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GREENVILLE PUBLIC SCHOOL DISTRICT

Audited Financial Statements
For the Year Ended June 30, 2023

GREENVILLE PUBLIC SCHOOL DISTRICT

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INDEPENDENT AUDITOR'S REPORT

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INDEPENDENT AUDITOR'S REPORT

Superintendent and School Board
Greenville Public School District

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Greenville Public School District, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Greenville Public School 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 Greenville Public School District, as of June 30, 2023, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Greenville Public School District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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 Greenville Public School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, the Schedule of the District's Proportionate Share of the Net Pension Liability, the Schedule of District Contributions (PERS), the Schedule of the District's Proportionate Share of the Net OPEB Liability, and the Schedule of District Contributions (OPEB) on pages 5-13, 49-51, 52, 53, 54 & 55, respectively, 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 Greenville Public School District's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the Schedule of Instructional, Administrative and Other Expenditures for Governmental Funds are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying Schedule of Expenditures of Federal Awards and the Schedule of Instructional, Administrative and Other Expenditures for Governmental Funds 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 Statement of Revenues, Expenditures and Changes in Fund Balances—General Fund, Last Four Years and the Statement of Revenues, Expenditures and Changes in Fund Balances—All Governmental Funds, Last Four Years 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 June 21, 2024, on our consideration of the Greenville Public School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Greenville Public School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Greenville Public School District's internal control over financial reporting and compliance.

Cunningham CPAs

Cunningham CPAs, PLLC
Belzoni, MS
June 21, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following discussion and analysis of Greenville Public School District's financial performance provides an overview of the School District's financial activities for the year ended June 30, 2023. The intent of this discussion and analysis is to look at the School District's performance as a whole. Readers are encouraged to review the financial statements and the notes to the financial statements to enhance their understanding of the School District's financial performance.

FINANCIAL HIGHLIGHTS

- Total net position for 2023 increased $11,359,554, including a prior period adjustment of ($244,713) and which represents a 25% increase from fiscal year 2022. Total net position for 2022 increased $9,205,204, including a prior period adjustment of $1,291,055, which represents a 17% increase from fiscal year 2021.

- General revenues amounted to $35,965,666 and $32,093,945, or 62% and 65% of all revenues for fiscal years 2023 and 2022, respectively. Program specific revenues in the form of charges for services and grants and contributions accounted for $21,779,131, or 38% of total revenues for 2023, and $17,551,783, or 35% of total revenues for 2022.

- The District had $46,140,530 and $41,731,579 in expenses for fiscal years 2023 and 2022; only $21,779,131 for 2023 and $17,551,783 for 2022 of these expenses was offset by program specific charges for services, grants and contributions. General revenues of $35,965,666 for 2023 and $32,093,945 for 2022 were adequate to provide for these programs.

- Among major funds, the General Fund had $32,370,558 in revenues and $30,420,098 in expenditures for 2023, and $31,663,423 in revenues and $30,147,549 in expenditures in 2022. The General Fund's fund balance increased by $1,921,641, including a prior period adjustment of ($199,625) and which includes a decrease in reserve for inventory of $11,255 from 2022 to 2023, and increased by $3,516,115, including a prior period adjustment of $848,644 and which includes a decrease in reserve for inventory of $1,828 from 2021 to 2022.

- Capital assets, including lease assets, net of accumulated depreciation, increased by $3,986,360 for 2023 and increased by $967,517 for 2022. The increase for 2023 was due primarily to construction in progress coupled with the increase in accumulated depreciation.

- Long-term debt decreased by $391,961, including the lease liability, for 2023 and decreased by $1,157,165 for 2022. This decrease for 2023 was due primarily to the net of principal payments on outstanding long-term debt. The liability for compensated absences decreased by $27,999 for 2023 and decreased by $6,192 for 2022.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis serves as an introduction to the District's basic financial statements, which include government-wide financial statements, fund financial statements, and notes to the financial statements. This report also contains required supplementary information, supplementary information, and other information.

Government-wide Financial Statements

The government-wide financial statements are designed to provide the reader with a broad overview of the District's finances. These statements consist of the Statement of Net Position and the Statement of Activities, which are prepared using the flow of economic resources measurement focus and the accrual basis of accounting. The current year's revenues and expenses are taken into account regardless of when cash is received or paid.

The Statement of Net Position presents information on all the District's nonfiduciary assets, deferred outflows, liabilities, and deferred inflows, with the differences between them reported as "net position." Over time, increases or decreases in the District's net position may serve as a useful indicator of whether its financial position 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.

The government-wide financial statements outline functions of the District that are principally supported by property taxes and intergovernmental revenues (governmental activities). The governmental activities of the District include instruction, support services, non-instructional, sixteenth section, pension expense, OPEB expense, and interest on long-term liabilities.

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 uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District are governmental funds.

> **Governmental funds** – All of the District's general activities are reported in its governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, governmental funds are accounted for using the modified accrual basis of accounting and the flow of current financial resources measurement focus. The approach focuses on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at year end. The governmental fund statements provide a detailed view of the 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, the reader may gain a better understanding of the long-term impact of the District's near-term financing decisions. The governmental funds Balance Sheet is reconciled to the Statement of Net Position, and the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances is reconciled to the Statement of Activities to facilitate this comparison between governmental funds and governmental activities.
>
> The District maintains individual governmental funds in accordance with the *Financial Accounting Manual for Mississippi Public School Districts.* Information is presented separately in the governmental funds Balance Sheet and in the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances for all major funds. All non-major funds are combined and presented in these reports as other governmental funds.

Reconciliation of Government-wide and Fund Financial Statements

The financial statements include two schedules that reconcile the amounts reported on the governmental funds financial statements (modified accrual basis of accounting) with government-wide financial statements (accrual basis of accounting). The following summarizes the major differences between the two statements:

> Capital assets used in governmental activities are not reported on governmental funds financial statements.

Capital outlay spending results in capital assets on government-wide financial statements, but is reported as expenditures on the governmental funds financial statements.

Bond and note proceeds result in liabilities on government-wide financial statements, but are recorded as other financing sources on the governmental funds financial statements.

A net pension liability and net OPEB liability result in liabilities on the government-wide financial statements but are not reported on governmental funds financial statements.

Certain other outflows represent either increases or decreases in liabilities on the government-wide financial statements, but are reported as expenditures on the governmental funds financial statements.

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 can be found immediately following the basic financial statements.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents budgetary comparison schedules, Schedule of the District's Proportionate Share of the Net Pension Liability, Schedule of District Contributions (PERS), Schedule of the District's Proportionate Share of the Net OPEB Liability, and Schedule of District Contributions (OPEB) as required supplementary information. The District adopts an annual operating budget for all governmental funds. A budgetary comparison schedule has been provided for the General Fund and each additional major special revenue fund as required by the Governmental Accounting Standards Board.

Supplementary Information

Additionally, a Schedule of Expenditures of Federal Awards as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and a Schedule of Instructional, Administrative and Other Expenditures for governmental funds can be found in this report.

Other Information

Although not a required part of the basic financial statements, the Statement of Revenues, Expenditures and Changes in Fund Balances—General Fund, Last Four Years and the Statement of Revenues, Expenditures and Changes in Fund Balances—All Governmental Funds, Last Four Years, is presented for purposes of additional analysis as required by the Mississippi Department of Education.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position

Net position may serve over time as a useful indicator of the District's financial position. Liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by $34,417,402 as of June 30, 2023.

The District's financial position is a product of several financial transactions including the net result of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets and the depreciation of capital assets.

Table 1 presents a summary of the District's net position at June 30, 2023 and June 30, 2022.

Table 1
Condensed Statement of Net Position

	June 30, 2023	June 30, 2022	Percentage Change
Current assets	$ 22,757,312	$ 15,425,694	47.53 %
Lease receivable	401,726	451,465	-11.02 %
Restricted assets	4,719,580	3,967,584	18.95 %
Capital assets, net	15,142,363	11,156,003	35.73 %
Total assets	**43,020,981**	**31,000,746**	**38.77 %**
Deferred outflows of resources	**12,442,563**	**10,115,674**	**23.00 %**
Current liabilities	3,843,985	2,233,770	72.09 %
Long-term debt outstanding	4,680,754	4,818,581	-2.86 %
Lease liability	195,065	449,199	-56.57 %
Net OPEB liability	2,707,021	3,558,983	-23.94 %
Net pension liability	73,783,907	54,363,924	35.72 %
Total liabilities	**85,210,732**	**65,424,457**	**30.24 %**
Deferred inflows of resources	**4,670,214**	**21,468,919**	**-78.25 %**
Net position:			
Net investment in capital assets	10,573,374	6,223,052	69.91 %
Restricted	15,087,338	9,008,848	67.47 %
Unrestricted	(60,078,114)	(61,008,856)	1.53 %
Total net position	**$ (34,417,402)**	**$ (45,776,956)**	**24.82 %**

Additional information on unrestricted net position:

In connection with the application of standards on accounting and financial reporting for pensions and OPEB, management presents the following additional information:

Total unrestricted net position (deficit)	$ (60,078,114)
Less unrestricted deficit in net position resulting from recognition of the net pension and net OPEB liability, including the deferred outflows and deferred inflows related to pensions and OPEB	68,324,290
Unrestricted net position, exclusive of the net pension and net OPEB liability effect	$ 8,246,176

The following are significant current year transactions that have had an impact on the Statement of Net Position.

- Increase in net capital assets in the amount of $3,986,360.
- The principal retirement of $363,962 of long-term debt.

Changes in net position

The District's total revenues for the fiscal years ended June 30, 2023 and June 30, 2022 were $57,744,797 and $49,645,728, respectively. The total cost of all programs and services was $46,140,530 for 2023 and $41,731,579 for 2022.

Table 2 presents a summary of the changes in net position for the fiscal years ended June 30, 2023 and June 30, 2022.

Table 2
Changes in Net Position

	Year Ended June 30, 2023	Year Ended June 30, 2022	Percentage Change
Revenues:			
Program revenues:			
Charges for services	$ 293,239	$ 219,710	33.47 %
Operating grants and contributions	18,296,154	17,244,480	6.10 %
Capital Grants and Contributions	3,189,738	87,593	3,541.54 %
General revenues:			
Property taxes	10,985,334	11,050,210	(0.59) %
Grants and contributions not restricted	19,417,640	20,496,242	(5.26) %
Investment earnings	460,588	185,055	148.89 %
Sixteenth section	184,160	144,144	27.76 %
Other	4,917,944	218,294	2,152.90 %
Total revenues	**57,744,797**	**49,645,728**	**16.31 %**
Expenses:			
Instruction	23,438,833	20,111,805	16.54 %
Support services	15,093,791	17,117,434	(11.82) %
Non-instructional	3,216,665	3,247,557	(0.95) %
Sixteenth section	5,042	-	N/A %
Pension expense	4,611,426	1,261,111	265.66 %
OPEB expense	(471,773)	(303,365)	(55.51) %
Interest on long-term liabilities	246,546	297,037	(17.00) %
Total expenses	**46,140,530**	**41,731,579**	**10.57 %**
Increase (Decrease) in net position	**11,604,267**	**7,914,149**	**46.63 %**
Net Position, July 1, as originally reported	**(45,776,956)**	**(54,982,160)**	**16.74 %**
Prior period adjustment	**(244,713)**	**1,291,055**	**(118.95) %**
Net Position, July 1, as restated	**(46,021,669)**	**(53,691,105)**	**14.28 %**
Net Position, June 30	**$ (34,417,402)**	**$ (45,776,956)**	**24.82 %**

Governmental activities

The following table presents the cost of seven major District functional activities: instruction, support services, non-instructional, sixteenth section, pension expense, OPEB expense and interest on long-term liabilities. The table also shows each functional activity's net cost (total cost less charges for services generated by the activities and intergovernmental aid provided for specific programs). The net cost presents the financial burden that was placed on the State and District's taxpayers by each of these functions.

Table 3
Net Cost of Governmental Activities

	Total Expenses 2023	Total Expenses 2022	Percentage Change
Instruction	$ 23,438,833	$ 20,111,805	16.54 %
Support services	15,093,791	17,117,434	(11.82) %
Non-instructional	3,216,665	3,247,557	(0.95) %
Sixteenth section	5,042	-	N/A %
Pension Expense	4,611,426	1,261,111	265.66 %
OPEB Expense	(471,773)	(303,365)	(55.51) %
Interest on long-term liabilities	246,546	297,037	(17.00) %
Total expenses	**$ 46,140,530**	**$ 41,731,579**	**10.57 %**

	Net (Expense) Revenue 2023	Net (Expense) Revenue 2022	Percentage Change
Instruction	$ (10,574,023)	$ (13,366,986)	20.89 %
Support services	(9,923,617)	(10,526,261)	5.73 %
Non-instructional	527,482	968,234	(45.52) %
Sixteenth section	(5,042)	-	N/A %
Pension Expense	(4,611,426)	(1,261,111)	(265.66) %
OPEB Expense	471,773	303,365	55.51 %
Interest on long-term liabilities	(246,546)	(297,037)	17.00 %
Total net (expense) revenue	**$ (24,361,399)**	**$ (24,179,796)**	**(0.75) %**

- Net cost of governmental activities ($24,361,399 for 2023 and $24,179,796 for 2022) was financed by general revenue, which is primarily made up of property taxes ($10,985,334 for 2023 and $11,050,210 for 2022) and state and federal revenues ($19,417,640 for 2023 and $20,496,242 for 2022). In addition, there was $184,160 and $144,144 in sixteenth section sources for 2023 and 2022, respectively.

- Investment earnings amounted to $460,588 for 2023 and $185,055 for 2022.

FINANCIAL ANALYSIS OF THE DISTRICT'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 current 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 the District's net resources available for spending at the end of the fiscal year.

The financial performance of the District as a whole is reflected in its governmental funds. As the District completed the year, its governmental funds reported a combined fund balance of $23,832,151, an increase of $6,471,721, including a prior period adjustment of ($199,625) and which includes a decrease in inventory of $23,135. $7,996,159 or 34% of the fund balance is unassigned, which represents the residual classification for the General Fund's fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The remaining fund balance of $15,835,992 or 66% is either nonspendable, restricted, committed or assigned to indicate that it is not available for spending except only for the purposes to which it is restricted, committed or assigned.

