,756</u>	<u>64,444,034</u>	<u>60,372,302</u>
Total Net (Expense)/Revenue	<u>(229,916,584)</u>	<u>(235,591,768)</u>	<u>(255,740,636)</u>	<u>(245,433,786)</u>	<u>(239,703,411)</u>
General Revenues and Other Changes in Net Position					
Governmental Activities:					
Property Taxes	142,648,776	142,053,532	147,678,570	143,079,999	133,615,993
State-aid formula grants	108,821,372	108,647,325	123,970,344	110,314,055	98,146,037
Grants and contributions not restricted	-	-	-	-	2,800
Investment earnings	13,765,562	59,210	761,662	5,044,982	6,680,051
Miscellaneous	340,876	146,965	89,446	44,008	247,447
Total General Revenues and Other Changes in Net Position	<u>265,576,586</u>	<u>250,907,032</u>	<u>272,500,022</u>	<u>258,483,044</u>	<u>238,692,328</u>
Total Change in Net Position	<u>\$ 35,660,002</u>	<u>\$ 15,315,264</u>	<u>\$ 16,759,386</u>	<u>\$ 13,049,258</u>	<u>\$ (1,011,083)</u>

Source of Information: Galena Park Independent School District's Financial Statements.

During the fiscal year 2015, the District adopted GASB Statement No. 68.

During the fiscal year 2018, the District adopted GASB 75.

GALENA PARK INDEPENDENT SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

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	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Expenses:					
Governmental Activities:					
Instruction	\$ 89,827,768	\$ 134,569,316	\$ 119,286,904	\$ 118,671,778	\$ 113,536,472
Instructional Resources and Media Services	2,087,229	2,817,371	2,753,916	2,484,130	2,543,759
Curriculum and Instructional Staff Development	3,917,357	5,961,598	5,432,709	5,049,277	4,785,800
Instructional Leadership	4,294,280	6,087,473	5,758,176	5,446,409	5,158,621
School Leadership	10,122,707	14,360,951	13,720,730	12,226,016	11,686,374
Guidance, Counseling, and Evaluation Services	4,917,424	7,940,012	7,635,301	6,971,684	5,967,337
Social Work Services	957,290	904,579	696,048	533,315	581,864
Health Services	1,218,718	1,884,102	1,828,426	1,745,665	1,696,559
Student (Pupil) Transportation	6,699,179	8,491,227	6,478,596	6,060,314	5,442,835
Food Services	14,918,286	13,964,364	15,007,128	13,898,421	13,828,395
Cocurricular/Extracurricular Activities	4,500,283	5,100,028	5,424,069	4,956,638	4,784,559
General Administration	6,280,175	8,507,836	7,914,425	7,523,092	6,990,616
Facilities Maintenance and Operations	33,238,521	26,650,162	29,424,238	28,164,408	28,057,546
Security and Monitoring Services	2,481,646	2,488,235	2,568,194	2,572,674	2,778,838
Data Processing Services	3,534,658	3,805,769	3,815,141	3,177,492	2,516,556
Community Services	1,153,291	1,635,714	1,411,317	1,389,389	1,427,226
Debt Service - Interest on Long-term Debt	13,201,974	12,766,645	10,967,667	10,832,510	11,978,110
Debt Service - Bond Issuance Costs and Fees	148,891	1,757,777	-	-	-
Payments Related to Shared Service Arrangements	-	-	-	-	-
Payments to appraisal district	936,346	937,503	908,466	857,019	764,804
Total Expenses	<u>204,436,023</u>	<u>260,630,662</u>	<u>241,031,451</u>	<u>232,560,231</u>	<u>224,526,271</u>
Program Revenues:					
Governmental Activities:					
Charges for Services:					
Instruction	1,048,802	673,736	804,888	662,850	1,055,658
School Leadership	236,070	147,074	160,176	125,841	126,835
Food Services	1,721,115	2,147,598	181,054	2,396,603	2,748,933
Cocurricular/Extracurricular Activities	1,042,594	1,237,846	2,339,622	971,872	882,036
General Administration	44,917	21,501	-	-	-
Facilities Maintenance and Operations	257,557	180,392	1,188,365	191,367	293,264
Security and Monitoring Services	22,460	10,750	-	-	-
Other Activities	216,722	105,903	-	-	-
Operating Grants and Contributions	4,022,067	41,428,025	29,381,400	34,844,417	36,638,833
Total Program Revenues	<u>8,612,304</u>	<u>45,952,825</u>	<u>34,055,505</u>	<u>39,192,950</u>	<u>41,745,559</u>
Total Net (Expense)/Revenue	<u>(195,823,719)</u>	<u>(214,677,837)</u>	<u>(206,975,946)</u>	<u>(193,367,281)</u>	<u>(182,780,712)</u>
General Revenues and Other Changes in Net Position					
Governmental Activities:					
Property Taxes	126,900,406	127,044,616	121,304,611	112,784,242	101,858,021
State-aid formula grants	95,110,955	94,400,991	102,779,386	111,798,949	104,724,697
Grants and contributions not restricted	208,171	-	23,999	69,486	86,213
Investment earnings	4,561,526	2,446,240	687,509	206,950	167,415
Miscellaneous	567,982	201,980	294,298	298,220	266,551
Total General Revenues and Other Changes in Net Position	<u>227,349,040</u>	<u>224,093,827</u>	<u>225,089,803</u>	<u>225,157,847</u>	<u>207,102,897</u>
Total Change in Net Position	<u>\$ 31,525,321</u>	<u>\$ 9,415,990</u>	<u>\$ 18,113,857</u>	<u>\$ 31,790,566</u>	<u>\$ 24,322,185</u>

Source of Information: Galena Park Independent School District's Financial Statements.

During the fiscal year 2015, the District adopted GASB Statement No. 68.

During the fiscal year 2018, the District adopted GASB 75.

GALENA PARK INDEPENDENT SCHOOL DISTRICT
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

Table 3
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	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
General Fund					
Nonspendable	\$ 511,574	\$ 497,491	\$ 499,816	\$ 1,300,635	\$ 388,366
Assigned	159,658,831	106,419,750	93,079,379	111,522,186	100,916,702
Unassigned	60,399,057	87,765,965	100,289,227	64,755,473	65,168,115
Total General Fund	<u>\$ 220,569,462</u>	<u>\$ 194,683,206</u>	<u>\$ 193,868,422</u>	<u>\$ 177,578,294</u>	<u>\$ 166,473,183</u>
All Other Governmental Funds					
Nonspendable	\$ -	\$ 16,800	\$ 16,800	\$ -	\$ -
Restricted	41,471,097	75,913,012	97,017,358	120,503,862	47,084,225
Committed	1,293,518	1,260,923	1,340,478	1,352,219	932,812
Total All Other Governmental Funds	<u>\$ 42,764,615</u>	<u>\$ 77,190,735</u>	<u>\$ 98,374,636</u>	<u>\$ 121,856,081</u>	<u>\$ 48,017,037</u>

Source of Information: Galena Park Independent School District's Financial Statements.

GALENA PARK INDEPENDENT SCHOOL DISTRICT
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)

Table 3
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	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
General Fund					
Nonspendable	\$ 304,129	\$ 306,603	\$ 268,136	\$ 264,221	\$ 307,509
Assigned	58,758,224	57,700,343	55,725,484	43,270,858	62,387,369
Unassigned	94,042,578	87,793,932	82,326,206	79,206,234	37,350,825
Total General Fund	<u>\$ 153,104,931</u>	<u>\$ 145,800,878</u>	<u>\$ 138,319,826</u>	<u>\$ 122,741,313</u>	<u>\$ 100,045,703</u>
All Other Governmental Funds					
Nonspendable	\$ -	\$ -	\$ 411,560	\$ 296,283	\$ 328,052
Restricted	86,386,208	78,363,471	10,598,276	7,570,842	15,290,632
Committed	979,669	1,025,607	1,102,102	1,177,195	1,105,276
Total All Other Governmental Funds	<u>\$ 87,365,877</u>	<u>\$ 79,389,078</u>	<u>\$ 12,111,938</u>	<u>\$ 9,044,320</u>	<u>\$ 16,723,960</u>

Source of Information: Galena Park Independent School District's Financial Statements.