The General Fund is the principal operating fund of the District. The increase in fund balance in the General Fund for the fiscal year was $1,921,641, including a prior period adjustment of ($199,625) and which includes a decrease in reserve for inventory of $11,255. The fund balance of Other Governmental Funds showed an increase in the amount of $317,733, which includes a decrease in reserve for inventory of $11,880, due primarily to normal operations. The increase (decrease) in the fund balances for the other major funds were as follows:

Major Fund		Increase (Decrease)
Title I Fund		No increase or decrease
ESSER II Fund		No increase or decrease
Roof Project Fund	$	3,615,034
Tax Levy Debt Service Fund	$	617,313

BUDGETARY HIGHLIGHTS

During the year, the District revised the annual operating budget. Budget revisions were made to address and correct the original budgets to reflect more accurately the sources and uses of funding for the School District.

A schedule showing the original and final budget amounts compared to the District's actual financial activity for the General Fund and major special revenue fund(s) is provided in this report as required supplementary information.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. As of June 30, 2023, the District's total capital assets were $31,614,692, including land, school buildings, building improvements, improvements other than buildings, buses, other school vehicles, furniture and equipment, and any net intangible assets. This amount represents an increase of $4,448,606 from 2022. Total accumulated depreciation as of June 30, 2023, was $16,472,329, including total depreciation expense for the year of $497,791 and total amortization expense of $245,618, resulting in total net capital assets of $15,142,363.

Table 4
Capital Assets, Net of Accumulated Depreciation

	June 30, 2023	June 30, 2022	Percentage Change
Construction in Progress	$ 4,078,921	$ 87,593	4,556.67 %
Buildings	8,654,091	8,823,758	(1.92) %
Building improvements	34,936	39,927	(12.50) %
Improvements other than buildings	39,057	39,057	0.00 %
Mobile equipment	1,970,417	1,489,494	32.29 %
Furniture and equipment	169,729	235,344	(27.88) %
Lease assets, net	195,212	440,830	(55.72) %
Total	**$ 15,142,363**	**$ 11,156,003**	**35.73 %**

Additional information on the District's capital assets can be found in Note 5 and Note 6 included in this report.

Debt Administration. At June 30, 2023, the District had $4,875,819 in outstanding long-term debt, of which $4,295,266 is due within one year. The liability for compensated absences decreased $27,999 from the prior year.

Table 5
Outstanding Long-Term Debt

	June 30, 2023	June 30, 2022	Percentage Change
Qualified school construction bonds payable	$ 4,025,000	$ 4,025,000	0.00 %
Installment purchase loans payable	348,924	458,752	(23.94) %
Compensated absences payable	306,830	334,829	(8.36) %
Lease liabilities	195,065	449,199	(56.57) %
Total	**$ 4,875,819**	**$ 5,267,780**	**(7.44) %**

Additional information on the District's long-term debt can be found in Note 6 and Note 7 included in this report.

CURRENT ISSUES

The Greenville Public School District is financially stable. The District is proud of its community support of the public schools.

The District has committed itself to financial excellence for many years. The District's system of financial planning, budgeting and internal financial controls are well regarded. The District plans to continue its sound fiscal management to meet the challenges of the future.

The District actively pursues grant funding to supplement the local, state and federal revenues.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

If you have any questions about this report or need additional financial information, contact the Superintendent's Office of the Greenville Public School District, P.O. Box 1619, Greenville, MS 38702.

FINANCIAL STATEMENTS

GREENVILLE PUBLIC SCHOOL DISTRICT

Statement of Net Position **Exhibit A**
June 30, 2023

	Governmental Activities
Assets	
Cash and cash equivalents	$ 18,329,921
Due from other governments	4,322,620
Lease receivable	401,726
Inventories	104,771
Restricted assets	4,719,580
Capital assets, non-depreciable:	
Construction in progress	4,078,921
Capital assets, net of accumulated depreciation:	
Buildings	8,654,091
Building improvements	34,936
Improvements other than buildings	39,057
Mobile equipment	1,970,417
Furniture and equipment	169,729
Lease assets	195,212
Total Assets	43,020,981
Deferred Outflows of Resources	
Deferred outflows - pensions	11,846,185
Deferred outflows - OPEB	596,378
Total deferred outflows of resources	12,442,563
Liabilities	
Accounts payable and accrued liabilities	3,652,178
Interest payable on long-term liabilities	191,807
Long-term liabilities, due within one year:	
Capital related liabilities	4,138,006
Lease payable	157,260
Net OPEB liability	128,697
Long-term liabilities, due beyond one year:	
Capital related liabilities	235,918
Lease payable	37,805
Noncapital liabilities	306,830
Net pension liability	73,783,907
Net OPEB liability	2,578,324
Total Liabilities	85,210,732
Deferred Inflows of Resources	
Deferred inflows - pensions	2,641,025
Deferred inflows - OPEB	1,634,900
Deferred inflows - Leases	394,289
Total deferred inflows of resources	4,670,214
Net Position	
Net investment in capital assets	10,573,374
Restricted for:	
Expendable:	
School-based activities	3,526,810
Debt service	4,432,770
Capital improvements	6,993,068
Unemployment benefits	93,941
Non-expendable:	
Sixteenth section principal	40,749
Unrestricted	(60,078,114)
Total Net Position	$ (34,417,402)

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

GREENVILLE PUBLIC SCHOOL DISTRICT

Statement of Activities **Exhibit B**

For the Year Ended June 30, 2023

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities
Governmental Activities:					
Instruction	$ 23,438,833	$ 254,044	$ 9,421,028	$ 3,189,738	$ (10,574,023)
Support services	15,093,791	-	5,170,174	-	(9,923,617)
Non-instructional	3,216,665	39,195	3,704,952	-	527,482
Sixteenth section	5,042	-	-	-	(5,042)
Pension expense	4,611,426	-	-	-	(4,611,426)
OPEB expense	(471,773)	-	-	-	471,773
Interest on long-term liabilities	246,546	-	-	-	(246,546)
Total Governmental Activities	$ 46,140,530	$ 293,239	$ 18,296,154	$ 3,189,738	$ (24,361,399)

General Revenues:	
Taxes:	
General purpose levies	10,093,863
Debt purpose levies	891,471
Unrestricted grants and contributions:	
State	19,156,647
Federal	260,993
Unrestricted investment earnings	460,588
Sixteenth section	184,160
Other	4,917,944
Total General Revenues	35,965,666
Change in Net Position	11,604,267
Net Position - Beginning, as previously reported	(45,776,956)
Prior period adjustment	(244,713)
Net Position - Beginning, as restated	(46,021,669)
Net Position - Ending	$ (34,417,402)

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

GREENVILLE PUBLIC SCHOOL DISTRICT

Governmental Funds

Balance Sheet **Exhibit C**

June 30, 2023

	Major Funds						
	General Fund	Title I Fund	ESSER II Fund	Roof Project Fund	Tax Levy Debt Service Fund	Other Governmental Funds	Total Governmental Funds
Assets:							
Cash and cash equivalents	$ 8,727,478	$ -	$ -	$ 6,223,832	$ 957,363	$ 3,419,360	$ 19,328,033
Cash with fiscal agents	-	-	-	-	32,068	-	32,068
Investments	-	-	-	-	3,689,400	-	3,689,400
Due from other governments	654,483	761,366	2,031,644	-	192,218	682,909	4,322,620
Leases receivable	401,726	-	-	-	-	-	401,726
Due from other funds	2,361,111	-	-	-	-	394,183	2,755,294
Inventories	34,251	-	-	-	-	70,520	104,771
Total assets	12,179,049	761,366	2,031,644	6,223,832	4,871,049	4,566,972	30,633,912
Liabilities, Deferred Inflows of Resources, and Fund Balances:							
Liabilities:							
Accounts payable and accrued liabilities	$ 1,565,665	$ 241,379	$ 791,069	$ 758,390	$ -	$ 295,675	$ 3,652,178
Due to other funds	138,463	519,987	1,240,575	-	246,472	609,797	2,755,294
Total Liabilities	1,704,128	761,366	2,031,644	758,390	246,472	905,472	6,407,472
Deferred Inflows of Resources:							
Leases	$ 394,289	$ -	$ -	$ -	$ -	$ -	$ 394,289
Total Deferred Inflows of Resources	394,289	-	-	-	-	-	394,289
Fund Balances:							
Nonspendable:							
Inventory	34,251	-	-	-	-	70,520	104,771
Permanent fund	-	-	-	-	-	40,749	40,749
Restricted:							
Debt service	-	-	-	-	4,624,577	-	4,624,577
Grant activities	-	-	-	-	-	3,456,290	3,456,290
Capital improvements	1,527,626	-	-	5,465,442	-	-	6,993,068
Unemployment benefits	-	-	-	-	-	93,941	93,941
Assigned:							
Student activities	125,036	-	-	-	-	-	125,036
Technology	397,560	-	-	-	-	-	397,560
Unassigned	7,996,159	-	-	-	-	-	7,996,159
Total Fund Balances	10,080,632	-	-	5,465,442	4,624,577	3,661,500	23,832,151
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 12,179,049	$ 761,366	$ 2,031,644	$ 6,223,832	$ 4,871,049	$ 4,566,972	$ 30,633,912

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

GREENVILLE PUBLIC SCHOOL DISTRICT

Governmental Funds

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position — **Exhibit C-1**

June 30, 2023

Total fund balances for governmental funds		$	23,832,151
Amounts reported for governmental activities in the statement of net position are different because:			
1. Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds:			
Construction in progress	4,078,921		
Buildings	20,822,014		
Building improvements	124,772		
Improvements other than buildings	195,284		
Mobile equipment	3,880,359		
Furniture and equipment	2,318,130		
Leased assets, net	195,212		
Accumulated depreciation	(16,472,329)		15,142,363
2. Some liabilities, including net pension obligations, are not due and payable in the current period and, therefore, are not reported in the funds:			
Net pension liability	(73,783,907)		
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds:			
Deferred outflows of resources related to pensions	11,846,185		
Deferred inflows of resources related to pensions	(2,641,025)		(64,578,747)
3 Some liabilities, including net OPEB obligations, are not due and payable in the current period and, therefore, are not reported in the funds:			
Net OPEB liability	(2,707,021)		
Deferred outflows and inflows of resources related to OPEB are applicable to future periods and, therefore, are not reported in the funds:			
Deferred outflows of resources related to OPEB	596,378		
Deferred inflows of resources related to OPEB	(1,634,900)		(3,745,543)
4 Long-term liabilities and related accrued interest are not due and payable in the current period and therefore are not reported in the funds:			
Qualified school construction bonds payable	(4,025,000)		
Installment purchase loans payable	(348,924)		
Compensated absences	(306,830)		
Lease liabilities	(195,065)		
Accrued interest payable	(191,807)		(5,067,626)
Net position of governmental activities		$	(34,417,402)

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

GREENVILLE PUBLIC SCHOOL DISTRICT

Governmental Funds

Statement of Revenues, Expenditures and Changes in Fund Balances **Exhibit D**

For the Year Ended June 30, 2023

	Major Funds						
	General Fund	Title I Fund	ESSER II Fund	Roof Project Fund	Tax Levy Debt Service Fund	Other Governmental Funds	Total Governmental Funds
Revenues:							
Local sources	$ 10,763,675	$ 20,175	$ -	$ -	$ 607,240	$ 572,402	$ 11,963,492
State sources	21,381,938	-	-	-	-	769,177	22,151,115
Federal sources	40,785	4,825,007	5,808,572	-	220,208	7,857,844	18,752,416
Sixteenth section sources	184,160	-	-	-	-	-	184,160
Total Revenues	32,370,558	4,845,182	5,808,572	-	827,448	9,199,423	53,051,183
Expenditures:							
Instruction	17,419,489	3,156,678	1,599,358	-	-	3,610,337	25,785,862
Support services	12,717,513	1,371,143	537,712	276,990	-	2,398,039	17,301,397
Noninstructional services	-	52,077	290,150	-	-	3,013,168	3,355,395
Sixteenth section	5,042	-	-	-	-	-	5,042
Facilities acquisition and construction	-	-	3,081,352	801,590	-	108,386	3,991,328
Debt service:							
Principal	254,134	-	-	-	-	109,828	363,962
Interest	23,920	-	-	-	206,885	13,275	244,080
Other	-	-	-	-	3,250	-	3,250
Total Expenditures	30,420,098	4,579,898	5,508,572	1,078,580	210,135	9,253,033	51,050,316
Excess (Deficiency) of Revenues over (under) Expenditures	1,950,460	265,284	300,000	(1,078,580)	617,313	(53,610)	2,000,867
Other Financing Sources (Uses):							
Insurance loss recoveries	-	-	-	4,693,614	-	-	4,693,614
Payment held by QSCB escrow agent	-	-	-	-	246,202	-	246,202
Payment to QSCB debt escrow agent	-	-	-	-	(246,202)	-	(246,202)
Operating transfers in	790,778	-	-	-	-	851,327	1,642,105
Operating transfers out	(608,717)	(265,284)	(300,000)	-	-	(468,104)	(1,642,105)
Total Other Financing Sources (Uses)	182,061	(265,284)	(300,000)	4,693,614	-	383,223	4,693,614
Net Change in Fund Balances	2,132,521	-	-	3,615,034	617,313	329,613	6,694,481
Fund Balances:							
July 1, 2022, as previously reported	8,158,991	-	-	1,850,408	4,007,264	3,343,767	17,360,430
Prior period adjustments	(199,625)	-	-	-	-	-	(199,625)
July 1, 2022, as restated	7,959,366	-	-	1,850,408	4,007,264	3,343,767	17,160,805
Increase (Decrease) in reserve for inventory	(11,255)	-	-	-	-	(11,880)	(23,135)
June 30, 2023	$ 10,080,632	$ -	$ -	$ 5,465,442	$ 4,624,577	$ 3,661,500	$ 23,832,151

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

GREENVILLE PUBLIC SCHOOL DISTRICT

Governmental Funds

Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities
For the Year Ended June 30, 2023

Exhibit D-1

Net change in fund balances - total governmental funds		$ 6,694,481
Amounts reported for governmental activities in the statement of activities are different because:		
1. Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:		
Capital outlay	$ 4,775,000	
Depreciation and amortization expense	(743,409)	4,031,591
2. In the statement of activities, only the gain/loss on the sale of assets is reported, while in the governmental funds, the proceeds from the sale increases financial resources. Thus, the change in net position differs from the change in fund balance by the cost of the assets sold.		(143)
3. The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and the difference between the carrying value of refunded debt and the acquisition cost of refunded debt when debt is first issued. These amounts are deferred and amortized in the statement of activities:		
Payments of debt principal	363,962	
Accrued interest payable	784	364,746
4. Some items relating to pensions and reported in the statement of activities do not provide or require the use of current financial resources and therefore are not reported as revenues/expenditures in the governmental funds. These activities include:		
Pension expense	(4,611,426)	
Contributions subsequent to the measurement date	4,519,684	(91,742)
5. Some items relating to OPEB and reported in the statement of activities do not provide or require the use of current financial resources and therefore are not reported as revenues/expenditures in the governmental funds. These activities include:		
OPEB expense	471,773	
Contributions subsequent to the measurement date	128,697	600,470
6. Some items reported in the statement of activities do not provide or require the use of current financial resources and therefore are not reported as revenues/expenditures in governmental funds. These activities include:		
Change in compensated absences	27,999	
Change in inventory reserve	(23,135)	4,864
Change in net position of governmental activities		$ 11,604,267

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

Note 1 – Summary of Significant Accounting Policies

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

A. Financial Reporting Entity

As defined by accounting principles generally accepted in the United States of America, the Greenville Public School District is considered an "other stand-alone government." The Greenville Public School District is a related organization of, but not a component unit of, the City of Greenville, MS since the governing authority of the city selects a majority of the Greenville Public School District's board but does not have financial accountability for the Greenville Public School District.