GALENA PARK INDEPENDENT SCHOOL DISTRICT
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)

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	2023	2022	2021	2020	2019
Revenues					
Local, intermediate, and out-of-state	\$ 168,947,698	\$ 144,411,338	\$ 148,006,974	\$ 147,159,861	\$ 145,587,284
State program revenues	123,637,086	122,980,984	139,026,800	126,260,713	109,707,400
Federal program revenues	84,447,815	61,964,715	40,738,457	36,651,040	37,855,892
Total Revenues	377,032,599	329,357,037	327,772,231	310,071,614	293,150,576
Expenditures					
Current:					
Instruction	160,151,867	154,318,666	152,758,410	133,490,511	125,988,014
Instruction resources and media services	2,675,138	2,797,929	2,803,540	2,382,133	2,516,946
Curriculum and instructional staff development	9,726,084	10,395,997	8,664,738	7,269,566	7,738,792
Instructional leadership	6,700,467	6,704,904	6,478,130	7,047,123	6,495,037
School leadership	17,537,668	17,269,693	17,131,537	16,315,703	15,517,306
Guidance, counseling and evaluation services	10,687,501	10,964,161	9,697,715	8,371,244	7,912,362
Social work services	1,405,538	1,098,474	1,094,345	1,030,829	1,063,796
Health services	2,927,709	2,716,194	2,793,032	2,220,874	1,932,854
Student transportation	10,226,003	10,404,102	8,710,293	9,506,132	8,331,354
Food services	20,659,979	16,777,524	13,553,912	14,481,564	15,651,622
Extracurricular activities	6,492,208	5,419,907	4,610,545	5,084,200	4,872,309
General administration	9,590,216	9,269,236	9,229,606	9,368,769	8,970,444
Facilities maintenance and operations	40,345,585	29,368,156	27,858,304	31,820,781	27,152,998
Security and monitoring services	6,137,066	4,040,121	4,046,480	3,980,016	2,999,425
Data processing services	6,170,291	5,034,866	4,599,383	5,150,659	3,720,992
Community services	3,077,821	2,762,122	2,474,496	2,161,568	1,727,629
Debt service:					
Principal on long-term debt	19,596,885	18,740,636	19,461,758	15,231,565	13,850,712
Interest on long-term debt	17,747,017	18,367,678	17,335,504	17,373,492	16,380,934
Bond issuance costs and fees	6,000	7,000	7,300	1,080,738	9,810
Capital outlay:					
Facilities acquisition and construction expenditures	37,309,062	21,912,993	20,406,451	36,788,974	45,470,902
Intergovernmental:					
Payments related to shared services arrangements	291,152	376,824	343,072	395,167	-
Payments to appraisal districts	1,083,695	1,046,378	1,051,148	1,043,300	978,581
Total Expenditures	390,544,952	349,793,561	335,109,699	331,594,908	319,282,819
Excess (Deficiency) of Revenues Over (Under)					
Expenditures	(13,512,353)	(20,436,524)	(7,337,468)	(21,523,294)	(26,132,243)
Other Financing Sources (Uses):					
Refunding bonds issued	-	-	-	14,850,000	-
Capital related debt issued (regular bonds)	-	-	-	92,760,000	-
Proceeds from right-to-use lease asset	-	30,442	-	-	-
Sale of real and personal property	5,946,160	146,965	166,151	85,838	151,655
Transfers in	10,348	45,706	-	-	-
Premium or discount on issuance of bonds	-	-	-	14,721,751	-
Transfers out	(115,348)	(155,706)	(20,000)	-	-
Payment to bond refunding escrow agent	-	-	-	(16,252,175)	-
Proceeds from SBITA assets	1,255,805	-	-	-	-
Other uses - court ordered tax refunds	(2,124,476)	-	-	-	-
Total Other Financing Sources (Uses)	4,972,489	67,407	146,151	106,165,414	151,655
Net change in Fund Balances	\$ (8,539,864)	\$ (20,369,117)	\$ (7,191,317)	\$ 84,642,120	\$ (25,980,588)
Debt Service as a percentage of Noncapital Expenditures	10.91%	11.73%	11.73%	11.28%	10.96%

Source of Information: Galena Park Independent School District's Financial Statements.

* Debt service as a percentage of noncapital expenditures is determined by dividing debt service expenditures by total expenditures less current year capital outlay in the reconciliation between the government-wide statement of activities and the statement of revenues, expenditures, and changes in fund balance.

GALENA PARK INDEPENDENT SCHOOL DISTRICT
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)

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	2018	2017	2016	2015	2014
Revenues					
Local, intermediate, and out-of-state	\$ 136,892,734	\$ 133,337,630	\$ 128,445,612	\$ 115,585,283	\$ 107,545,114
State program revenues	108,204,475	107,035,082	111,995,083	122,134,322	115,638,378
Federal program revenues	34,007,875	27,173,751	26,322,625	24,897,318	25,663,538
Total Revenues	279,105,084	267,546,463	266,763,320	262,616,923	248,847,030
Expenditures					
Current:					
Instruction	129,063,669	123,706,019	119,942,290	116,123,750	108,236,343
Instruction resources and media services	2,591,408	2,464,077	2,474,879	2,261,229	2,297,366
Curriculum and instructional staff development	5,486,693	5,726,416	5,238,950	5,099,920	4,741,875
Instructional leadership	6,275,181	5,903,738	5,533,203	5,315,963	5,040,251
School leadership	14,844,711	13,964,197	13,251,279	12,087,329	11,495,594
Guidance, counseling and evaluation services	7,636,819	7,322,810	7,386,617	6,886,719	5,900,141
Social work services	1,034,714	883,931	820,905	543,602	578,533
Health services	1,831,454	1,824,679	1,743,465	1,708,342	1,653,579
Student transportation	8,974,070	9,887,235	6,963,858	5,647,991	5,705,878
Food services	15,128,504	13,250,802	14,151,542	13,497,039	13,146,607
Extracurricular activities	4,884,225	5,097,570	4,841,762	4,428,695	4,198,630
General administration	8,300,263	8,283,519	7,668,435	7,366,069	6,824,006
Facilities maintenance and operations	25,999,768	24,044,269	25,359,501	28,443,150	26,445,792
Security and monitoring services	2,565,479	2,480,853	2,590,903	2,575,648	2,839,113
Data processing services	3,918,590	3,530,405	3,294,586	3,799,413	2,271,870
Community services	1,592,004	1,585,371	1,365,667	1,436,163	1,408,332
Debt service:					
Principal on long-term debt	28,434,482	48,217,460	12,243,335	10,975,838	10,528,062
Interest on long-term debt	11,469,245	11,631,463	8,596,257	9,044,466	9,871,530
Bond issuance costs and fees	957,353	1,757,777	9,060	174,015	172,598
Capital outlay:					
Facilities acquisition and construction expenditures	93,708,297	26,244,957	3,817,722	680,693	294,454
Intergovernmental:					
Payments related to shared services arrangements	-	-	-	-	-
Payments to appraisal districts	936,346	937,503	908,466	857,019	764,804
Total Expenditures	375,633,275	318,745,051	248,202,682	238,953,053	224,415,358
Excess (Deficiency) of Revenues Over (Under) Expenditures	(96,528,191)	(51,198,588)	18,560,638	23,663,870	24,431,672
Other Financing Sources (Uses):					
Refunding bonds issued	14,880,000	41,000,000	-	9,505,000	8,970,000
Capital related debt issued (regular bonds)	85,350,000	87,315,000	-	-	-
Proceeds from right-to-use leased asset	-	-	-	-	-
Sale of real and personal property	157,017	96,947	85,493	84,150	41,806
Transfers in	-	-	4	-	13,427
Premium or discount on issuance of bonds	11,422,026	11,141,318	-	456,463	986,842
Transfers out	-	-	(4)	-	(13,427)
Payment to bond refunding escrow agent	-	(13,213,931)	-	(18,693,513)	(9,787,132)
Proceeds from SBITA assets	-	-	-	-	-
Other uses - court ordered tax refunds	-	-	-	-	-
Total Other Financing Sources (Uses)	111,809,043	126,339,334	85,493	(8,647,900)	211,516
Net change in Fund Balances	\$ 15,280,852	\$ 75,140,746	\$ 18,646,131	\$ 15,015,970	\$ 24,643,188
Debt Service as a percentage of Noncapital Expenditures	13.90%	20.60%	8.66%	8.60%	9.23%

Source of Information: Galena Park Independent School District's Financial Statements.

* Debt service as a percentage of noncapital expenditures is determined by dividing debt service expenditures by total expenditures less current year capital outlay in the reconciliation between the government-wide statement of activities and the statement of revenues, expenditures, and changes in fund balance.