For financial reporting purposes, Greenville Public School District has included all funds and organizations. The District has also considered all potential component units for which it is financially accountable and other organizations for which the nature and significance of their relationship with the District are such that exclusion would cause the District's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body and (1) the ability of the District to impose its will on that organization or (2) the potential for the organization to provide specific benefits to or impose specific financial burdens on the District.

B. Government-wide and Fund Financial Statements

Government-wide Financial Statements – 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 inter-fund activity has been removed from these statements. Governmental activities, which normally are supported by tax and intergovernmental revenues, are reported separately from business type activities, which rely to a significant extent on fees and charges for support.

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

1. Net investment in capital assets consists of capital assets, net of accumulated depreciation, and reduced by outstanding balances of bonds, notes and other debt attributable to the acquisition, construction or improvement of those assets.

2. Restricted net position results when constraints placed on net position use are either externally imposed or imposed by law through constitutional provisions or enabling legislation.

3. Unrestricted net position consists of net position not meeting the definition of the two preceding categories. Unrestricted net position often has constraints on resources imposed by management which can be removed or modified.

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

Fund Financial Statements - Separate financial statements are provided for governmental funds. Major individual governmental funds are reported in separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as other governmental funds.

The school district reports the following major governmental funds:

General Fund - This is the school district's primary operating fund. The general fund is used to account for and report all financial resources not accounted for and reported in another fund.

Title I Fund – This is a special revenue fund that accounts for the federal revenue received and expenditures incurred related to the Title I grants to local educational agencies program.

ESSER II Fund – This fund is used to account for the Elementary and Secondary School Emergency Relief Fund federal grant in response to the COVID-19 pandemic.

Roof Project Fund – This capital projects fund is used to account for roof replacement projects resulting from storm damage throughout the district.

Tax Levy Debt Service Fund – This debt service fund accounts for the debt service activity of the qualified school construction bonds.

All other governmental funds not meeting the criteria established for major funds are presented in the other governmental column of the fund financial statements.

Additionally, the school district reports the following fund types:

GOVERNMENTAL FUNDS

<u>Special Revenue Funds</u> - Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

<u>Capital Projects Funds</u> - Capital Projects Funds are 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.

<u>Debt Service Funds</u> - Debt Service Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

<u>Permanent Funds</u> - Permanent Funds are used to account for and report resources that are restricted to the extent that only earnings, and not the principal, may be used for purposes that support the district's programs

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

In the government-wide Statement of Net Position and Statement of Activities, governmental activities are presented 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 or economic asset used, regardless of the timing of the related cash flows. 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. Measurable means knowing or being able to reasonably estimate the amount. 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 government considers revenues to be available if they are collected within 60 days after year end. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and judgments, are recorded only when payment is due.

Federal grants and assistance awards made on the basis of entitlement periods are recorded as receivables and revenues when entitlement occurs. Federal reimbursement type grants are recorded as revenues when the related expenditures are recognized. Use of grant resources is conditioned upon compliance with terms of the grant agreements and applicable federal regulations, which include subjecting grants to financial and compliance audits.

Property taxes, intergovernmental revenues (shared revenues, grants and reimbursements from other governments) and interest associated with the current fiscal period are all considered to be susceptible to accrual.

Ad valorem property taxes are levied by the governing authority of the city on behalf of the school district based upon an order adopted by the school board of the school district requesting an ad valorem tax effort in dollars. Since the taxes are not levied and collected by the school district, the revenues to be generated by the annual levies are not recognized until the taxes are actually collected by the tax levying authority.

Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under leases are reported as other financing sources.

Under the terms of grant agreements, the District funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there is both restricted and unrestricted net position available to finance the program. It is the District’s policy to first apply cost-reimbursement grant resources to such programs and then general revenues.

The effect of inter-fund activity has been eliminated from the government-wide statements.

Revenues from the Mississippi Adequate Education Program are appropriated on a fiscal year basis and are recorded at the time the revenues are received from the State of Mississippi.

The account classifications used in the financial statements conform to the broad classifications recommended in *Governmental Accounting, Auditing, and Financial Reporting,* issued in 2012 by the Government Finance Officers Association and are consistent with the broad classifications recommended in *Financial Accounting for Local and State School Systems, 2014,* issued by the U.S. Department of Education.

D. Encumbrances

An encumbrance system is maintained to account for commitments or assignments resulting from approved purchase orders, work orders and contracts. However, the Greenville Public School District attempts to liquidate all encumbrances at year-end. Encumbrances outstanding at year-end are not reported within committed or assigned fund balances.

E. Assets, liabilities, deferred outflows/inflows, and net position/fund balances

1. Cash, Cash equivalents and Investments

Cash and cash equivalents

The district's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. The school district deposits excess funds in the financial institutions selected by the school board. State statutes specify how these depositories are to be selected.

Investments

The school district can invest its excess funds, as permitted by Section 29-3-113, Miss. Code Ann. (1972), in interest-bearing deposits or other obligations of the types described in Section 27-105-33, Miss. Code Ann. (1972), or in any other type investment in which any other agency, instrumentality or subdivision of the State of Mississippi may invest, except that 100% of said funds are authorized to be so invested.

For accounting purposes, certificates of deposit are classified as investments if they have an original maturity greater than three months when acquired. Investments for the district are reported at fair market value.

2. Receivables and payables

Activities 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 inter-fund loans) or "advances to/from other funds"(i.e. the non-current portion of inter-fund loans). All other outstanding balances between funds are reported as "due to/from other funds."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

3. Due from Other Governments

Due from other governments represents amounts due from the State of Mississippi and various grants and reimbursements from other governments.

4. Inventories and Prepaid Items

Donated commodities are received from the USDA and are valued at USDA cost. Other inventories are valued at cost (calculated on the first-in, first-out basis). The costs of governmental fund type inventories are reported as expenditures when purchased.

Prepaid items, such as prepaid insurance, are not reported for governmental fund types since the costs of such items are accounted for as expenditures in the period of acquisition.

5. Restricted Assets

Certain resources set aside for repayment of debt are classified as restricted assets on the Statement of Net Position because their use is limited by applicable debt statutes, e.g. Qualified School Construction Bond sinking funds. Also, the nonexpendable portion of the Permanent Fund, if applicable, is classified as restricted assets because the 16th Section

Principal fund is not available for use by the district except as provided for under state statute for loans from this fund.

6. Capital Assets

Capital assets include land, improvements to land, easements, water rights, timber rights, buildings, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure, and all other tangible or intangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period. Capital assets are reported in the applicable governmental or business type activities columns in the government-wide Statement of Net Position. Capital assets are recorded at historical cost or estimated historical cost based on appraisals or deflated current replacement cost. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repair that do not add to the value of the asset or materially extend asset lives are not capitalized. Capital assets are defined by the District as assets with an initial, individual cost in excess of the thresholds in the table below.

Capital acquisition and construction are reflected as expenditures in the Governmental Fund statements and the related assets are reported as capital assets in the governmental activities column in the government-wide financial statements.

Depreciation is calculated on the straight-line basis for all assets, except land.

The following schedule details the capitalization thresholds:

	Capitalization Policy	Estimated Useful Life
Land	$ 0	0
Buildings	50,000	40 years
Building improvements	25,000	20 years
Improvements other than buildings	25,000	20 years
Mobile equipment	5,000	5-10 years
Furniture and equipment	5,000	3-7 years
Leased property	**	**
Subscription IT asset	**	**
Intangible assets	**	**

(**)The estimated useful life is the term of the lease or subscription agreement. There is no mandated maximum amortization period. Intangible assets with indefinite useful lives should not be amortized.

The term ‘depreciation’ includes the amortization of intangible assets.

7. Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The district reports $11,846,185 of deferred outflows related to its pension plan and $596,378 related to its OPEB plan.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The district reports $2,641,025 of deferred inflows related to its pension plan, $1,634,900 related to its OPEB plan, and $394,289 of deferred inflows related to sixteenth section lease receivables.

See Note 15 for further details.

8. Compensated Absences

Employees of the school district accumulate sick leave at a minimum amount as required by state law. A greater amount may be provided by school district policy provided that it does not exceed the provisions for leave as provided in Sections 25-3-93 and 25-3-95. Some employees are allowed personal leave and/or vacation leave in accordance with school district policy. The district pays for unused leave for employees as required by Section 37-7-307(5), Miss. Code Ann. (1972).

The liability for these compensated absences is recorded as a long-term liability in the government-wide statements. The current portion of this liability is estimated based on historical trends. In the fund financial statements, governmental funds report the liability for compensated absences from expendable available financial resources only if the payable has matured, for example, an employee retires.

9. Leases

The Governmental Accounting Standards Board (GASB) issued Statement No. 87, Leases (GASB 87) to establish a single leasing model for accounting and reporting purposes. This guidance is intended to enhance the accountability, consistency and comparability of lease activities reported by governments. GASB 87 was implemented during fiscal year 2022.

The school district uses its estimated incremental borrowing rate to calculate the present value of lease payments when the rate implicit in the lease is not known.

10. Subscription-Based Information Technology Arrangements

The Governmental Accounting Standards Board (GASB) issued Statement No. 96, Subscription-Based Information Technology Arrangements (SBITAs) (GASB 96) to establish uniform accounting and financial reporting requirements for SBITAs, to improve comparability of financial statements among governments that have entered into SBITAs, and to enhance understandability, relatability, relevance and consistency of information about SBITAs.

11. Long-term Liabilities and Bond Discounts/Premiums

In the government-wide financial statements, outstanding debt is reported as liabilities. Bond discounts or premiums and the difference between reacquisition price and the net carrying value of refunded debt are capitalized and amortized over the terms of the respective bonds using a method that approximates the effective interest method.

The governmental fund financial statements recognize the proceeds of debt and premiums as other financing sources of the current period. Issuance costs are reported as expenditures. See Note 7 for details.

12. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Public Employees' Retirement System (PERS) and additions to/deductions from PERS' fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, the 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.

13. Postemployment Benefits Other than Pensions (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the State and School Employees' Life and Health Plan (OPEB Plan) and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by the OPEB Plan. For this purpose, benefit payments are recorded when the OPEB benefits come due. Investments are reported at fair value as determined by the state.

14. Fund Balances

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

Governmental fund balance is classified as nonspendable, restricted, committed, assigned or unassigned. Following are descriptions of fund classifications used by the district:

Nonspendable fund balance includes items that cannot be spent. This includes activity that is not in a spendable form (inventories, prepaid amounts, long-term portion of loans/notes receivable, or property held for resale unless the proceeds are restricted, committed, or assigned) and activity that is legally or contractually required to remain intact, such as a principal balance in a permanent fund.

Restricted fund balance includes amounts that have constraints placed upon the use of the resources either by an external party or imposed by law through a constitutional provision or enabling legislation.

Committed fund balance includes amounts that can be used only for the specific purposes pursuant to constraints imposed by a formal action of the School Board, the District's highest level of decision-making authority. This formal action is board approval of commitments. Currently there is no committed fund balance for this school district.

Assigned fund balance includes amounts that are constrained by the District's intent to be used for a specific purpose, but are neither restricted nor committed. For governmental funds, other than the general fund, this is the residual amount within the fund that is not restricted or committed. Assignments of fund balance are created by management pursuant to authorization established by the school board.

Unassigned fund balance is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The general fund should be the only fund that reports a positive unassigned fund balance amount. In other governmental funds, it may be necessary to report a negative unassigned fund balance.

When an expenditure/expense is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) resources are available, it is the District's general policy to use restricted resources first. When expenditures/expenses are incurred for purposes for which unrestricted (committed, assigned, and unassigned) resources are available, and amounts in any of these unrestricted classifications could be used, it is the District's general policy to spend committed resources first, followed by assigned amounts, and then unassigned amounts.

The goal of the District is to maintain an unassigned fund balance in the General Fund at fiscal year end of not less than 7% of current fiscal year's general fund revenues.

15. Accounting Standards Update

GASB 96, Subscription-Based Information Technology Arrangements, was implemented during the 2023 fiscal year. Prior to the issuance of this statement there was no accounting or financial reporting guidance specifically for SBITAs. The purposes of the standard is to establish uniform accounting and financial reporting requirements for SBITAs, to improve comparability of financial statements among governments that have entered into SBITAs, and to enhance understandability, relatability, relevance, and consistency of information about SBITAs.

Note 2 – Cash and Cash Equivalents, Cash with Fiscal Agents, and Investments

The district follows the practice of aggregating the cash assets of various funds to maximize cash management efficiency and returns. Restrictions on deposits and investments are imposed by statutes as follows:

Deposits. The school board must advertise and accept bids for depositories no less than once every three years as required by Section 37-7-333, Miss. Code Ann. (1972). The collateral pledged for the school district's deposits in financial institutions is held in the name of the State Treasurer under a program established by the Mississippi State Legislature and is governed by Section 27-105-5, Miss. Code Ann. (1972). Under this program, the entity's funds are protected through a collateral pool administered by the State Treasurer. Financial institutions holding deposits of public funds must pledge securities as collateral against those deposits. In the event of failure of a financial institution, securities pledged by that institution would be liquidated by the State Treasurer to replace the public deposits not covered by the Federal Deposit Insurance Corporation.