GALENA PARK INDEPENDENT SCHOOL DISTRICT
REVENUE BY SOURCE FOR GOVERNMENTAL FUNDS*
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)

Table 5
Page 1 of 2

	2023	2022	2021	2020	2019
Revenues from Local and Intermediate Sources:					
Property Taxes	\$ 149,970,831	\$ 140,061,031	\$ 144,956,920	\$ 138,588,368	\$ 135,043,184
Food Sales	812,620	830,674	227,568	665,867	1,137,995
Earnings on Investments	13,639,914	59,210	761,662	5,044,984	6,680,051
Cocurricular / Student Activities	2,820,546	1,990,491	867,677	1,834,510	1,586,779
Other Revenues from Local and Intermediate Sources	1,578,139	1,469,932	1,193,147	1,026,132	1,139,275
Total Revenue from Local and Intermediate Sources	168,822,050	144,411,338	148,006,974	147,159,861	145,587,284
State Program Revenues:					
Foundation School Formula	96,327,043	98,059,397	113,730,086	103,483,843	87,169,752
TRS On-behalf Revenue	12,532,582	11,671,789	11,769,351	11,718,844	9,860,310
Debt Allotment	748,522	261,413	193,989	283,255	292,858
Available School Fund (Per Capita)	12,462,220	10,565,268	10,073,742	6,640,926	10,161,308
Instructional Materials Allotment	1,088,152	1,143,473	1,430,798	3,509,786	1,182,637
TRS Employee Health Insurance	-	-	-	-	-
Other State Program Revenues *	478,567	1,279,644	1,828,834	637,555	1,040,535
Total State Program Revenues	123,637,086	122,980,984	139,026,800	126,274,209	109,707,400
Federal Program Revenues:					
21st Century	492,219	492,219	487,204	480,382	507,175
Coronavirus Relief Fund	-	-	2,357,648	-	-
Early Head Start	947,777	947,777	935,292	838,003	787,981
E-Rate	408,627	408,627	422,052	407,265	378,343
ESEA Title I, Part A - Improving Basic Programs	7,553,364	7,553,364	8,550,651	6,542,843	6,660,958
ESEA Title II, Part A - Teacher, Principal, Training, Recruiting	1,162,771	1,162,771	892,633	801,434	932,232
ESEA Title II, Part D - Technology Immersion Pilot (TIP)	-	-	-	-	-
ESEA Title III, Part A	721,996	721,996	907,795	688,893	674,919
ESSER I	-	-	193,092	5,505,785	-
ESSER II	5,310,948	5,310,948	1,623,873	-	-
ESSER III	14,208,013	14,208,013	-	-	-
FEMA Disaster Assistance **	734,829	734,829	-	-	-
IDEA Part B - Formula	4,537,509	4,537,509	4,257,122	3,748,976	4,304,814
IDEA, Part B - Formula - ARP	817,808	817,808	-	-	-
National School Breakfast and Lunch Program	17,280,084	17,280,084	12,212,854	12,371,041	15,584,005
SHARS	3,666,831	3,666,831	3,295,834	2,194,482	4,779,673
Title IV, Part A, Subpart 1	-	-	-	529,277	-
USDA Commodities	1,267,376	1,945,121	1,069,347	1,152,337	1,013,479
Vocational Education - Carl D. Perkins	370,815	370,815	316,317	345,440	331,444
Other Federal Program Revenue *	21,468,183	1,806,003	3,216,743	1,031,386	1,900,869
Total Federal Program Revenues	80,949,150	61,964,715	40,738,457	36,637,544	37,855,892
Total Revenues for Governmental Funds	\$ 373,408,286	\$ 329,357,037	\$ 327,772,231	\$ 310,071,614	\$ 293,150,576

Note: This schedule is prepared in lieu of a Schedule of Tax Revenues by Source and includes all governmental fund types.

* Individual local, state and federal programs in excess of \$300,000 are reported separately in this schedule. All others are combined as Other Local, State or Federal Program Revenues. Additionally, prior year information is not restated for programs or grants that exceed \$300,000 in a subsequent year, the amounts remain in Other Local, State or Federal Program Revenues.

** Disaster assistance grants received are the result of damage from Hurricane Ike, Hurricane Harvey, and the COVID-19 pandemic.

GALENA PARK INDEPENDENT SCHOOL DISTRICT
REVENUE BY SOURCE FOR GOVERNMENTAL FUNDS*
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)

Table 5
Page 2 of 2

	2018	2017	2016	2015	2014
Revenues from Local and Intermediate Sources:					
Property Taxes	\$ 127,052,391	\$ 126,197,919	\$ 122,825,737	\$ 110,746,646	\$ 101,898,646
Food Sales	1,721,115	2,147,598	2,333,083	2,396,720	2,750,940
Earnings on Investments	4,561,526	2,446,240	687,500	206,953	167,415
Cocurricular / Student Activities	1,486,254	1,636,307	1,753,061	1,143,482	1,062,967
Other Revenues from Local and Intermediate Sources	2,071,448	909,566	846,231	1,091,482	1,665,146
Total Revenue from Local and Intermediate Sources	136,892,734	133,337,630	128,445,612	115,585,283	107,545,114
State Program Revenues:					
Foundation School Formula	90,716,034	85,840,648	97,269,336	102,427,994	96,750,134
TRS On-behalf Revenue	9,990,020	9,012,952	8,871,824	8,584,055	7,975,683
Debt Allotment	297,857	293,518	1,645,363	2,340,175	2,553,951
Available School Fund (Per Capita)	4,378,235	8,202,430	3,790,886	5,505,980	5,347,184
Instructional Materials Allotment	2,371,307	2,779,972	-	1,647,182	2,834,175
TRS Employee Health Insurance	-	-	-	1,451,572	-
Other State Program Revenues *	451,022	905,562	417,674	177,364	177,251
Total State Program Revenues	108,204,475	107,035,082	111,995,083	122,134,322	115,638,378
Federal Program Revenues:					
21st Century	330,747	307,558	331,383	406,429	253,876
Coronavirus Relief Fund	-	-	-	-	-
Early Head Start	802,344	795,590	781,856	781,856	732,369
E-Rate	378,343	406,155	498,286	656,906	694,871
ESEA Title I, Part A - Improving Basic Programs	5,531,025	5,260,683	5,132,166	5,307,455	5,111,193
ESEA Title II, Part A - Teacher, Principal, Training, Recruiting	567,266	650,054	682,687	726,222	744,649
ESEA Title II, Part D - Technology Immersion Pilot (TIP)	-	-	-	726,222	-
ESEA Title III, Part A	699,755	927,765	683,384	658,421	554,948
ESSER I	-	-	-	-	-
ESSER II	-	-	-	-	-
ESSER III	-	-	-	-	-
FEMA Disaster Assistance **	-	-	-	-	-
IDEA Part B - Formula	3,642,371	3,778,859	3,515,491	3,727,742	3,956,789
IDEA, Part B - Formula - ARP	-	-	-	-	-
National School Breakfast and Lunch Program	13,311,988	10,877,567	11,012,191	10,597,174	10,280,909
SHARS	2,579,298	2,127,418	1,634,964	-	1,606,362
Title IV, Part A, Subpart 1	-	-	-	-	-
USDA Commodities	1,131,030	1,051,725	979,489	846,558	871,112
Vocational Education - Carl D. Perkins	317,990	253,670	-	-	-
Other Federal Program Revenue *	4,715,718	736,707	1,070,728	462,333	856,460
Total Federal Program Revenues	34,007,875	27,173,751	26,322,625	24,897,318	25,663,538
Total Revenues for Governmental Funds	\$ 279,105,084	\$ 267,546,463	\$ 266,763,320	\$ 262,616,923	\$ 248,847,030

Note: This schedule is prepared in lieu of a Schedule of Tax Revenues by Source and includes all governmental fund types.

* Individual local, state and federal programs in excess of \$300,000 are reported separately in this schedule. All others are combined as Other Local, State or Federal Program Revenues. Additionally, prior year information is not restated for programs or grants that exceed \$300,000 in a subsequent year, the amounts remain in Other Local, State or Federal Program Revenues.

** Disaster assistance grants received are the result of damage from Hurricane Ike, Hurricane Harvey, and the COVID-19 pandemic.



Galena Park
Independent School District

GALENA PARK INDEPENDENT SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Table 6

Fiscal Year Ended August 31,	Appraised Value			Total Taxable Assessed Value	Total Direct Tax Rate (1)	Actual Value	Assessed Value as a Percentage of Actual Value
	Real Property	Personal Property	Less Exemptions				
2014	\$ 3,581,313,317	\$ 5,306,633,833	\$ (2,139,221,068)	\$ 6,748,726,082	\$ 1.51340	\$ 8,901,084,602	76%
2015	3,919,364,078	5,764,517,819	(2,250,681,962)	7,433,199,935	1.51340	9,711,137,783	77%
2016	4,507,635,430	5,798,150,791	(2,163,524,334)	8,142,261,887	1.51340	10,369,374,842	79%
2017	4,940,676,453	5,278,686,671	(2,057,916,965)	8,161,446,159	1.56330	10,323,739,943	79%
2018	5,353,434,805	5,230,755,233	(2,406,483,054)	8,177,706,984	1.56330	10,681,744,645	77%
2019	5,536,400,083	5,245,830,296	(2,187,855,839)	8,594,374,540	1.56330	10,840,772,505	79%
2020	6,970,608,981	5,245,465,959	(2,408,313,931)	9,807,761,009	1.56330	12,369,311,847	79%
2021	7,394,834,447	5,087,573,836	(2,363,416,414)	10,118,991,869	1.45810	12,652,644,596	80%
2022	7,878,329,368	4,440,248,652	(2,380,208,148)	9,938,369,872	1.46510	12,571,097,154	79%
2023	8,700,968,000	5,586,850,190	(3,075,017,702)	11,212,800,488	1.35418	14,756,927,938	76%

(1) Tax rates are per \$100 of taxable assessed value.

Source: Harris County Appraisal District

Note: The real property numbers were derived by using the tax roll for the necessary year and adding the totals for all items designated as "real" in the property use category description. Personal property represents items not identified as "real" in the property use category description. Actual value is the market value as reported by HCAD.

GALENA PARK INDEPENDENT SCHOOL DISTRICT
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
(PER \$100 OF ASSESSED VALUE)
LAST TEN FISCAL YEARS

Table 7
Page 1 of 2

Taxing Authority	2023	2022	2021	2020	2019
Overlapping Rates:					
Cities:					
Galena Park, City of	\$ 0.83705	\$ 1.00057	\$ 0.96426	\$ 1.11132	\$ 1.17339
Houston, City of	0.51919	0.55083	0.56184	0.56792	0.58831
Jacinto City, City of	0.59687	0.77359	0.77460	0.78355	0.78355
Counties:					
Harris Co	0.35007	0.37693	0.39116	0.40713	0.41858
Municipal Utility Districts:					
Harris Co MUD #8	0.34245	0.37799	0.40100	0.43000	0.50000
Harris Co MUD #53	0.33000	0.40000	0.53000	0.55000	0.60000
Harris Co MUD #285	0.59000	0.64000	0.66000	0.69000	0.71000
Water Control and Improvement Districts:					
Harris Co WC&ID #36	0.26670	0.28590	0.29800	0.32000	0.35000
Port of Houston Authority	0.00574	0.00872	0.00991	0.01074	0.01155
Other Governmental Entities:					
Harris Co Dept. of Education	0.00480	0.00499	0.00499	0.00500	0.00519
Harris Co Flood Control District	0.03105	0.03349	0.03142	0.02792	0.02877
Harris Co FWSD #51	0.20000	0.23000	0.25000	0.25000	0.25000
San Jacinto Community College District	0.14620	0.16797	0.16936	0.17817	0.17933
District Direct Rates:					
Maintenance and Operations	1.04270	1.12510	1.12810	1.14170	1.24330
Debt Service	0.31148	0.34000	0.33000	0.33000	0.33000
Total District Direct Rates	\$ 1.35418	\$ 1.46510	\$ 1.45810	\$ 1.47170	\$ 1.57330

Source: Harris County Appraisal District

GALENA PARK INDEPENDENT SCHOOL DISTRICT
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
(PER \$100 OF ASSESSED VALUE)
LAST TEN FISCAL YEARS

Table 7
Page 2 of 2

Taxing Authority	2018	2017	2016	2015	2014
Overlapping Rates:					
Cities:					
Galena Park, City of	\$ 1.03745	\$ 1.03745	\$ 1.03745	\$ 1.04745	\$ 1.04745
Houston, City of	0.58421	0.58642	0.60112	0.63108	0.63875
Jacinto City, City of	0.78355	0.78355	0.78355	0.79991	0.79991
Counties:					
Harris Co	0.41801	0.41656	0.41923	0.41731	0.41455
Municipal Utility Districts:					
Harris Co MUD #8	0.57000	0.58250	0.58250	0.64000	0.68000
Harris Co MUD #53	0.60000	0.66000	0.74000	0.81000	0.88000
Harris Co MUD #285	0.72000	0.74000	0.81000	0.90000	0.96000
Water Control and Improvement Districts:					
Harris Co WC&ID #36	0.35000	0.35000	0.35000	0.35000	0.33000
Port of Houston Authority	0.01256	0.01334	0.01342	0.01531	0.01716
Other Governmental Entities:					
Harris Co Dept. of Education	0.00520	0.00520	0.00542	0.00600	0.00636
Harris Co Flood Control District	0.02831	0.02829	0.02733	0.02736	0.02827
Harris Co FWSD #51	0.25000	0.25700	0.28200	0.30000	0.33000
San Jacinto Community College District	0.18334	0.18238	0.17578	0.18560	0.18560
District Direct Rates:					
Maintenance and Operations	1.24330	1.24330	1.24330	1.24330	1.24330
Debt Service	0.32000	0.32000	0.27010	0.27010	0.27010
Total District Direct Rates	\$ 1.56330	\$ 1.51340	\$ 1.51340	\$ 1.51340	\$ 1.51340

Source: Harris County Appraisal District

GALENA PARK INDEPENDENT SCHOOL DISTRICT
PRINCIPAL TAXPAYERS
CURRENT AND NINE YEARS AGO

Table 8

Taxpayer	2023			2014		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Oiltanking Houston Inc	\$ 572,896,293	1	5.11%	\$ 169,860,418	2	2.52%
Houston Fuel Co	535,240,959	2	4.77%	Not Available		
Kinder Morgan	433,682,620	3	3.87%	Not Available		
Magellan Terminal Holdings	351,000,000	4	3.13%	159,690,624	3	2.37%
Oiltanking Houston LP	340,519,161	5	3.04%	Not Available		
Stolt Nielsen Inc	239,938,692	6	2.14%	Not Available		
Enterprise Terminalling LLC	233,273,892	7	2.08%	Not Available		
Shell Oil Co	222,982,941	9	1.99%	Not Available		
Targa Midstream	20,563,884	8	0.18%	Not Available		
Aero Products and Services JV, LLC	195,500,356	10	1.74%	Not Available		
Helmerich & Payne	Not Available			237,572,640	1	3.52%
GE Packaged Power LP	Not Available			133,511,853	4	1.98%
Marine Well Containment Company LI	Not Available			128,226,308	5	1.90%
Velero Marketing & Supply	Not Available			116,995,705	6	1.73%
PMI trading Limited	Not Available			100,361,793	7	1.49%
NOV - Rig Solutions	Not Available			87,331,470	8	1.29%
NOV Wilson LP	Not Available			83,542,753	9	1.24%
Equilon Enterprise	Not Available			81,596,475	10	1.21%
	<u>\$ 3,145,598,798</u>		<u>28.05%</u>	<u>\$ 1,298,690,039</u>		<u>19.24%</u>

Source: District Records

GALENA PARK INDEPENDENT SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Table 9

Fiscal Year Ended August 31,	Total Tax Levy for Fiscal Year (1)	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2014	\$ 101,872,657	\$ 100,810,877	98.96%	\$ (385,016)	\$ 100,425,861	98.58%
2015	112,211,659	109,459,347	97.55%	1,080,083	110,539,430	98.51%
2016	122,867,017	121,009,127	98.49%	1,461,029	122,470,156	99.68%
2017	126,984,745	124,665,857	98.17%	926,676	125,592,533	98.90%
2018	126,720,248	124,470,324	98.22%	812,352	125,282,676	98.87%
2019	134,244,571	132,339,933	98.58%	60,317	132,400,250	98.63%
2020	143,206,745	137,481,913	96.00%	954,629	138,436,542	96.67%
2021	146,097,035	141,879,906	97.11%	(579,842)	141,300,064	96.72%
2022	143,394,349	138,833,036	96.82%	1,354,336	140,187,372	97.76%
2023	150,331,339	145,564,162	96.83%	-	145,564,162	96.83%

(1) Appraised value less exemptions equal taxable assessed value. The beginning taxable value net of adjustments times the tax rate set by the District's Board of Trustees each fall equals the total net tax levy. The net tax levy for prior years reflects ongoing adjustments applied to that year's tax levy.