Investments. Section 29-3-113 and 37-59-43, Miss. Code Ann. (1972), authorizes the school board to invest excess funds in the types of investments authorized by Section 27-105-33(d) and (e), Miss. Code Ann. (1972). This section permits the following types of investments: (a) certificates of deposit or interest bearing accounts with qualified state depositories; (b) direct United States Treasury obligations; (c) United States Government agency, United States Government instrumentality or United States Government sponsored enterprise obligations, not to exceed fifty percent of all monies invested with maturities of thirty days or longer; (d) direct security repurchase agreements and reverse direct security repurchase agreements of any federal book entry of only those securities enumerated in (b) and (c) above; (e) direct obligations issued by the United States of America that are deemed to include securities of, or other interests in, any open-end or closed-end management type investment company or investment trust approved by the State Treasurer and the Executive Director of the Department of Finance and Administration, not to exceed twenty percent of invested excess funds. Investment income on bond funds (Capital Projects), bond sinking funds (Debt Service Funds) and sixteenth section principal funds (Permanent Funds) must be credited to those funds. Investment income of $100 or more of any fund must be credited to that fund. Investment income of less than $100 can be credited to the General Fund.

Cash and Cash Equivalents

The carrying amount of the school district's deposits with financial institutions reported in the governmental funds was $19,328,033.

Custodial Credit Risk - Deposits. Custodial credit risk is defined as the risk that, in the event of the failure of a financial institution, the district will not be able to recover deposits or collateral securities that are in the possession of an outside party. The district does not have a deposit policy for custodial credit risk. In the event of failure of a financial institution, securities pledged by that institution would be liquidated by the

State Treasurer to replace the public deposits not covered by the Federal Deposit Insurance Corporation. Deposits above FDIC coverage are collateralized by the pledging financial institution's trust department or agent in the name of the Mississippi State Treasurer on behalf of the district. As of June 30, 2023, none of the district's bank balance was exposed to custodial credit risk.

Cash with Fiscal Agents

The carrying amount of school district's cash with fiscal agents held by financial institutions was $32,068.

Investments

As of June 30, 2023, the district had the following investments.

Investment Type	Rating	Maturities (in years)		Fair Value
U.S. Government securities	AA+	1-5 years	$	3,689,400
Total			$	3,689,400

The district categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. 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 has the following recurring fair value measurements as of June 30, 2023:

- U.S. government securities type of investments of $3,689,400 are valued using quoted market prices (Level 1 inputs)

Interest Rate Risk. The district does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk. State law limits investments to those prescribed in Sections 27-105-33(d) and 27-105-33(e), Miss. Code Ann. (1972). The district does not have a formal investment policy that would further limit its investment choices or one that addresses credit risk.

Custodial Credit Risk - Investments. Custodial credit risk is defined as the risk that, in the event of the failure of the counterparty, the district will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The district does not have a formal investment policy that addresses custodial credit risk. As of June 30, 2023, the district did not have any investments to which this would apply.

Concentration of Credit Risk. Disclosure of investments by amount and issuer for any issuer that represents five percent or more of total investments is required. This requirement does not apply to investments issued or explicitly guaranteed by the U.S. government, investments in mutual funds and external investment pools, and other pooled investments. As of June 30, 2023, the district had the following investments:

Issuer		Fair Value	% of Total Investments
U.S. Government Securities	$	3,689,400	100%

Note 3 – Inter-fund Receivables, Payables and Transfers

The following is a summary of inter-fund transactions and balances:

A. Due From/To Other Funds

Receivable Fund	Payable Fund	Amount
General Fund	Title I Fund	$ 519,956
	ESSER II Fund	1,240,575
	Tax Levy Debt Service Fund	2,716
	Other Governmental Funds	597,864
Other Governmental Funds	General Fund	138,463
	Title I Fund	31
	Tax Levy Debt Service Fund	243,756
	Other Governmental Funds	11,933
Total		$ 2,755,294

The purpose of the inter-fund loans was primarily to cover federal and state funds not received prior to year-end.

B. Inter-fund Transfers

Transfers Out	Transfers In	Amount
General Fund	Other Governmental Funds	$ 608,717
Title I Fund	General Fund	50,000
	Other Governmental Funds	215,284
ESSER II Fund	General Fund	300,000
Other Governmental Funds	General Fund	440,778
	Other Governmental Funds	27,326
Total		$ 1,642,105

The primary reason for the interfund transfers was for debt service requirements, federal grant allocations and the funding of various programs within the district.

Note 4 – Restricted Assets

The restricted assets represent the cash balance, totaling $40,749, of the Sixteenth Section Principal Fund (Permanent Fund) which is legally restricted and may not be used for purposes that support the School District’s programs.

The restricted assets represent the cash, cash with fiscal agents, and investments balance, totaling $957,363, $32,068, and $3,689,400, respectively, of the debt service funds that is restricted for future debt service requirements.

Note 5 – Capital Assets

The following is a summary of changes in capital assets for governmental activities:

	Balance 7/1/2022	Increases	Decreases	Adjustments	Balance 6/30/2023
Governmental Activities:					
Non-depreciable capital assets:					
Construction-in-progress	$ 87,593	$ 3,991,328	$ -	$ -	$ 4,078,921
Total non-depreciable capital assets	87,593	3,991,328	-	-	4,078,921
Depreciable capital assets:					
Buildings	20,822,014	-	-	-	20,822,014
Building improvements	124,772	-	-	-	124,772
Improvements other than buildings	195,284	-	-	-	195,284
Mobile equipment	3,096,686	783,672	-	1	3,880,359
Furniture and equipment	2,398,907	-	(14,301)	(66,476)	2,318,130
Total depreciable capital assets	26,637,663	783,672	(14,301)	(66,475)	27,340,559
Less accumulated depreciation for:					
Buildings	11,998,256	169,667	-	-	12,167,923
Building improvements	84,845	4,991	-	-	89,836
Improvements other than buildings	156,227	-	-	-	156,227
Mobile equipment	1,607,192	258,325	-	44,425	1,909,942
Furniture and equipment	2,163,563	64,808	(14,158)	(65,812)	2,148,401
Total accumulated depreciation	16,010,083	497,791	(14,158)	(21,387)	16,472,329
Total depreciable capital assets, net	10,627,580	285,881	(143)	(45,088)	10,868,230
Governmental activities capital assets, net	$ 10,715,173	$ 4,277,209	$ (143)	$ (45,088)	$ 14,947,151
Lease assets, net (Note 6)					195,212
Total capital assets, net, as reported in the statement of net position					$ 15,142,363

Depreciation expense was charged to the following governmental functions:

	Amount
Governmental activities:	
Instruction	$ 401,817
Support services	63,966
Non-instructional	32,008
Total depreciation expense - Governmental activities	$ 497,791

The details of construction-in-progress are as follows:

	Spent to June 30, 2023	Remaining Commitment
Governmental Activities:		
ESSER Projects	$ 330,193	$ 294,586
Roof Replacement Project	758,390	2,182,719
Akin Elementary Roof	43,200	28,800
ESSER II HVAC	2,947,138	4,486,963
Total governmental activities	$ 4,078,921	$ 6,993,068

Construction projects included in governmental activities are funded by the District Maintenance Fund, the ESSER II Fund, ARP ESSER Fund and the Roofing Project Fund.

Note 6 – Intangible Right-to-Use Leases

A summary of lease activity during the year ended June 30, 2023 is as follows:

	Balance 7/1/2022	Additions	Remeasurements	Deductions	Balance 6/30/2023
Lease assets:					
Furniture and equipment	$ 694,417	$ -	$ -	$ -	$ 694,417
Total lease assets	694,417	-	-	-	694,417
Less accumulated amortization:					
Lease assets:					
Furniture and equipment	253,587	245,618	-	-	499,205
Total accumulated amortization	253,587	245,618		-	499,205
Total lease assets, net	$ 440,830	$ (245,618)	$	$ -	$ 195,212

A summary of lease liabilities during the year ended June 30, 2023 is as follows:

	Balance 7/1/2022	Additions	Remeasurements	Deductions	Balance 6/30/2023	Amounts due within one year
Lease liabilities	$ 449,199	$ -	$ -	$ 254,134	$ 195,065	157,260
Total	$ 449,199	$ -	$ -	$ 254,134	$ 195,065	$ 157,260

Leases

The school district is a lessee for various noncancellable leases of equipment. For leases that have a maximum possible term of 12 months or less at commencement, the school district recognizes expense based on the provisions of the lease contract. For all other leases, other than short term, the school district recognized a lease and an intangible right-to-use lease asset.

At lease commencement, the school district initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, plus lease payments made at or before the lease commencement date, plus any initial direct costs ancillary to placing the underlying asset into service, less any lease incentives received at or before the lease commencement date. Subsequently, the lease asset is amortized in amortization expense on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset.

The school district generally uses its estimated incremental borrowing rate as the discount rate for leases unless the rate that the lessor charges is known. The estimated incremental borrowing rate is the rate the district would expect to obtain for a similar financed purchase at the date of lease inception.

The lease term includes the noncancellable period of the lease plus any additional periods covered by either a school district or lessor option to extend for which it is reasonably certain to be exercised or terminate for which it is reasonably certain to not be exercised. Periods in which both the school district and the lessor have a unilateral option to terminate (or if both parties have agreed to extend) are excluded from the lease term.

As Lessee:

Copier and Printer Lease:

The district has entered into multiple leases of copiers with Canon Solutions. The lease agreements can only be cancelled if both parties agree. There are no options to extend the lease agreements and no variable payment options.

Description	Discount Rate	Term	Issue Date	Maturity Date	Monthly Payment	Amount Outstanding
Copier Lease	5.00%	60 Months	12/30/2021	10/31/2026	$ 1,370	$ 51,655
Copier Lease	5.00%	60 Months	6/1/2019	5/31/2024	13,894	143,410
					$ 15,264	$ 195,065

The following is a schedule by years of the total payments due on this debt:

Year Ending June 30	Principal	Interest	Total
2024	$ 157,260	$ 12,014	$ 169,274
2025	14,559	1,881	16,440
2026	15,304	1,136	16,440
2027	7,942	278	8,220
Total	$ 195,065	$ 15,309	$ 210,374

Lease Receivable

The school district is a lessor for multiple sixteenth section leases for residential, forestry, commercial and agriculture purposes. The lease maturities range from 1-28 years. Future lease payments have been discounted to present value using the 4% statutory minimum rate the district would pay on sixteenth section permanent fund loans. At lease inception, the district records a lease receivable and a deferred inflow of resources for future lease payments. Lease revenue is recognized systematically over the term of the lease. The lease receivable is reduced by the principal portion of the payments received over the term of lease.

For the year ending June 30, 2023, the district recognized $154,703 in lease revenue related to lease receivables.

Sixteenth Section Lands

Sixteenth section school lands, or lands granted in lieu thereof, constitute property held in trust for the benefit of the public schools. The school board, under the general supervision of the Office of the Secretary of State, has control and jurisdiction of said school trust lands and of all funds arising from any disposition thereof. It is the duty of the school board to manage the school trust lands and all funds arising therefrom as trust property. Accordingly, the board shall ensure that adequate compensation is received for all uses of the trust lands, except for uses by the public schools. The following are the future rental payments to be made to the school district for the use of school trust lands. These future rental payments are from existing leases and do not anticipate renewals or new leases.

Year Ending June 30	Principal Portion	Interest Portion	Total Payments
2024	$ 116,068	10,987	$ 127,055
2025	120,287	6,360	126,647
2026	18,197	5,661	23,858
2027	18,925	4,933	23,858
2028	19,682	4,176	23,858
2029 – 2033	68,870	13,139	82,009
2034 - 2038	35,201	1,932	37,133
2039 – 2043	1,464	700	2,164
2044 – 2048	1,781	383	2,164
2049-2051	1,251	50	1,301
Total	$ 401,726	$ 48,321	$ 450,047

Note 7 – Long-term Liabilities

The following is a summary of changes in long-term liabilities and other obligations for governmental activities:

	Balance 7/1/2022	Additions	Reductions	Balance 6/30/2023	Amounts due within one year
A. Qualified school construction bonds payable	$ 4,025,000	$ -	$ -	$ 4,025,000	$ 4,025,000
B. Installment purchase loan payable	458,752	-	(109,828)	348,924	113,006
C. Compensated absences payable	334,829	-	(27,999)	306,830	-
Total	$ 4,818,581	$ -	$ (137,827)	$ 4,680,754	$ 4,138,006

A. Qualified school construction bonds payable

As more fully explained in Note 14, debt has been issued by the school district that qualifies as Qualified School Construction bonds. Debt currently outstanding is as follows:

Description	Interest Rate	Issue Date	Maturity Date	Amount Issued	Amount Outstanding
QSCB - Series 2012	5.14%	1/12/2012	8/1/2023	$4,025,000	$4,025,000
Total				$4,025,000	$4,025,000

The following is a schedule by years of the total payments due on this debt:

QSCB – Series 2012:

Year Ending June 30	Principal	Interest	Total
2024	$ 4,025,000	$ 206,885	$ 4,231,885
Total	$ 4,025,000	$ 206,885	$ 4,231,885

This debt will be retired from the Tax Levy Debt Service fund.

B. Installment purchase loan payable

The school district has entered into an installment purchase agreement for the acquisition of school buses. Debt currently outstanding is as follows:

Description	Interest Rate	Issue Date	Maturity Date	Amount Issued	Amount Outstanding
Used Buses	2.890%	12/23/2021	2/1/2026	$ 306,000	$ 184,386
New Buses	2.890%	12/23/2021	6/7/2026	270,810	164,538
Total				$ 576,810	$ 348,924

The following is a schedule by years of the total payments due on this debt:

Used Buses:

Year Ending June 30	Principal	Interest	Total
2024	$ 59,717	$ 5,336	$ 65,053
2025	61,445	3,608	65,053
2026	63,224	1,830	65,054
Total	$ 184,386	$ 10,774	$ 195,160

This debt will be retired from the District Maintenance Funds

New Buses:

Year Ending June 30	Principal	Interest	Total
2024	$ 53,289	$ 4,761	$ 58,050
2025	54,831	3,219	58,050
2026	56,418	1,632	58,050
Total	$ 164,538	$ 9,612	$ 174,150

This debt will be retired from the District Maintenance Funds

Total all buses:

Year Ending June 30	Principal	Interest	Total
2024	$ 113,006	$ 10,097	$ 123,103
2025	116,276	6,827	123,103
2026	119,642	3,462	123,104
Total	$ 348,924	$ 20,386	$ 369,310

C. Compensated absences payable

As more fully explained in Note 1(E)(8), compensated absences payable is adjusted on an annual basis as required by Section 37-7-307(5), Miss. Code Ann. (1972). Compensated absences will be paid from the fund from which the employees' salaries were paid.