GALENA PARK INDEPENDENT SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Table 10

Fiscal Year	Governmental Activities				Total Primary Government	Ratio of Debt to Assessed Value (1)	Debt per Student (2)
	Schoolhouse and Refunding Bonds	Qualified Zone Academy Bonds	Leases	SBITAs			
2014	\$ 252,892,055	\$ 2,842,871	\$ -	\$ -	\$ 255,734,926	3.79%	\$ 11,358
2015	236,617,958	2,111,352	-	-	238,729,310	3.21%	10,545
2016	226,885,674	1,379,833	-	-	228,265,507	2.80%	10,140
2017	306,325,778	1,034,875	-	-	307,360,653	3.77%	13,490
2018	389,905,689	689,916	-	-	390,595,605	4.78%	17,290
2019	376,082,361	344,957	-	-	376,427,318	4.38%	16,888
2020	466,113,669	-	-	-	466,113,669	4.75%	20,783
2021	445,459,017	-	-	-	445,459,017	4.40%	20,324
2022	424,792,486	-	1,004,742	-	425,797,228	4.28%	19,868
2023	403,735,987	-	97,501	1,174,295	405,007,783	3.61%	18,933

Note: Details regarding the District's outstanding debt can be found in the notes to the financial statements.

(1) See Table 6 for assessed value information.

(2) See Table 17 for student enrollment information.

GALENA PARK INDEPENDENT SCHOOL DISTRICT
RATIOS OF NET GENERAL OBLIGATION BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

Table 11

Fiscal Year	Schoolhouse and Refunding Bonds Outstanding	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property (1)	Net Bonded Debt per Student (2)
2014	\$ 252,892,055	\$ 10,043,759	\$ 242,848,296	3.60%	\$ 10,786
2015	236,617,958	4,024,630	232,593,328	3.13%	10,274
2016	226,885,674	7,539,501	219,346,173	2.69%	9,744
2017	306,325,778	8,430,836	297,894,942	3.65%	13,075
2018	389,905,689	11,195,980	378,709,709	4.63%	16,764
2019	376,082,361	10,442,380	365,639,981	4.25%	16,405
2020	466,113,669	9,888,037	456,225,632	4.65%	20,342
2021	445,459,017	6,021,294	439,437,723	4.34%	20,049
2022	424,792,486	2,523,142	422,269,344	4.25%	19,704
2023	403,735,987	2,097,285	401,638,702	3.58%	18,775

(1) See Table 6 for assessed value information.

(2) See Table 17 for student enrollment.



Galena Park
Independent School District

GALENA PARK INDEPENDENT SCHOOL DISTRICT
COMPUTATION OF ESTIMATED DIRECT AND OVERLAPPING DEBT
For the Year Ended August 31, 2023

Table 12

Governmental Unit	Net Debt		Percentage Overlapping	Amount of Overlapping Debt
	Amount	As Of		
Cities:				
Galena Park	\$ 3,580,000	08/31/23	100.00%	\$ 3,580,000
Houston	2,930,515,000	08/31/23	0.36%	10,549,854
Jacinto City		08/31/23	37.12%	-
Counties:				
Harris	1,977,981,319	08/31/23	1.45%	28,680,729
Municipal Utility Districts:				
Harris Co. MUD 8	1,290,000	08/31/23	100.00%	1,290,000
Harris Co. MUD 53	2,000,000	08/31/23	22.04%	440,800
Harris Co. MUD 285	61,425,000	08/31/23	59.11%	36,308,318
Harris Co. MUD 421	11,935,000	08/31/23	37.17%	4,436,240
Water Control and Improvement Districts				
Harris Co. WC&ID 36	13,005,000	08/31/23	99.51%	12,941,276
Port of Houston Authority	445,749,397	08/31/23	1.45%	6,463,366
Other Governmental Entities:				
Harris County Department of Education	13,865,000	08/31/23	1.45%	201,043
Harris County Flood Control District	1,009,015,000	08/31/23	1.45%	14,630,718
Harris Co. FWSD 47	3,505,000	08/31/23	16.03%	561,852
Harris Co. FWSD 51	9,455,000	08/31/23	100.00%	9,455,000
Harris County Hospital District	70,970,000	08/31/23	1.45%	1,029,065
Harris County Improvement Department	7,080,000	08/31/23	65.77%	4,656,516
Harris County Toll Road Authority	-	08/31/23	1.45%	-
San Jacinto Community College District	537,657,427	08/31/23	14.70%	79,035,642
			Subtotal, overlapping debt	214,260,419
			Galena Park Independent School District Direct Debt	405,007,783
			Total Direct and Overlapping Debt	\$ 619,268,202

Sources: Texas Municipal Report issued by the Municipal Advisory Council of Texas

GALENA PARK INDEPENDENT SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

Table 13
Page 1 of 2

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Debt Limit	\$ 1,428,781,819	\$ 1,231,857,802	\$ 1,248,240,828	\$ 1,221,607,494	\$ 1,072,053,056
Less: Total Net Debt Applicable to Limit	<u>400,883,389</u>	<u>421,223,088</u>	<u>438,827,388</u>	<u>454,849,426</u>	<u>364,311,123</u>
Legal Debt Margin	<u>\$ 1,027,898,430</u>	<u>\$ 810,634,714</u>	<u>\$ 809,413,440</u>	<u>\$ 766,758,068</u>	<u>\$ 707,741,933</u>
Total Net Debt Applicable to the Limit As a Percentage of Debt Limit	28.06%	34.19%	35.16%	37.23%	33.98%

Legal Debt Margin Calculation for Fiscal Year 2023

Assessed Taxable Value	\$ 11,212,800,488
Add back:	
Exempt Real Property	<u>3,075,017,702</u>
Total Assessed Value	<u>\$ 14,287,818,190</u>
Debt Limit (10% of total assessed value)	\$ 1,428,781,819
Debt Applicable to Limit:	
Schoolhouse and Refunding Bonds	402,980,674
Less: Amount set aside for repayment of bonds	<u>(2,097,285)</u>
Total Net Debt Applicable to Limit	<u>400,883,389</u>
Legal Debt Margin	<u>\$ 1,027,898,430</u>

Note: Although there is no legal debt limit in the State of Texas, most school business officials in the State hold the opinion that the Attorney General would not approve bonded indebtedness in excess of 10 percent of assessed value.

Source: Harris County Appraisal District.

GALENA PARK INDEPENDENT SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

Table 13
Page 2 of 2

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Debt Limit	\$ 1,058,419,004	\$ 1,021,936,312	\$ 1,030,578,622	\$ 968,388,190	\$ 888,794,715
Less: Total Net Debt Applicable to Limit	<u>377,143,291</u>	<u>237,832,528</u>	<u>161,102,136</u>	<u>177,003,817</u>	<u>191,581,929</u>
Legal Debt Margin	<u>\$ 681,275,713</u>	<u>\$ 784,103,784</u>	<u>\$ 869,476,486</u>	<u>\$ 791,384,373</u>	<u>\$ 697,212,786</u>
Total Net Debt Applicable to the Limit As a Percentage of Debt Limit	35.63%	23.27%	15.63%	18.28%	21.56%

GALENA PARK INDEPENDENT SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Table 14

Fiscal Year	Residential Units (1)	Total Assessed Value per Residential Unit (1)	Average Assessed Value per Residential Unit (1)	Median Annual Income (2)	Per Capita Personal Income (2)	Unemployment Rate (2)
2014	20,669	\$ 1,131,283,208	\$ 54,733	\$ 36,042	\$ 246,171,390	5.5%
2015	20,832	1,195,762,229	57,400	36,879	248,528,847	4.6%
2016	20,911	1,210,395,703	57,883	51,831	236,747,445	5.8%
2017	21,000	1,371,699,481	65,319	52,874	255,361,808	5.2%
2018	21,123	1,490,080,386	70,543	53,815	274,514,924	4.4%
2019	21,240	1,592,091,619	74,957	54,294	284,905,380	3.9%
2020	21,275	1,855,452,355	87,213	54,294	291,723,832	8.5%
2021	21,284	2,066,108,071	97,073	55,951	311,430,719	6.1%
2022	21,341	2,321,575,872	108,785	57,788	Not Available	4.7%
2023	21,383	2,577,495,087	120,539	45,610	Not Available	4.9%

(1) Harris County Appraisal District

The residential property numbers were derived by using the tax roll for the necessary year and adding the totals for all items designated as "residential" in the property use category description.

(2) Texas Wages and Employment Projections of Texas Workforce Commission for Harris County
 For the years 2016 - 2022, the Mean annual income is provided, based on available data.

GALENA PARK INDEPENDENT SCHOOL DISTRICT

PRINCIPAL EMPLOYERS

CURRENT YEAR AND NINE YEARS AGO

Table 15

Taxpayer	2023			2014 ⁽¹⁾		
	Employees	Rank	Percentage of Principal Employers	Employees	Rank	Percentage of Principal Employers
Galena Park Independent School District	3,313	1	46%	2,958	1	56%
Shell Oil Products	840	2	12%	-		0%
Walmart	729	3	10%	400	4	8%
San Jacinto College North	635	4	9%	-		0%
Commissioner Adrian Garcia	377	5	5%	-		0%
Chevron (Pasadena Plastics Plant)	367	6	5%	592	2	11%
Stolt-Nielson	358	7	5%	-		0%
United States Gypsum Co	200	8	3%	350	5	7%
Sams Club @ East Freeway	195	9	3%	500	3	10%
Home Depot	189	10	2%	-		0%
National Oilwell Varco	-		0	350	6	7%
City of Galena Park	-		0	100	7	1%
	<u>7,203</u>		<u>100%</u>	<u>5,250</u>		<u>100%</u>

Source: District records or managerial contact for referenced Employer.

(1) Information was only available for seven companies in 2014.



Galena Park
Independent School District

GALENA PARK INDEPENDENT SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES
LAST TEN FISCAL YEARS

Table 16

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Professional Staff										
Teachers	1,425	1,397	1,404	1,375	1,359	1,409	1,401	1,410	1,380	1,473
Professional Support	419	405	397	384	412	370	393	401	380	263
Campus Administration	88	89	89	88	87	78	78	80	77	76
Central Administration	55	56	59	62	54	52	57	51	47	51
Education Aides	300	253	230	271	250	239	245	204	223	177
Auxiliary Staff	<u>1,026</u>	<u>1,016</u>	<u>1,045</u>	<u>1,075</u>	<u>1,057</u>	<u>1,044</u>	<u>980</u>	<u>794</u>	<u>870</u>	<u>918</u>
Total	<u>3,313</u>	<u>3,216</u>	<u>3,224</u>	<u>3,255</u>	<u>3,218</u>	<u>3,193</u>	<u>3,153</u>	<u>2,940</u>	<u>2,977</u>	<u>2,958</u>

Source: Texas Education Agency TAPR (Texas Academic Performance Report)

GALENA PARK INDEPENDENT SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS

Table 17
Page 1 of 2

Fiscal Year August 31,	Average Daily Attendance	Governmental Funds		Government-wide	
		Operating Expenditures (1)	Cost per Student	Governmental Activities Expenses	Cost per Student
2014	20,884	\$ 203,548,714	\$ 9,747	\$ 224,526,271	\$ 10,751
2015	21,019	218,078,041	10,375	232,560,231	11,064
2016	21,002	223,536,308	10,644	241,031,451	11,477
2017	21,185	230,893,394	10,934	260,630,662	12,303
2018	20,899	241,063,898	11,535	204,436,023	9,782
2019	20,773	243,570,461	11,725	300,075,713	14,445
2020	20,203	261,120,139	12,925	304,521,400	15,073
2021	20,696	276,928,350	13,381	314,761,392	15,209
2022	19,295	289,360,045	14,997	301,109,441	15,606
2023	19,329	326,422,383	16,888	324,564,657	16,792

Source: District Records

- (1) Operating expenditures include governmental fund expenditures less debt service and facilities acquisition and construction expenditures.

GALENA PARK INDEPENDENT SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS

Table 17
Page 2 of 2

Fiscal Year August 31,	District Employees				Final Enrollment	Percentage Change in Enrollment	Student / Teacher Ratio	Students
	Teachers	Professionals	Other	Total				Participating in Free/Reduced Lunch Program
2014	1,473	263	1,222	2,958	22,515	2.29%	15	18,055
2015	1,380	380	1,217	2,977	22,639	0.55%	16	18,075
2016	1,410	401	1,129	2,940	22,511	-0.57%	16	17,919
2017	1,401	393	1,359	3,153	22,784	1.21%	16	18,263
2018	1,409	370	1,444	3,223	22,591	-0.85%	16	17,964
2019	1,359	412	1,448	3,219	22,289	-1.34%	16	11,754
2020	1,375	384	1,496	3,255	22,428	0.62%	16	11,922
2021	1,404	397	1,423	3,224	21,918	-1.66%	16	12,888
2022	1,397	405	1,415	3,217	21,431	-2.22%	15	13,301
2023	1,425	419	1,469	3,313	21,392	-0.18%	15	13,795



Galena Park
Independent School District

GALENA PARK INDEPENDENT SCHOOL DISTRICT
TEACHER BASE SALARIES
LAST TEN FISCAL YEARS

Table 18

Fiscal Year	Minimum Salary (1)	Maximum Salary (1)	Statewide Average (2)
2014	\$ 45,500	\$ 71,825	\$ 49,692
2015	50,000	73,150	50,715
2016	51,000	74,500	51,891
2017	52,500	75,250	52,525
2018	54,000	76,700	53,334
2019	55,000	79,320	54,122
2020	58,000	79,320	57,091
2021	59,000	79,845	57,641
2022	60,850	81,470	58,887
2023	62,750	83,145	58,887

(1) Source: District Records

(2) Source: Texas Education Agency TAPR (Texas Academic Performance Report)

GALENA PARK INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS

Table 19
Page 1 of 10

Building:	Year Built	2023	2022	2021	2020	2019
HIGH SCHOOLS						
Galena Park	1950					
Square Footage		277,914	277,914	277,914	277,914	277,914
Capacity (see note #1)		1,869	1,869	1,869	1,869	1,869
Enrollment		1,914	1,872	1,876	1,813	1,843
North Shore West	1954					
Square Footage		390,876	390,876	390,876	390,876	390,876
Capacity (see note #1)		1,378	1,378	1,678	1,678	1,678
Enrollment		1,166	1,078	1,100	1,151	1,162
North Shore East (see note #3)	1956					
Square Footage		120,555	120,555	120,555	120,555	120,555
Capacity (see note #1)		1,134	1,134	1,134	1,134	1,134
Enrollment (see note #2)		N/A	N/A	N/A	N/A	N/A
North Shore Senior High - 10th Grade	2018					
Square Footage (see note #4)		125,020	125,020	125,020	125,020	125,020
Capacity (see note #1)		1,200	1,200	1,200	1,200	1,200
Enrollment		1,109	1,107	1,167	1,173	1,116
North Shore Senior High	1998					
Square Footage		492,913	492,913	492,913	492,913	492,913
Capacity (see note #1)		3,384	3,384	3,384	3,384	3,384
Enrollment		2,294	2,343	2,335	2,228	2,259
Sub-Total Sq Ft. High Schools		1,407,278	1,407,278	1,407,278	1,407,278	1,407,278
MIDDLE SCHOOLS						
Galena Park	1993					
Square Footage		149,394	149,394	149,394	149,394	149,394
Capacity (see note #1)		1,106	1,106	1,106	1,106	1,106
Enrollment		943	985	1,081	1,104	1,064
North Shore	1993					
Square Footage		216,836	216,836	216,836	216,836	216,836
Capacity (see note #1)		1,449	1,449	1,449	1,449	1,449
Enrollment		1,260	1,337	1,380	1,351	1,380

Source: District Records

Note #1: Capacity does not include temporary buildings

Note #2: This is a specialized campus where students are enrolled in either GPHS, NSSHS, or NSHS West.

Note #3: North Shore East consists of Accelerated Center for Education, Center for Success, Central Intake, and Success Academy

Note #4: New campus construction completed in 2018, open for the 2018-19 school year.

Note #5: New campus construction completed in 2019, open for the 2019-20 school year.