Note 8 – Other Commitments

Commitments under construction contracts are described in Note 5.

Note 9 – Defined Benefit Pension Plan

General Information about the Pension Plan

Plan Description. The school district contributes to the Public Employees' Retirement System of Mississippi (PERS), a cost-sharing multiple-employer defined benefit pension plan. PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Plan provisions and the Board of Trustees' authority to determine contribution rates are established by Miss. Code Ann. Section 25-11-1 et seq., (1972, as amended) and may be amended only by the Mississippi Legislature. PERS issues a publicly available financial report that includes financial statements and required supplementary information. That report is available at www.pers.ms.gov.

Benefits provided. Membership in PERS is a condition of employment granted upon hiring for qualifying employees and officials of the State of Mississippi, state universities, community and junior colleges, and teachers and employees of the public school districts. For those persons employed by political subdivisions and instrumentalities of the State of Mississippi, membership is contingent upon approval of the entity's participation in PERS by the PERS' Board of Trustees. If approved, membership for the entity's employees is a condition of employment and eligibility is granted to those who qualify upon hiring. Participating members who are vested and retire at or after age 60 or those who retire regardless of age with at least 30 years of creditable service (25 years of creditable service for employees who became members of PERS before July 1, 2011) are entitled, upon application, to an annual retirement allowance payable monthly for life in an amount equal to 2.0 percent of their average compensation for each year of creditable service up to and including 30 years (25 years for those who became members of PERS before July 1, 2011), plus 2.5 percent for each additional year of creditable service with an actuarial reduction in the benefit for each year of creditable service below 30 years or the number of years in age that the member is below 65, whichever is less. Average compensation is the average of the employee's earnings during the four highest compensated years of creditable service. Benefits vest upon completion of eight years of membership service (four years of membership service for those who became members of PERS before July 1, 2007). PERS also provides certain death and disability benefits. A Cost-of-Living Adjustment (COLA) payment is made to eligible retirees and beneficiaries. The COLA is equal to 3.0 percent of the annual retirement allowance for each full fiscal year of retirement up to the year in which the retired member reaches age 60 (55 for those who became members of PERS before July 1, 2011), with 3.0 percent compounded for each fiscal year thereafter.

Contributions. PERS members are required to contribute 9.00% of their annual covered salary, and the school district is required to contribute at an actuarially determined rate. The employer's rate as of June 30, 2023 was 17.40% of annual covered payroll. Plan provisions and the Board of Trustees' authority to determine contribution rates are established by Section 25-11-1 of the Mississippi Code of 1972, as amended, and may be amended only by the Mississippi Legislature. The school district's contributions to PERS for the fiscal years ending June 30, 2023, 2022 and 2021 were $4,519,684, $4,293,878 and $4,255,277, respectively, which equaled the required contributions for each year.

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

At June 30, 2023, the school district reported a liability of $73,783,907 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 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 a projection of the school district's long-term share of contribution to the pension plan relative to projected contributions of all participating entities, actuarially determined. The school district's proportionate share used to calculate the June 30, 2023 net pension liability was .358459 percent, which was based on a measurement date of June 30, 2022. This was a decrease of .00935 percent from its proportionate share used to calculate the June 30, 2022 net pension liability, which was based on a measurement date of June 30, 2021.

For the year ended June 30, 2023, the District recognized pension expense of $4,611,426. At June 30, 2023 the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 1,062,144	$ -
Net difference between projected and actual earnings on pension plan investments	3,645,888	-
Changes of assumptions	2,618,469	-
Changes in proportion and differences between District contributions and proportionate share of contributions	-	2,641,025
District contributions subsequent to the measurement date	4,519,684	-
Total	$ 11,846,185	$ 2,641,025

$4,519,684 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date will be recognized as a reduction to the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30:	
2024	$ 969,120
2025	711,048
2026	(998,407)
2027	4,003,715
Total	$ 4,685,476

Actuarial assumptions. The total pension liability as of June 30, 2022 was determined by actuarial valuation prepared as of June 30, 2021, and by the investment experience for the fiscal year ending June 30, 2022. The following actuarial assumptions are applied to all periods included in the measurement:

Inflation	2.40 percent
Salary increases	2.65 – 17.90 percent, including inflation
Investment rate of return	7.55 percent, net of pension plan investment

expense, including inflation

Mortality rates for service retirees were based on the PubS.H-2010(B) Retiree Table with the following adjustments: For males, 95% of male rates up to age 60, 110% for ages 61 to 75 and 101% for ages above 77. For females, 84% of female rates up to age 72 and 100% for ages above 76. Mortality rates for disability retirees were based on the PubG.H-2010 Disabled Table adjusted 134% for males and 121% for females. Mortality rates for Contingent Annuitants were based on the PubS.H-2010(B) Contingent Annuitant Table, adjusted 97% for males and 110% for females. Mortality rates will be projected generationally using the MP-2020 projection scale to account for future improvements in life expectancy.

The actuarial assumptions used for the purposes of determining the total pension liability were based on the results of an actuarial experience study for the period July 1, 2016 to June 30, 2020. The experience report is dated April 20, 2021.

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

Asset Class	Target Allocation		Long-Term Expected Real Rate of Return	
Domestic Equity	25.00	%	4.60	%
International Equity	20.00		4.50	
Global Equity	12.00		4.85	
Fixed Income	18.00		1.40	
Real Estate	10.00		3.65	
Private Equity	10.00		6.00	
Private Infrastructure	2.00		4.00	
Private Credit	2.00		4.00	
Cash Equivalents	1.00		(0.10)	
Total	100	%		

Discount rate. The discount rate used to measure the total pension liability was 7.55 percent. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate (9.00%) and that employer contributions will be made at the current contribution rate (17.40%). Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate. The following table presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.55%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.55%) or 1-percentage-point higher (8.55%) than the current rate:

	1% Decrease (6.55%)	Current Discount Rate (7.55%)	1% Increase (8.55%)
District's proportionate share of the net pension liability	$ 96,295,533	$ 73,783,907	$ 55,224,215

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial report.

Note 10 – Other Postemployment Benefits (OPEB)

General Information about the OPEB Plan.

Plan description. State law mandates that all state, public education, library, junior and community college and retiring employees be offered health and life benefit coverage through the State and School Employees' Life and Health Insurance Plan (the Plan). The Plan was established by Section 25-15-3 et seq., Mississippi Code Ann. (1972), which may be amended only by the State Legislature. The State and School Employees' Health Insurance Management Board (the Board) administers the Plan. The Board has the sole legal authority to promulgate rules and regulations governing the operations of the Plan within the confines of the law governing the Plan. The Plan is self-insured and is financed through premiums collected from employers, employees, retirees and COBRA participants. The Plan provides for Other Postemployment Benefits (OPEB) as a multiple-employer defined benefit OPEB plan. The plan issues a publicly available financial report that can be obtained at http://knowyourbenefits.dfa.ms.gov/.

Benefits provided.

The Plan was formed by the State Legislature to provide group health and life benefits to full-time active and retired employees of the State, agencies, universities, community/junior colleges, public school districts and public libraries. In addition, the spouse and/or children of covered employees and retirees, as well as surviving spouses and COBRA participants, may be eligible for health insurance coverage under the Plan. Benefits of the OPEB Plan consist of an implicit rate subsidy, which is essentially the difference between the average cost of providing health care benefits to retirees under age 65 and the average cost of providing health care benefits to all participants when premiums paid by retirees are not age adjusted. Employees' premiums are funded primarily by their employers. Retirees must pay their own premiums, as do active employees for spouse and dependent medical coverage. The Board has the sole authority for setting life and health insurance premiums for the Plan. Per Section 12-15-15 (10) Mississippi Code Ann. (1972), a retired employee electing to purchase retiree life and health insurance must pay the full cost of such insurance premium. If the Board determined actuarially that the premium paid by the participating retirees adversely affects the overall cost of the Plan to the State, then the Board may impose a premium surcharge, not to exceed 15%, upon such participating retired employees who are under the age for Medicare eligibility and who are initially employed before January 1, 2006. For participating retired employees who are under the age for Medicare eligibility and who are initially employed on or after January 1, 2006, the Board may impose a premium surcharge in an amount the Board determined actuarially to cover the full cost of insurance. The Plan offers a Base option and a Select option for health benefits for non-Medicare participants. The Plan includes a separate coverage level for Medicare eligible retirees, Medicare Eligible surviving spouses, and Medicare eligible dependents of retirees and surviving spouses.

Contributions.

The Board has the sole authority for setting life and health insurance premiums for the Plan. The required premiums vary based on the plan selected and the type of participant. Employers pay no premiums for retirees while employees' premiums are funded primarily by their employer. Contributions to the OPEB plan from the District were $128,697 for the year ended June 30, 2023.

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

At June 30, 2023, the District reported a liability of $2,707,021 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The basis for the District's proportion is determined by comparing the employer's average monthly employees participating in the Plan with the total average employees participating in the Plan in the fiscal year of all employers. The allocation was utilized because the level of premiums contributed by each employer is the same for any employee regardless of plan participation elections made by the employee. At the measurement date of June 30, 2022, the District's proportion was .54944373 percent. This was a decrease of .0035 percent from the proportionate share as of the measurement date of June 30, 2021.

For the year ended June 30, 2023, the District recognized OPEB expense of ($471,773). At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

		Deferred Outflows of Resources		Deferred Inflows of Resources
Differences between expected and actual experience	$	2,242	$	1,172,793
Net difference between projected and actual earnings on OPEB plan investments		187		-
Changes of assumptions		422,204		250,634
Changes in proportion and differences between District contributions and proportionate share of contributions		43,048		211,473
District contributions subsequent to the measurement date		128,697		-
Total	$	596,378	$	1,634,900

$128,697 reported as deferred outflows of resources related to OPEB resulting from school district contributions subsequent to the measurement date will be recognized as a reduction to the net OPEB liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ending June 30:		
2024	$	(340,895)
2025		(257,131)
2026		(255,903)
2027		(174,300)
2028		(99,279)
2029		(39,711)
Total	$	(1,167,219)

Actuarial assumptions. The total OPEB liability was determined by an actuarial valuation as of June 30, 2022, using the following key actuarial assumptions and other inputs:

Inflation	2.40 percent
Salary increases	2.65-17.90 percent, including wage inflation
Municipal Bond Index Rate	
Measurement Date	3.37%
Prior Measurement Date	2.13%
Year FNP is projected to be depleted	
Measurement Date	2022
Prior Measurement Date	2021
Single Equivalent Interest Rate, net of OPEB plan investment expense,	

including inflation	
Measurement Date	3.37%
Prior Measurement Date	2.13%
Health Care Cost Trends	
Medicare Supplement Claims	7.00% for 2023 decreasing to an ultimate
Pre-Medicare	rate of 4.50% by 2029 FYE

Mortality rates for service retirees were based on the PubS.H-2010(B) Retiree Table with the following adjustments: For males, 95% of male rates up to age 60, 110% for ages 61 to 75 and 101% for ages above 77. For females, 84% of female rates up to age 72 and 100% for ages above 76. Mortality rates for disability retirees were based on the PubG.H-2010 Disabled Table adjusted 134% for males and 121% for females. Mortality rates for Contingent Annuitants were based on the PubS.H-2010(B) Contingent Annuitant Table, adjusted 97% for males and 110% for females. Mortality rates will be projected generationally using the MP-2020 projection scale to account for future improvements in life expectancy.

The demographic actuarial assumptions used in the June 30, 2022 valuation were based on the results of the last actuarial experience study, dated April 20, 2021.

The remaining actuarial assumptions (e.g., initial per capita costs, health care cost trends, rate of plan participation, rates of plan election, etc.) used in the June 30, 2022 valuation were based on a review of recent plan experience done concurrently with the June 30, 2022 valuation.

The long-term expected rate of return on OPEB plan investments is 4.50%.

Discount rate. The discount rate used to measure the total OPEB liability at June 30, 2022 was 3.37 percent. Since the Prior Measurement Date, the Discount Rate has changed from 2.13% to 3.37%.

The trust was established on June 28, 2018 with an initial contribution of $1,000,000. As of June 30, 2022, the trust has $1,049,208. The fiduciary net position is projected to be depleted immediately, therefore, the Municipal Bond Index Rate is used in the determination of the discount rate for both the June 30, 2021 and the June 30, 2022 total OPEB liability. The discount rate used to measure the total OPEB liability at June 30, 2022 was based on a monthly average of the Bond Buyers General Obligation 20-year Municipal Bond Index Rate.

Sensitivity of the District's proportionate share of the net OPEB liability to changes in the discount rate. The following presents the District's proportionate share of the net OPEB liability, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.37 percent) or 1-percentage-point higher (4.37 percent) than the current discount rate:

	1% Decrease (2.37%)	Current Discount Rate (3.37%)	1% Increase (4.37%)
Net OPEB liability	$ 2,982,117	$ 2,707,021	$ 2,470,717

Sensitivity of the District's proportionate share of the net OPEB liability to changes in the healthcare cost trend rates. The following presents the District's proportionate share of the net OPEB liability, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rates Current	1% Increase
Net OPEB liability	$ 2,518,689	$ 2,707,021	$ 2,918,964

OPEB plan fiduciary net position. Detailed information about the OPEB plan's fiduciary net position is available in a separately issued report that can be found at http://knowyourbenefits.dfa.ms.gov/.

Note 11 – Contingencies

Federal Grants – The school district has received federal grants for specific purposes that are subject to audit by the grantor agencies. Entitlements to these resources are generally conditional upon compliance with the terms and conditions of the grant agreements and applicable federal regulations, including the expenditure of resources for allowable purposes. Any disallowances resulting from the grantor audit may become a liability of the school district.