Note #6: New campus construction completed in 2020, open for the 2020-21 school year.

GALENA PARK INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS

Table 19
Page 2 of 10

Building:	Year Built	2018	2017	2016	2015	2014
HIGH SCHOOLS						
Galena Park	1950					
Square Footage		277,914	277,914	277,914	277,914	277,914
Capacity (see note #1)		1,869	1,869	1,869	1,869	1,869
Enrollment		2,016	2,051	2,062	1,967	2,025
North Shore West	1954					
Square Footage		390,876	390,876	390,876	390,876	390,876
Capacity (see note #1)		1,678	1,678	1,678	1,678	1,678
Enrollment		1,192	1,251	1,185	1,184	1,036
North Shore East (see note #3)	1956					
Square Footage		120,555	120,555	120,555	120,555	120,555
Capacity (see note #1)		1,134	1,134	1,134	1,134	1,134
Enrollment (see note #2)		N/A	N/A	N/A	N/A	N/A
North Shore Senior High - 10th Grade	2018					
Square Footage (see note #4)		-	-	-	-	-
Capacity (see note #1)		-	-	-	-	-
Enrollment		-	-	-	-	-
North Shore Senior High	1998					
Square Footage		492,913	492,913	492,913	492,913	492,913
Capacity (see note #1)		3,384	3,384	3,384	3,384	3,384
Enrollment		3,586	3,590	3,373	3,257	3,319
Sub-Total Sq Ft. High Schools		1,282,258	1,282,258	1,282,258	1,282,258	1,282,258
MIDDLE SCHOOLS						
Galena Park	1993					
Square Footage		149,394	149,394	149,394	149,394	149,394
Capacity (see note #1)		1,106	1,106	1,106	1,106	1,106
Enrollment		1,013	1,024	999	971	1,039
North Shore	1993					
Square Footage		216,836	216,836	216,836	216,836	216,836
Capacity (see note #1)		1,449	1,449	1,449	1,449	1,449
Enrollment		1,406	1,398	1,396	1,365	1,344

Source: District Records

Note #1: Capacity does not include temporary buildings

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GALENA PARK INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS

Table 19
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Building:	Year Built	2023	2022	2021	2020	2019
MIDDLE SCHOOLS (continued)						
Woodland Acres	1947					
Square Footage		97,086	97,086	97,086	97,086	97,086
Capacity (see note #1)		659	659	659	659	659
Enrollment		603	570	569	546	514
Cunningham	1981					
Square Footage		167,234	167,234	167,234	167,234	167,234
Capacity (see note #1)		1,123	1,123	1,123	1,123	1,123
Enrollment		928	986	977	986	962
Cobb 6th Grade Campus	2000					
Square Footage		130,893	130,893	130,893	130,893	130,893
Capacity (see note #1)		1,240	1,240	1,240	1,240	1,240
Enrollment		1,030	1,016	1,153	1,253	1,155
Sub-Total Sq Ft. Middle Schools		761,443	761,443	761,443	761,443	761,443
ELEMENTARY SCHOOLS						
Cimarron	1954					
Square Footage		90,123	90,123	90,123	90,123	90,123
Capacity (see note #1)		1,034	1,034	1,034	1,034	1,034
Enrollment		677	684	724	745	735
Cloverleaf	1942					
Square Footage		114,450	114,450	114,450	114,450	89,346
Capacity (see note #1)		968	968	968	968	1,048
Enrollment		803	766	769	810	772
Galena Park	2018					
Square Footage (see note #4)		91,901	91,901	91,901	91,901	91,901
Capacity (see note #1)		700	700	700	700	700
Enrollment		597	574	574	582	602

Source: District Records

Note #1: Capacity does not include temporary buildings

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GALENA PARK INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS

Table 19
Page 4 of 10

Building:	Year Built	2018	2017	2016	2015	2014
MIDDLE SCHOOLS (continued)						
Woodland Acres	1947					
Square Footage		97,086	97,086	97,086	97,086	97,086
Capacity (see note #1)		659	659	659	659	659
Enrollment		534	542	523	517	459
Cunningham	1981					
Square Footage		167,234	167,234	167,234	167,234	167,234
Capacity (see note #1)		1,123	1,123	1,123	1,123	1,123
Enrollment		988	1,015	958	945	998
Cobb 6th Grade Campus	2000					
Square Footage		130,893	130,893	130,893	130,893	130,893
Capacity (see note #1)		1,240	1,240	1,240	1,240	1,240
Enrollment		1,142	1,168	1,167	1,157	1,063
Sub-Total Sq Ft. Middle Schools		761,443	761,443	761,443	761,443	761,443
ELEMENTARY SCHOOLS						
Cimarron	1954					
Square Footage		90,123	90,123	90,123	90,123	90,123
Capacity (see note #1)		1,034	1,034	1,034	1,034	1,034
Enrollment		749	780	799	791	833
Cloverleaf	1942					
Square Footage		89,346	89,346	89,346	89,346	89,346
Capacity (see note #1)		1,048	1,048	1,048	1,048	1,048
Enrollment		836	805	831	812	871
Galena Park	2018					
Square Footage (see note #4)		79,396	79,396	79,396	79,396	79,396
Capacity (see note #1)		700	700	700	700	700
Enrollment		603	622	644	628	671

Source: District Records

Note #1: Capacity does not include temporary buildings

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GALENA PARK INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS

Table 19
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Building:	Year Built	2023	2022	2021	2020	2019
ELEMENTARY SCHOOLS (continued)						
Green Valley	1958					
Square Footage		96,041	96,041	96,041	96,041	96,041
Capacity (see note #1)		988	988	988	988	988
Enrollment		598	636	619	689	677
Jacinto City	1943					
Square Footage (see note #6)		119,712	119,712	119,712	95,554	95,554
Capacity (see note #1)		980	980	980	864	864
Enrollment		714	697	685	700	721
MacArthur	1951					
Square Footage		88,864	88,864	88,864	88,864	88,864
Capacity (see note #1)		790	790	790	790	790
Enrollment		614	622	631	672	708
North Shore	2018					
Square Footage (see note #4)		135,598	135,598	135,598	135,598	135,598
Capacity (see note #1)		1,010	1,010	1,010	1,010	1,010
Enrollment		951	1,008	969	1,002	992
Pyburn	1952					
Square Footage		73,654	73,654	73,654	73,654	73,654
Capacity (see note #1)		720	720	720	720	720
Enrollment		461	479	554	594	599
Woodland Acres	2018					
Square Footage (see note #4)		80,497	80,497	80,497	80,497	80,497
Capacity (see note #1)		500	500	500	500	500
Enrollment		443	445	468	459	481

Source: District Records

Note #1: Capacity does not include temporary buildings

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GALENA PARK INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS

Table 19
Page 6 of 10

Building:	Year Built	2018	2017	2016	2015	2014
ELEMENTARY SCHOOLS (continued)						
Green Valley	1958					
Square Footage		96,041	96,041	96,041	96,041	96,041
Capacity (see note #1)		988	988	988	988	988
Enrollment		763	780	806	765	720
Jacinto City	1943					
Square Footage		95,554	95,554	95,554	95,554	95,554
Capacity (see note #1)		864	864	864	864	864
Enrollment		784	791	827	823	828
MacArthur	1951					
Square Footage		88,864	88,864	88,864	88,864	88,864
Capacity (see note #1)		790	790	790	790	790
Enrollment		768	711	707	696	721
North Shore	2018					
Square Footage (see note #4)		88,789	88,789	88,789	88,789	88,789
Capacity (see note #1)		920	920	920	920	920
Enrollment		969	995	987	959	915
Pyburn	1952					
Square Footage		73,654	73,654	73,654	73,654	73,654
Capacity (see note #1)		720	720	720	720	720
Enrollment		653	642	649	633	681
Woodland Acres	2018					
Square Footage (see note #4)		62,010	62,010	62,010	62,010	62,010
Capacity (see note #1)		499	499	499	499	499
Enrollment		469	459	438	437	419

Source: District Records

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GALENA PARK INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS

Table 19
Page 7 of 10

Building:	Year Built	2023	2022	2021	2020	2019
ELEMENTARY SCHOOLS (continued)						
Tice	1981					
Square Footage		80,680	80,680	80,680	80,680	80,680
Capacity (see note #1)		792	792	792	792	792
Enrollment		668	655	716	680	690
Purple Sage	1990					
Square Footage		92,795	92,795	92,795	92,795	92,795
Capacity (see note #1)		747	747	747	747	747
Enrollment		451	544	559	528	548
Havard	2000					
Square Footage		102,713	102,713	102,713	102,713	102,713
Capacity (see note #1)		890	890	890	890	890
Enrollment		664	607	652	711	690
Normandy Crossing	2004					
Square Footage		106,800	106,800	106,800	106,800	106,800
Capacity (see note #1)		777	777	777	777	777
Enrollment		660	607	656	632	664
Shirley J Williamson	2003					
Square Footage		105,000	105,000	105,000	105,000	105,000
Capacity (see note #1)		797	797	797	797	797
Enrollment		661	659	685	680	688
Sam Houston	2007					
Square Footage		105,000	105,000	105,000	105,000	105,000
Capacity (see note #1)		880	880	880	880	880
Enrollment		708	737	803	826	837
Sub-Total Sq Ft. Elementary Schools		1,483,828	1,483,828	1,483,828	1,459,670	1,434,566

Source: District Records

Note #1: Capacity does not include temporary buildings

Note #2: This is a specialized campus where students are enrolled in either GPHS, NSSHS, or NSHS West.