Litigation – The school district is party to legal proceedings, many of which occur in the normal course of governmental operations. It is not possible at the present time to estimate the outcome or liability, if any, of the school district with respect to the various proceedings. However, the school district's legal counsel believes that ultimate liability resulting from these lawsuits will not have a material adverse effect on the financial condition of the school district.

Note 12– Risk Management

The school district is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The district carries commercial insurance for these risks. Settled claims resulting from these insured risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Note 13 – Prior Period Adjustments

A summary of significant Net Position/Fund Balance adjustments is as follows:

Exhibit B - Statement of Activities

	Explanation		Amount
1.	To adjust beginning balance sheet amounts	$	(199,625)
2.	To balance capital assets to subsidiary ledger		(45,088)
	Total	$	(244,713)

Exhibit D - Statement of Revenues, Expenditures and Changes in Fund Balances

Fund	Explanation		Amount
General Fund	To adjust beginning balance sheet amounts	$	(199,625)
Total		$	(199,625)

Note 14 – Qualified School Construction Bonds

Section 1521 of the American Recovery and Reinvestment Act (ARRA) of 2009 provides for a source of capital at no or at nominal interest rates for costs incurred by certain public schools in connection with the construction, rehabilitation or repair of a public school facility or for the acquisition of land where a school will be built. Investors receive Federal income tax credits at prescribed tax credit rates in lieu of interest, which essentially allows state and local governments to borrow without incurring interest costs. While Qualified School Construction Bonds (QSCBs) are intended to be interest free to a borrower, the ARRA legislation allows a lender to charge supplemental interest, and such supplemental interest is the responsibility of the school district.

When the stated interest rate on the QSCB results in interest payments that exceed the supplemental interest payments discussed in the preceding paragraph, the school district may apply for a direct cash subsidy payment from the U.S. Treasury which is intended to reduce the stated interest rate to a nominal percentage. These subsidy payments do not include the amount of any supplemental interest paid on a QSCB. For the year ended June 30, 2023, the school district received $220,208 in interest rate subsidies.

The school district makes equal annual payments into a sinking fund which is used to pay off the bonds at termination. The current maturity limit of tax credit bonds is 17 years, per the U. S. Treasury Department. Under this program, ten percent of the proceeds must be subject to a binding commitment to be spent within six months of issuance and 100% must be spent within three years. Up to two percent of bond proceeds can be used to pay costs of issuance. The amount on deposit at June 30, 2023 was $3,721,468. The amount accumulated in the sinking fund at the end of the seventeen-year period is expected to be sufficient to retire the debt. The following schedule reports the annual deposits to be made to the sinking fund by the school district.

Year Ending June 30		Amount
2024	$	334,000
Total	$	334,000

Note 15 – Effect of Deferred Amounts on Net Position

The unrestricted net position amount of ($60,078,114) includes the effect of deferring the recognition of expenses resulting from a deferred outflow from pensions. A portion of the deferred outflow of resources related to pension in the amount of $4,519,684 resulting from the Greenville Public School District contribution subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. The $7,326,501 balance of deferred outflow of resources related to pensions, at June 30, 2023 will be recognized as an expense and will decrease the unrestricted net position over the next 4 years.

The unrestricted net position amount of ($60,078,114) includes the effect of deferring the recognition of revenue resulting from a deferred inflow from pensions. The $2,641,025 balance of deferred inflow of resources related to pensions, at June 30, 2023 will be recognized as revenue and will increase the unrestricted net position over the next 3 years.

The unrestricted net position amount of ($60,078,114) includes the effect of deferring the recognition of expenses resulting from a deferred outflow from OPEB. A portion of the deferred outflow of resources related to OPEB in the amount of $128,697 resulting from the Greenville Public School District contribution subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2024. The $467,681 balance of deferred outflow of resources related to OPEB, at June 30, 2023 will be recognized as an expense and will decrease the unrestricted net position over the next 6 years.

The unrestricted net position amount of ($60,078,114) includes the effect of deferring the recognition of revenue resulting from a deferred inflow from OPEB. The $1,634,900 balance of deferred inflow of resources related to OPEB, at June 30, 2023 will be recognized as revenue and will increase the unrestricted net position over the next 6 years.

The unrestricted net position amount of ($60,078,114) includes the effect of deferring the recognition of revenue resulting from a deferred inflow from leases. The $394,289 balance of deferred inflow of resources related to leases, at June 30, 2023 will be recognized as revenue and will increase the unrestricted net position over the next 28 years.

Note 16 - Insurance loss recoveries

The Greenville Public School District received $4,693,614 in insurance loss recoveries related to storm damage during the 2022-2023 fiscal year. In the government-wide Statement of Activities, the insurance loss recoveries were reported as other general revenue.

Note 17 – Vocational School Consortium

The school district entered a Vocational Educational Agreement dated May 8, 1972, creating the Greenville Technical Center, with the Western Line School District. This consortium was created pursuant to the provisions of Section 37-31-73, Miss. Code Ann. (1972), and approved by the Mississippi Department of Education. The consortium includes the Greenville Public School District and the Western Line School District.

Section 37-31-73, Miss. Code Ann. (1972), authorizes the above noted entities to enter into an agreement that would provide for the construction or operation of a regional vocational education center. Any such agreement should provide for a designated fiscal agent, providing the method of financing the construction and operation of such facilities, the manner in which such facilities are to be controlled and staffed and detail procedures for student admission and transportation services for those students.

The Greenville Public School District has been designated as the fiscal agent for the Greenville Technical Center, and the operations of the consortium are included in its financial statements.

The following Statement of Revenues, Expenditures and Changes in Fund Balances is presented to detail the financial activity of the Greenville Technical Center.

Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds
For the Year Ended June 30, 2023

Revenues	
Local sources:	
Ad Valorem taxes	$ 358,915
Tuition from other LEA's within the state:	
Western Line School District	27,000
Total local sources	385,915
State sources	377,613
Federal sources	114,165
Total Revenues	877,693
Expenditures	
Salaries	986,106
Employee benefits	334,527
Other purchased services	38,901
Supplies	21,284
Property	82,092
Other	2,775
Total Expenditures	1,465,685
Excess (Deficiency) of Revenues Over (Under) Expenditures	(587,992)
Other Financing Sources/Uses:	
Transfers in	587,992
Total Other Financing Sources/Uses	587,992
Net Change in Fund Balance	-
Fund Balance:	
July 1, 2022	-
June 30, 2023	$ -

Note 18 - Subsequent Events

Events that occur after the Statement of Net Position date but before the financial statements are available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the Statement of Net Position date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the Statement of Net Position date require disclosure in the accompanying notes. Management of the Greenville Public School District evaluated the activity of the district through June 21, 2024, (the date the financial statements were available to be issued), and determined that the subsequent events have occurred requiring disclosure in the notes to the financial statements:

- On June 27, 2023, the board passed a resolution authorizing the borrowing of up to $9,000,000 in three mill notes payable for fiscal year 2024.

- On September 26, 2023, the board passed a resolution to issue $317,199 in ad valorem shortfall notes payable.

REQUIRED SUPPLEMENTARY INFORMATION

Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variances Positive (Negative)	
	Original	Final	(GAAP Basis)	Original to Final	Final to Actual
Revenues:					
Local sources	$ 10,772,045	$ 11,002,134	$ 10,763,675	$ 230,089	$ (238,459)
State sources	21,401,698	21,388,509	21,381,938	(13,189)	(6,571)
Federal sources	95,000	96,119	40,785	1,119	(55,334)
Sixteenth section sources	223,000	223,000	184,160	-	(38,840)
Total Revenues	32,491,743	32,709,762	32,370,558	218,019	(339,204)
Expenditures:					
Instruction	19,634,412	18,132,202	17,419,489	1,502,210	712,713
Support services	14,607,275	14,795,401	12,717,513	(188,126)	2,077,888
Sixteenth section	13,500	13,500	5,042	-	8,458
Debt service:					
Principal	-	-	254,134	-	(254,134)
Interest	6,000	-	23,920	6,000	(23,920)
Total Expenditures	34,261,187	32,941,103	30,420,098	1,320,084	2,521,005
Excess (Deficiency) of Revenues over (under) Expenditures	(1,769,444)	(231,341)	1,950,460	1,538,103	2,181,801
Other Financing Sources (Uses):					
Operating transfers in	5,489,180	5,346,089	790,778	(143,091)	(4,555,311)
Operating transfers out	(5,302,768)	(5,038,799)	(608,717)	263,969	4,430,082
Total Other Financing Sources (Uses)	186,412	307,290	182,061	120,878	(125,229)
Net Change in Fund Balances	(1,583,032)	75,949	2,132,521	1,658,981	2,056,572
Fund Balances:					
July 1, 2022, as previously reported	8,158,991	8,158,991	8,158,991	-	-
Prior period adjusted	-	-	(199,625)	-	(199,625)
July 1, 2022, as restated	8,158,991	8,158,991	7,959,366	-	(199,625)
Increase (decrease) in reserve for inventory	-	-	(11,255)	-	(11,255)
June 30, 2023	$ 6,575,959	$ 8,234,940	$ 10,080,632	$ 1,658,981	$ 1,845,692

The notes to the required supplementary information are an integral part of this schedule.

GREENVILLE PUBLIC SCHOOL DISTRICT

Required Supplementary Information

Budgetary Comparison Schedule
Title I Fund
For the Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variances Positive (Negative)	
	Original	Final	(GAAP Basis)	Original to Final	Final to Actual
Revenues:					
Local sources	$ -	$ -	$ 20,175	$ -	$ 20,175
Federal sources	6,872,989	7,557,880	4,825,007	684,891	(2,732,873)
Total Revenues	6,872,989	7,557,880	4,845,182	684,891	(2,712,698)
Expenditures:					
Instruction	3,201,896	5,078,852	3,156,678	(1,876,956)	1,922,174
Support services	3,081,869	1,937,176	1,371,143	1,144,693	566,033
Noninstructional services	113,768	131,515	52,077	(17,747)	79,438
Total Expenditures	6,397,533	7,147,543	4,579,898	(750,010)	2,567,645
Excess (Deficiency) of Revenues over (under) Expenditures	475,456	410,337	265,284	(65,119)	(145,053)
Other Financing Sources (Uses):					
Operating transfers out	(475,456)	(410,337)	(265,284)	65,119	145,053
Total Other Financing Sources (Uses)	(475,456)	(410,337)	(265,284)	65,119	145,053
Net Change in Fund Balances	-	-	-	-	-
Fund Balances:					
July 1, 2022	-	-	-	-	-
June 30, 2023	$ -	$ -	$ -	$ -	$ -

The notes to the required supplementary information are an integral part of this schedule.

GREENVILLE PUBLIC SCHOOL DISTRICT

Required Supplementary Information

Budgetary Comparison Schedule
ESSER II Fund
For the Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variances Positive (Negative)	
	Original	Final	(GAAP Basis)	Original to Final	Final to Actual
Revenues:					
Federal sources	$ 17,052,084	$ 13,253,567	$ 5,808,572	$ (3,798,517)	$ (7,444,995)
Total Revenues	17,052,084	13,253,567	5,808,572	(3,798,517)	(7,444,995)
Expenditures:					
Instruction	5,045,360	3,357,020	1,599,358	1,688,340	1,757,662
Support services	3,365,546	2,030,684	537,712	1,334,862	1,492,972
Noninstructional services	644,599	473,560	290,150	171,039	183,410
Facilities acquisition and construction	7,270,007	7,057,922	3,081,352	212,085	3,976,570
Total Expenditures	16,325,512	12,919,186	5,508,572	3,406,326	7,410,614
Excess (Deficiency) of Revenues over (under) Expenditures	726,572	334,381	300,000	(392,191)	(34,381)
Other Financing Sources (Uses):					
Operating transfers out	(726,572)	(334,381)	(300,000)	392,191	34,381
Total Other Financing Sources (Uses)	(726,572)	(334,381)	(300,000)	392,191	34,381
Net Change in Fund Balances	-	-	-	-	-
Fund Balances:					
July 1, 2022	-	-	-	-	-
June 30, 2023	$ -	$ -	$ -	$ -	$ -

The notes to the required supplementary information are an integral part of this schedule.

GREENVILLE PUBLIC SCHOOL DISTRICT

Required Supplementary Information

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

PERS

Last 10 Fiscal Years*

		2023	2022	2021	2020	2019	2018	2017	2016	2015
District's proportion of the net pension liability	%	0.358459	0.36781	0.381188	0.390872	0.4048	0.3951	0.438800	0.470100	0.485100
District's proportionate share of the net pension liability	$	73,783,907	54,363,925	73,793,566	68,762,097	67,330,267	65,679,030	78,380,636	72,668,189	58,878,009
District's covered payroll	$	24,677,460	24,455,615	25,382,425	23,042,517	25,853,410	25,342,660	28,069,194	29,368,476	29,639,956
District's proportionate share of the net pension liability as a percentage of its covered payroll		298.99%	222.30%	290.73%	298.41%	260.43%	259.16%	279.24%	247.44%	198.64%
Plan fiduciary net position as a percentage of the total pension liability		59.93%	70.44%	58.97%	61.59%	62.54%	61.49%	57.47%	61.70%	67.21%

The notes to the required supplementary information are an integral part of this schedule.

* The amounts presented for each fiscal year were determined as of the measurement date of 6/30 of the year prior to the fiscal year presented.

This schedule is presented to illustrate the requirement to show information for 10 years. However, GASB Statement No. 68 was implemented in FYE 6/30/15, and, until a full 10-year trend is compiled, the District has only presented information for the years in which information is available.

GREENVILLE PUBLIC SCHOOL DISTRICT

Required Supplementary Information

SCHEDULE OF DISTRICT CONTRIBUTIONS
PERS
Last 10 Fiscal Years*

		2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	$	4,519,684	4,293,878	4,255,277	4,416,542	4,009,398	4,071,912	3,991,469	4,420,898	4,625,535
Contributions in relation to the contractually required contribution	$	4,519,684	4,293,878	4,255,277	4,416,542	4,009,398	4,071,912	3,991,469	4,420,898	4,625,535
Contribution deficiency (excess)	$	-	-	-	-	-	-	-	-	-
District's covered payroll	$	25,975,195	24,677,460	24,455,615	25,382,425	25,456,495	25,853,410	25,342,660	28,069,194	29,368,476
Contributions as a percentage of covered payroll		17.40%	17.40%	17.40%	17.40%	15.75%	15.75%	15.75%	15.75%	15.75%

The notes to the required supplementary information are an integral part of this schedule.

This schedule is presented to illustrate the requirement to show information for 10 years. However, GASB Statement No. 68 was implemented in FYE 6/30/15, and, until a full 10-year trend is compiled, the District has only presented information for the years in which information is available.

GREENVILLE PUBLIC SCHOOL DISTRICT

Required Supplementary Information

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY

OPEB

Last 10 Fiscal Years*

		2023	2022	2021	2020	2019	2018*
District's proportion of the net OPEB liability	%	0.54944373	0.55290994	0.54501290	0.56408117	0.57486145	0.60533520
District's proportionate share of the net OPEB liability	$	2,707,021	3,558,982	4,241,334	4,786,460	4,446,841	4,749,514
District's covered-employee payroll	$	24,677,460	23,833,070	26,266,112	25,831,680	26,000,592	27,196,046
District's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll		10.97%	14.93%	16.15%	18.53%	17.10%	17.46%
Plan fiduciary net position as a percentage of the total OPEB liability		0.21%	0.16%	0.13%	0.12%	0.13%	0.00%

The notes to the required supplementary information are an integral part of this schedule.

The amounts presented for each fiscal year were determined as of the measurement date of 6/30 of the year prior to the fiscal year presented.

*This schedule is presented to illustrate the requirement to show information for 10 years. However, GASB Statement No. 75 was implemented in FYE 6/30/2018, and, until a full 10-year trend is compiled, the District has only presented information for the years in which information is available.

SCHEDULE OF DISTRICT'S CONTRIBUTIONS
OPEB
Last 10 Fiscal Years*

	2023	2022	2021	2020	2019	2018*
Actuarially determined contribution	$ 128,697	110,317	143,048	169,144	191,856	202,479
Contributions in relation to the actuarially determined contribution	$ 128,697	110,317	143,048	169,144	191,856	202,479
Contribution deficiency (excess)	$ -	-	-	-	-	-
District's covered-employee payroll	$ 25,975,195	24,677,460	23,833,070	23,732,351	25,456,495	25,853,410
Contributions as a percentage of covered-employee payroll	0.50%	0.45%	0.60%	0.71%	0.75%	0.78%

The notes to the required supplementary information are an integral part of this schedule.

*This schedule is presented to illustrate the requirement to show information for 10 years. However, GASB Statement No. 75 was implemented in FYE 6/30/2018, and, until a full 10-year trend is compiled, the District has only presented information for the years in which information is available. Prior year information is based on historical amounts reported in prior year audit report(s).

Notes to Required Supplementary Information

Budgetary Comparison Schedule

(1) Basis of Presentation

The Budgetary Comparison Schedule presents the original legally adopted budget, the final legally adopted budget, the actual data on the GAAP basis, variances between the original budget and the final budget, and variances between the final budget and the actual data.

(2) Budget Amendments and Revisions

The budget is adopted by the school board and filed with the taxing authority. Amendments can be made on the approval of the school board. By statute, final budget revisions must be approved on or before October 15. A budgetary comparison is presented for the General Fund and each major Special Revenue Fund consistent with accounting principles generally accepted in the United States of America.

Pension Schedules

(1) *Changes of assumptions*

2015:

The expectation of retired life mortality was changed to the RP-2014 Healthy Annuitant Blue Collar Table projected to 2016 using Scale BB rather than the RP-2000 Mortality Table, which was used prior to 2015.

The expectation of disabled mortality was changed to the RP-2014 Disabled Retiree Table, rather than the RP-2000 Disabled Mortality Table, which was used prior to 2015.

Withdrawal rates, pre-retirement mortality rates, disability rates and service retirement rates were also adjusted to more closely reflect actual experience.

Assumed rates of salary increase were adjusted to more closely reflect actual and anticipated experience.

The price inflation and investment rate of return assumptions were changed from 3.50% to 3.00% and 8.00% to 7.75%, respectively.

2016:

The assumed rate of interest credited to employee contributions was changed from 3.50% to 2.00%.

2017:

The expectation of retired life mortality was changed to the RP-2014 Healthy Annuitant Blue Collar Mortality Table projected with Scale BB to 2022. Small adjustments were also made to the Mortality Table for disabled lives.

The wage inflation assumption was reduced from 3.75% to 3.25%.

Withdrawal rates, pre-retirement mortality rates, disability rates and service retirement rates were also adjusted to more closely reflect actual experience.

The percentage of active member disabilities assumed to be in the line of duty was increased from 6% to 7%.

2019:

The expectation of retired life mortality was changed to the PubS.H-2010(B) Retiree Table with the following adjustments: for males, 112% of male rates from ages 18 to 75 scaled down to 105% for ages 80 to 119; for females, 85% of the female rates from ages 18 to 65 scaled up to 102% for ages 75 to 119; and projection scale MP-2018 will be used to project future improvements in life expectancy generationally.

The expectation of disabled mortality was changed to PubT.H-2010 Disabled Retiree Table for disabled retirees with the following adjustments: for males, 137% of male rates at all ages; for females, 115% of female rates at all ages; and projection scale MP-2018 will be used to project future improvements in life expectancy generationally.

The price inflation assumption was reduced from 3.00% to 2.75%.

The wage inflation assumption was reduced from 3.25% to 3.00%.

Withdrawal rates, pre-retirement mortality rates, and service retirement rates were also adjusted to more closely reflect actual experience.

The percentage of active member disabilities assumed to be in the line of duty was increased from 7% to 9%.

2021:

The expectation of retired life mortality was changed to the PubS.H-2010(B) Retiree Table with the following adjustments: for males, 95% of male rates up to age 60, 110% for ages 61 to 75, and 101% for ages above 77; for females, 84% of female rates up to age 72, 100% for ages above 76; and projection scale MP-2020 will be used to project future improvements in life expectancy generationally.

The expectation of disabled mortality was changed to PubG.H-2010 Disabled Table for disabled retirees with the following adjustments: for males, 134% of male rates at all ages; for females, 121% of female rates at all ages; and projection scale MP-2020 will be used to project future improvements in life expectancy generationally.

The expectation of contingent annuitant mortality was based on the PubS.H-2010(B) Contingent Annuitant Table with the following adjustments: for males, 97% of male rates at all ages; for females, 110% of female rates at all ages; and projection scale MP-2020 will be used to project future improvements in life expectancy generationally.

The price inflation assumption was reduced from 2.75% to 2.40%.

The wage inflation assumption was reduced from 3.00% to 2.65%.

The investment rate of return assumption was changed from 7.75% to 7.55%.

The assumed load for administrative expenses was increased from 0.25% to 0.28%.

Withdrawal rates, pre-retirement mortality rates, disability rates and service retirement rates were also adjusted to reflect actual experience more closely.

The percentage of active member disabilities assumed to be in the line of duty was increased from 9% to 12%.

The percentage of active member deaths assumed to be in the line of duty was decreased from 6% to 4%.

(2) *Changes in benefit provisions*

2016:

Effective July 1, 2016, the interest rate on employee contributions shall be calculated based on the money market rate as published by the Wall Street Journal on December 31 of each preceding year with a minimum rate of one percent and a maximum rate of five percent.

(3) *Method and assumptions used in calculations of actuarially determined contributions.*
The actuarially determined contribution rates in the schedule of employer contributions are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported (June 30, 2020 valuation for the June 30, 2022 fiscal year end). The following actuarial methods and assumptions were used to determine the most recent contribution rate reported in that schedule:

Actuarial cost method	Entry age
Amortization method	Level percentage of payroll, open
Remaining amortization period	27.7 years
Asset valuation method	5-year smoothed market
Price Inflation	2.75 percent
Salary increase	3.00 percent to 18.25 percent, including inflation
Investment rate of return	7.75 percent, net of pension plan investment expense, including inflation

OPEB Schedules

(1) *Changes of assumptions*

2017: The discount rate was changed from 3.01% for the prior Measurement Date to 3.56% for the current Measurement Date.

2018: The discount rate was changed from 3.56% for the prior Measurement Date to 3.89% for the current Measurement Date.

2019: The discount rate was changed from 3.89% for the prior Measurement Date to 3.50% for the current Measurement Date.

2020: The discount rate was changed from 3.50% for the prior Measurement Date to 2.19% for the current Measurement Date.

2021: The discount rate was changed from 2.19% for the prior Measurement Date to 2.13% for the current Measurement Date.

2022: The discount rate was changed from 2.13% for the prior Measurement Date to 3.37% for the current Measurement Date.

(2) *Changes in benefit provisions*

2017: None

2018: None

2019: None

2020: The schedule of monthly retiree contributions was increased as of January 1, 2021. In addition, the deductibles and coinsurance maximums were increased for the Select coverage and the coinsurance maximums were increased for the Base Coverage beginning January 1, 2021.

2021: The schedule of monthly retiree contributions was increased as of January 1, 2022. In addition, the in-network medical deductible was increased for the Select coverage beginning January 1, 2022.

2022: The schedule of monthly retiree contributions was increased as of January 1, 2023. In addition, the in-network medical deductible was increased for the Select coverage beginning January 1, 2023.

(3) *Methods and assumptions used in calculations of Actuarially Determined Contributions.* The Actuarially Determined Contributions rates, as a percentage of payroll, used to determine the Actuarially Determined Contribution amounts in the Schedule of Employer Contributions are calculated as of the most recent Valuation Date. The following actuarial methods and assumptions (from the June 30, 2021 actuarial valuation) were used to determine contribution rates reported in that schedule for the year ending June 30, 2022:

Actuarial cost method	Entry age
Amortization method	Level dollar
Amortization period	30 years, open
Asset valuation method	Market Value of Assets
Price inflation	2.75%
Salary increases, including wage inflation	3.00% to 18.25%
Initial health care cost trend rates	
Medicare Supplement Claims Pre-Medicare	6.50%
Ultimate health care cost trend rates	
Medicare Supplement Claims Pre-Medicare	4.75%
Year of ultimate trend rates	
Medicare Supplement Claims Pre-Medicare	2030
Long-term investment rate of return, net of OPEB plan investment expense, including price inflation	2.13%

SUPPLEMENTARY INFORMATION

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2023

Federal Grantor/Pass-through Grantor/Program Title	Federal Assistance Listing No.	Pass-through Entity Identifying Number	Federal Expenditures
U.S. Department of Agriculture			
Passed-through Mississippi Department of Education:			
Child nutrition cluster:			
National school lunch program	10.555	235MS326N1099	$ 3,569,203
Summer food service program for children	10.559	235MS326N1099	41,854
Total child nutrition cluster			3,611,057
Total passed-through Mississippi Department of Education			3,611,057
Total U.S. Department of Agriculture			3,611,057
U.S. Department of Education			
Passed-through Mississippi Department of Education:			
Title I grants to local educational agencies	84.010	S010A190024 S010A200024 S010A210024 S010A220024	5,094,685
Career and technical education - basic grants to states	84.048	VO048A210024	114,165
Rural Education	84.358	S358A200024 S358A210024 S358A220024	119,532
Supporting Effective Instruction State Grants	84.367	S367A190023 S367A200023 S367A210023 S367A220023	223,237
Student Support and Academic Enrichment	84.424	S424A190025 S424A200025 S424A210025 S424A220025	136,137
Subtotal			5,687,756
Elementary and Secondary School Emergency Relief I	84.425D	S425D200031	229,379
Elementary and Secondary School Emergency Relief II	84.425D	S425D210031	5,808,572
Elementary & Secondary School Emergency Relief Fund ARP III	84.425U	S425U210031	1,454,594
COVID-19 - Education Stabilization Fund (ESSER) Subtotal			7,492,545

Continued on the next page

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2023

Federal Grantor/Pass-through Grantor/Program Title	Federal Assistance Listing No.	Pass-through Entity Identifying Number	Federal Expenditures
Special education cluster:			
Special education - grants to states	84.027	H027A200108 H027A210108 H027A220108	1,551,004
IDEA, Part B ARP Grants	84.027x	H027X210108	82,136
Subtotal			1,633,140
Special education - preschool grants	84.173	H173A200113 H173A210113 H173A220113	49,349
IDEA Part B, Preschool ARP Grants	84.173x	H173X210113	17,576
Subtotal			66,925
Total special education cluster			1,700,065
Total passed-through Mississippi Department of Education			14,880,366
Total U.S. Department of Education			14,880,366
U.S. Department of Health and Human Services			
Passed-through the Mississippi Department of Education:			
Medicaid Cluster:			
Medical assistance program	93.778	2105MS5ADM	5,113
Total passed-through Mississippi Department of Education			5,113
Total U.S. Department of Health and Human Services			5,113
Total for All Federal Awards			$ 18,496,536

The notes to the Supplementary Information are an integral part of this schedule.

Notes to the Supplementary Information
For the Year Ended June 30, 2023

Schedule of Expenditures of Federal Awards

(1) Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of the Greenville Public School District under programs of the federal government for the year ended June 30, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Greenville Public School District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Greenville Public School District.

(2) Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

(3) Indirect Cost Rate

The Greenville Public School District has not elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

(4) Noncash Awards

Donated commodities of $341,265 are included in the National School Lunch Program.

GREENVILLE PUBLIC SCHOOL DISTRICT

Supplementary Information

Schedule of Instructional, Administrative and Other Expenditures - Governmental Funds
For the Year Ended June 30, 2023

Expenditures		Total	Instruction and Other Student Instructional Expenditures	General Administration	School Administration	Other
Salaries and fringe benefits	$	35,759,738	26,778,731	1,510,664	2,323,177	5,147,166
Other		15,290,578	3,748,126	1,641,938	18,483	9,882,031
Total	$	51,050,316	30,526,857	3,152,602	2,341,660	15,029,197
Total number of students *		3,492				
Cost per student	$	14,619	8,741	903	671	4,304

For purposes of this schedule, the following columnar descriptions are applicable:

Instruction and Other Student Instructional Expenditures - includes the activities dealing directly with the interaction between teachers and students. Included here are the activities of teachers, teachers aides or classroom assistants of any type.

General Administration - includes expenditures for the following functions: Support Services - General Administration and Support Services - Business.

School Administration - includes expenditures for the following function: Support Services - School Administration.

Other - includes all expenditure functions not included in Instruction or Administration Categories.