Note #3: North Shore East consists of Accelerated Center for Education, Center for Success, Central Intake, and Success Academy

Note #4: New campus construction completed in 2018, open for the 2018-19 school year.

Note #5: New campus construction completed in 2019, open for the 2019-20 school year.

Note #6: New campus construction completed in 2020, open for the 2020-21 school year.

GALENA PARK INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS

Table 19
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Building:	Year Built	2018	2017	2016	2015	2014
ELEMENTARY SCHOOLS (continued)						
Tice	1981					
Square Footage		80,680	80,680	80,680	80,680	80,680
Capacity (see note #1)		792	792	792	792	792
Enrollment		714	700	690	733	707
Purple Sage	1990					
Square Footage		92,795	92,795	92,795	92,795	92,795
Capacity (see note #1)		747	747	747	747	747
Enrollment		596	568	560	503	512
Havard	2000					
Square Footage		102,713	102,713	102,713	102,713	102,713
Capacity (see note #1)		890	890	890	890	890
Enrollment		700	682	696	679	674
Normandy Crossing	2004					
Square Footage		106,800	106,800	106,800	106,800	106,800
Capacity (see note #1)		777	777	777	777	777
Enrollment		668	643	630	652	609
Shirley J Williamson	2003					
Square Footage		105,000	105,000	105,000	105,000	105,000
Capacity (see note #1)		797	797	797	797	797
Enrollment		628	641	621	698	686
Sam Houston	2007					
Square Footage		105,000	105,000	105,000	105,000	105,000
Capacity (see note #1)		880	880	880	880	880
Enrollment		854	869	848	863	826
Sub-Total Sq Ft. Elementary Schools		1,356,765	1,356,765	1,356,765	1,356,765	1,356,765

Source: District Records

Note #1: Capacity does not include temporary buildings

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Note #4: New campus construction completed in 2018, open for the 2018-19 school year.

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GALENA PARK INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS

Table 19
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Building:	Year Built	2023	2022	2021	2020	2019
OTHER CAMPUSES						
Becker Early Head Start	1978					
Square Footage		9,295	9,295	9,295	9,295	9,295
Capacity		64	64	64	64	64
Enrollment		64	64	64	64	64
PEP Center	2007					
Square Footage		9,651	9,651	9,651	9,651	9,651
Capacity		48	48	48	48	48
Enrollment		54	43	48	48	48
Childcare Center	2019					
Square Footage		23,147	23,147	23,147	-	-
Capacity		238	238	238	-	-
Enrollment		99	115	70	-	-
Sub-Total Sq Ft. Other Campuses		42,093	42,093	42,093	18,946	18,946
OTHER FACILITIES						
ACT Clinic	2008					
Square Footage		3,100	3,100	3,100	3,100	3,100
Administration Building	2001					
Square Footage		81,000	81,000	81,000	81,000	81,000
Facilities & Planning/Warehouse	1955					
Square Footage		18,456	18,456	18,456	18,456	18,456
Grounds Maintenance Dept.						
Square Footage		5,670	5,670	5,670	5,670	5,670
FFA Agricultural Facility	2002					
Square Footage		28,880	28,880	28,880	28,880	28,880
South Annex	1944					
Square Footage		5,603	5,603	5,603	5,603	5,603
Maintenance Facility	1950					
Square Footage		22,154	22,154	22,154	22,154	22,154
Stadium/Natorium	2002					
Square Footage		44,519	44,519	44,519	44,519	44,519
Transportation Department	2001					
Square Footage		17,700	17,700	17,700	17,700	17,700
Athletics Office	2002					
Square Footage		10,669	10,669	10,669	10,669	10,669
North Annex						
Square Footage		2,250	2,250	2,250	2,250	2,250
Sub-Total Sq Ft. Other Facilities		240,001	240,001	240,001	240,001	240,001
GRAND TOTAL		3,934,643	3,934,643	3,934,643	3,887,338	3,862,234

Source: District Records

Note #1: Capacity does not include temporary buildings

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GALENA PARK INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS

Table 19
Page 10 of 10

Building:	Year Built	2018	2017	2016	2015	2014
OTHER CAMPUSES						
Becker Early Head Start	1978					
Square Footage		9,295	9,295	9,295	9,295	9,295
Capacity		64	64	64	64	64
Enrollment		64	64	64	64	64
PEP Center	2007					
Square Footage		9,651	9,651	9,651	9,651	9,651
Capacity		48	48	48	48	48
Enrollment		48	48	48	48	48
Childcare Center	2019					
Square Footage		-	-	-	-	-
Capacity		-	-	-	-	-
Enrollment		-	-	-	-	-
Sub-Total Sq Ft. Other Campuses		18,946	18,946	18,946	18,946	18,946
OTHER FACILITIES						
ACT Clinic	2008					
Square Footage		3,100	3,100	3,100	3,100	3,100
Administration Building	2001					
Square Footage		81,000	81,000	81,000	81,000	81,000
Facilities & Planning/Warehouse	1955					
Square Footage		18,456	18,456	18,456	18,456	18,456
Grounds Maintenance Dept.						
Square Footage		5,670	5,670	5,670	5,670	5,670
FFA Agricultural Facility	2002					
Square Footage		28,880	28,880	28,880	28,880	28,880
South Annex	1944					
Square Footage		5,603	5,603	5,603	5,603	5,603
Maintenance Facility	1950					
Square Footage		22,154	22,154	22,154	22,154	22,154
Stadium/Natorium	2002					
Square Footage		44,519	44,519	44,519	44,519	44,519
Transportation Department	2001					
Square Footage		17,700	17,700	17,700	17,700	17,700
Athletics Office	2002					
Square Footage		10,669	10,669	10,669	10,669	10,669
North Annex						
Square Footage		2,250	2,250	2,250	2,250	2,250
Sub-Total Sq Ft. Other Facilities		240,001	240,001	240,001	240,001	240,001
GRAND TOTAL		3,659,413	3,659,413	3,659,413	3,659,413	3,659,413

Source: District Records

Note #1: Capacity does not include temporary buildings

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GALENA PARK INDEPENDENT SCHOOL DISTRICT
REQUIRED RESPONSES TO SELECTED SCHOOL FIRST INDICATORS
For the Year Ended August 31, 2023

Schedule L-1

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/or other sources of information concerning nonpayment of any terms of any debt agreement at fiscal year end?	No
SF3	Did the school district make timely payments to the Teacher Retirement System (TRS), Texas Workforce Commission (TWC), Internal Revenue Service (IRS), and other government (If the school district was issued a warrant hold and the warrant hold was not cleared within 30 days from the date the warrant hold was issued, the school district is considered to not have made timely payments.) 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. 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.	Yes
SF4	Was the school district issued a warrant hold? Even if the issue surrounding the initial warrant hold was resolved and cleared within 30 days, the school district is considered to have been issued 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 district post the required financial information on its website in accordance with Government Code, Local Government Code, Texas Education Code, Texas Administrative Code and other statutes, laws and rules that were in effect at the school district's fiscal year	Yes
SF8	Did the school board members discuss the school district's property values 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.	\$ 61,969,373

NOTE: This schedule is to be included as part of the annual financial audit report (AFR) submission on the required due date and published as a part of the school district's AFR. This schedule should be submitted in the data feed file and submitted as an Adobe Acrobat portable document file (pdf).