* includes the number of students reported on the ADA report submission for month 9, which is the final submission for the fiscal year

OTHER INFORMATION

GREENVILLE PUBLIC SCHOOL DISTRICT

Other Information

Statement of Revenues, Expenditures and Changes in Fund Balances
General Fund
Last Four Years
UNAUDITED

	2023	2022*	2021*	2020*
Revenues:				
Local sources	$ 10,763,675	$ 10,428,119	$ 10,770,821	$ 9,444,664
State sources	21,381,938	20,905,336	20,650,251	22,087,595
Federal sources	40,785	185,824	86,974	48,286
Sixteenth section sources	184,160	144,144	49,664	131,974
Total Revenues	32,370,558	31,663,423	31,557,710	31,712,519
Expenditures:				
Instruction	17,419,489	16,305,141	16,558,011	17,821,680
Support services	12,717,513	13,315,848	13,659,230	13,995,719
Sixteenth section	5,042	-	12,799	7,577
Debt service:				
Principal	254,134	479,193	112,870	109,903
Interest	23,920	47,367	6,177	9,145
Other	-	-	5,249	-
Total Expenditures	30,420,098	30,147,549	30,354,336	31,944,024
Excess (Deficiency) of Revenues over (under) Expenditures	1,950,460	1,515,874	1,203,374	(231,505)
Other Financing Sources (Uses):				
Bonds and notes issued	-	576,810	-	-
Insurance recovery	-	-	1,177	21,000
Leases issued	-	71,177	-	-
Operating transfers in	790,778	898,498	277,769	336,931
Other financing sources	-	6,977	-	-
Operating transfers out	(608,717)	(400,037)	(542,278)	(395,718)
Total Other Financing Sources (Uses)	182,061	1,153,425	(263,332)	(37,787)
Net Change in Fund Balances	2,132,521	2,669,299	940,042	(269,292)
Fund Balances:				
Beginning of period, as previously reported	8,158,991	4,642,876	4,661,970	4,931,262
Prior period adjustments	(199,625)	848,644	(957,395)	-
Beginning of period, as restated	7,959,366	5,491,520	3,704,575	4,931,262
Increase (Decrease) in inventory	(11,255)	(1,828)	(1,741)	
End of Period	$ 10,080,632	$ 8,158,991	$ 4,642,876	$ 4,661,970

*SOURCE - PRIOR YEAR AUDIT REPORTS

GREENVILLE PUBLIC SCHOOL DISTRICT

Other Information

Statement of Revenues, Expenditures and Changes in Fund Balances
All Governmental Funds
Last Four Years
UNAUDITED

	2023	2022*	2021*	2020*
Revenues:				
Local sources	$ 11,963,492	$ 11,666,566	$ 11,141,227	$ 10,383,814
State sources	22,151,115	21,610,251	21,571,445	23,193,883
Federal sources	18,752,416	16,218,063	13,567,345	9,887,190
Sixteenth section sources	184,160	144,144	49,664	131,974
Total Revenues	53,051,183	49,639,024	46,329,681	43,596,861
Expenditures:				
Instruction	25,785,862	22,220,898	24,123,163	22,771,592
Support services	17,301,397	19,573,995	19,221,085	19,728,902
Noninstructional services	3,355,395	3,314,722	1,627,349	2,638,157
Sixteenth section	5,042	-	14,049	7,577
Facilities acquisition and construction	3,991,328	87,593	-	-
Debt service:				
Principal	363,962	1,979,193	112,870	109,903
Interest	244,080	338,253	241,948	253,826
Other	3,250	6,500	5,249	-
Total Expenditures	51,050,316	47,521,154	45,345,713	45,509,957
Excess (Deficiency) of Revenues over (under) Expenditures	2,000,867	2,117,870	983,968	(1,913,096)
Other Financing Sources (Uses):				
Bonds and notes issued	-	576,810	-	-
Leases issued	-	71,177	-	-
Insurance recovery	4,693,614	-	1,177	3,656,847
Payment held by QSCB escrow agent	246,202	391,647	472,364	472,364
Payment to QSCB debt escrow agent	(246,202)	(391,647)	(472,364)	(472,364)
Operating transfers in	1,642,105	1,782,565	2,210,173	794,272
Other financing sources	-	10,823	-	-
Operating transfers out	(1,642,105)	(1,782,565)	(2,210,173)	(794,272)
Other financing uses	-	(4,119)	-	-
Total Other Financing Sources (Uses)	4,693,614	654,691	1,177	3,656,847
Net Change in Fund Balances	6,694,481	2,772,561	985,145	1,743,751
Fund Balances:				
Beginning of period, as previously reported	17,360,430	13,331,066	13,348,518	11,530,552
Prior period adjustments	(199,625)	1,291,055	(1,017,342)	-
Beginning of period, as restated	17,160,805	14,622,121	12,331,176	11,530,552
Increase (Decrease) in reserve for inventory	(23,135)	(34,252)	14,745	74,215
End of Period	$ 23,832,151	$ 17,360,430	$ 13,331,066	$ 13,348,518

*SOURCE - PRIOR YEAR AUDIT REPORTS

REPORTS ON INTERNAL CONTROL AND COMPLIANCE

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

Superintendent and School Board
Greenville Public School District

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Greenville Public School District, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Greenville Public School District's basic financial statements, and have issued our report thereon dated June 21, 2024.

Report on Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and therefore, material weaknesses and significant weaknesses may exist that were not identified. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2023-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

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

We noted certain matters that we reported to the management of Greenville Public School District in the Independent Auditor's Report on Compliance with State Laws and Regulations dated June 21, 2024, which is included within this document.

Greenville Public School District's Response to Finding

Government Auditing Standards requires the auditor to perform limited procedures on the Greenville Public School District's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. Greenville Public School District's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of This Report

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

Cunningham CPAs

Cunningham CPAs, PLLC

Belzoni, MS

June 21, 2024

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

Superintendent and School Board
Greenville Public School District

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Greenville Public School District's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Greenville Public School District's major federal programs for the year ended June 30, 2023. Greenville Public School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Greenville Public School District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control over Compliance

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

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

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

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

Cunningham CPAs

Cunningham CPAs, PLLC
Belzoni, MS
June 21, 2024

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH STATE LAWS AND REGULATIONS

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INDEPENDENT AUDITOR'S REPORT
ON COMPLIANCE WITH STATE LAWS AND REGULATIONS

Superintendent and School Board
Greenville Public School District

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Greenville Public School District as of and for the year ended June 30, 2023, which collectively comprise Greenville Public School District's basic financial statements and have issued our report thereon dated June 21, 2024. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States.

Section 37-9-18(3)(a), Miss. Code Ann. (1972), states in part, "the auditor shall test to insure that the school district is complying with the requirements of Section 37-61-33(3)(a)(iii), Miss. Code Ann. (1972), relating to classroom supply funds." As required by the state legal compliance audit program prescribed by the Office of the State Auditor, we have also performed procedures to test compliance with certain other state laws and regulations. However, providing an opinion on compliance with all state laws and regulations was not an objective of our audit and, accordingly, we do not express such an opinion.

The results of our procedures performed to test compliance with the requirements of Section 37-61-33(3)(a)(iii), Miss. Code Ann. (1972), disclosed no instances of noncompliance.

Section 37-9-18(3)(b), Miss. Code Ann. (1972), states in part, "the auditor shall test to insure correct and appropriate coding at the function level. The audit must include a report showing the correct and appropriate functional level expenditure codes in expenditures by the school district."

The results of our procedures performed to test compliance with the requirements of Section 37-9-18(3)(b), Miss. Code Ann. (1972), disclosed no instances of noncompliance related to incorrect or inappropriate functional level expenditure coding.

As required by the state legal compliance audit program prescribed by the Office of the State Auditor, we have also performed procedures to test compliance with certain other state laws and regulations. However, providing an opinion on compliance with all state laws and regulations was not an objective of our audit and, accordingly, we do not express such an opinion.

The results of procedures performed to test compliance with certain other state laws and regulations disclosed the following instances of noncompliance with other state laws and regulations. Our findings and recommendations and your responses are as follows:

Finding 1 Surety Bonds

During our testing of surety bonds, it does not appear that the district has a bond in place for all required individuals and or positions, including for all employees that handle cash in the regular course of their duties. In addition, the bonds that the district did have in place were not filed with the chancery clerk until the last month of the fiscal year.

Recommendation

We recommend the district put procedures in place to ensure compliance with all relevant laws and regulations related to surety bonds.

School District's Response

We will put procedures in place to ensure compliance with all relevant surety bond laws and regulations.

Finding 2 Sixteenth Section Shared Revenues

During our testing of sixteenth section revenue, the district was unable to provide evidence that the required child count letters were sent to district's that share a section. In addition, it does not appear that fiscal year 2023 sixteenth section revenues were shared with other districts, as required.

Recommendation

We recommend the district put procedures in place to ensure compliance with all relevant laws and regulations related to sixteenth section revenues.

School District's Response

We will put procedures in place to ensure compliance with all relevant sixteenth section laws and regulations.

Finding 3 Purchasing

During our testing of 79 invoices for compliance with state purchasing laws, the district failed to provide evidence that it obtained a required second quote for 3 purchases orders.

Recommendation

We recommend the district put procedures in place to ensure compliance with all relevant laws and regulations related to purchasing laws and regulations.

School District's Response

We will put procedures in place to ensure compliance with all relevant purchasing laws and regulations.

Finding 4 Ad Valorem Shortfall

During our testing of the limitations related to ad valorem taxes, we noted the district declared an ad valorem shortfall of $317,199. Based on our calculations, it appears the district's shortfall was overstated by $77,435. This error, however, did not subsequently result in a tax escrow.

Recommendation

We recommend the district put procedures in place to ensure compliance with all relevant laws and regulations related to ad valorem laws tax and regulations.

School District's Response

We will put procedures in place to ensure compliance with all relevant ad valorem tax laws and regulations.

The Office of the State Auditor or a public accounting firm will review, on the subsequent year's audit engagement, the findings in this report to ensure that corrective action has been taken.

The Greenville Public School District's responses to the findings included in this report were not audited and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of the school board and management, entities with accreditation overview, and federal awarding agencies, the Office of the State Auditor and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

Cunningham CPAs

Cunningham CPAs, PLLC

Belzoni, Mississippi

June 21, 2024

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

GREENVILLE PUBLIC SCHOOL DISTRICT

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2023

Section I: Summary of Auditor's Results

Financial Statements:

1. Type of auditor's report issued: Unmodified

2. Internal control over financial reporting:
   a. Material weakness(es) identified? Yes
   b. Significant deficiency(ies) identified? None reported

3. Noncompliance material to financial statements noted? No

Federal Awards:

4. Internal control over major programs:
   a. Material weakness(es) identified? No
   b. Significant deficiency(ies) identified? None reported

5. Type of auditor's report issued on compliance for major programs: Unmodified

6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? No

7. Identification of major programs:

ALNs	Name of Federal Program or Cluster
84.425D	COVID-19 – Elementary and Secondary School Emergency Relief I & II (ESSER)
84.425U	COVID-19 – Elementary and Secondary School Emergency Relief ARP III (ESSER)
84.010	Title I grants to local educational agencies
Special Education Cluster:	
84.027	Special Education – grants to states
84.027x	IDEA, Part B ARP Grant
84.173	Special Education – preschool grants
84.173x	IDEA, Part B Preschool ARP Grant
Child Nutrition Cluster:	
10.555	National School Lunch Program
10.559	Summer Food Service Program For Children

8. Dollar threshold used to distinguish between type A and type B programs: $750,000

9. Auditee qualified as low-risk auditee? No

10. Prior fiscal year audit findings(s) and questioned costs which would require the auditee to prepare a summary schedule of prior audit findings in accordance with 2CFR 200.511(b). Yes

Section II: Financial Statement Findings

Material Weakness:

Finding 2023-001:

CRITERIA: Management is responsible for establishing an internal control system that ensures strong financial accountability and safeguarding of assets. A critical aspect of financial management is the maintenance of accurate accounting records. This includes maintenance of accurate accounting records and following the proper purchasing procedures.

CONDITION:

(1) During our testing of the cutoff surrounding accounts payable, we noted errors requiring audit adjustments of $592,421.

(2) During our testing of capital assets, we noted material errors in inputting asset costs. We also noted asset purchases that the district failed to include on its capital asset subsidiary ledger. In addition, we noted the district is not properly maintaining the subsidiary ledger and reconciling the asset ledger to the general ledger and other underlying accounting records.

CAUSE OF CONDITION: The cause is a result of not properly implementing a designed system of accounting and internal controls.

EFFECT OF CONDITION: The effect of this condition could result in the financial statements being materially misstated and an increased risk of misappropriation of assets.

RECOMMENDATION: It is recommended that the district implement policies or procedures to establish an internal control system that will ensure strong financial accountability, proper safeguarding of assets, and accurate accounting records.

VIEWS OF RESPONSIBLE OFFICIALS: Management will implement policies or procedures to establish an internal control system that will ensure strong financial accountability, proper safeguarding of assets, and accurate accounting records.

Section III: Federal Award Findings and Questioned Costs

The results of our tests did not disclose any findings and questioned costs related to the federal awards.

Greenville Public School District
Waukesah Townsend, Business Manager
412 South Main Street / P. O. Box 1619
Greenville, Mississippi 38702 *Phone:* 662-334-7010 *Email:* wtownsend@gville.k12.ms.us

AUDITEE'S CORRECTIVE ACTION PLAN

As required by 2 CFR 200.511, the Greenville Public School District has prepared and hereby submits the following corrective action plan for the findings included in the Schedule of Findings and Questioned Costs for the year ended June 30, 2023:

Finding	Correction Action Plan Details
2023-001	a. Name of Contact Person Responsible for Corrective Action: Waukesah Townsend – Business Manager b. Corrective Action Planned: We will implement policies or procedures to establish an internal control system that will ensure strong financial accountability and accurate accounting records, including the proper tracking and accounting for capital assets and accruing expenditures at year-end. c. Anticipated Completion Date: Immediately.

SUMMARY OF PRIOR AUDIT FINDINGS

As required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost principles, and Audit Requirements for Federal Awards (UG), the Greenville Public School District has prepared and hereby submits the following summary of prior audit findings for the year ended June 30, 2023:

Finding	Status
2022-001	Repeated as 2023-001
2022-002	Corrected
2022-003	Corrected