

GREENSVILLE COUNTY SCHOOL BOARD

(A Component Unit of the County of Greenville, Virginia)

FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2025

Greensville County School Board
(A Component Unit of the County of Greensville, Virginia)

School Board

Rustin Jessee, Chairman

Ronnell Pearson, Vice-Chairman

Janet P. Roberts

Bessie Reed-Moore

Acting Superintendent of Schools

Dr. Yardley Farquharson

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Independent Auditors' Report

To the Honorable Members of
Greensville County School Board
Emporia, Virginia

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of the School Board of Greensville County, a component unit of the County of Greensville, Virginia, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and each major fund of the School Board of Greensville County, Virginia, as of and for the year ended June 30, 2025, 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; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Specifications for Audits of Counties, Cities, and Towns*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the School Board of Greensville County, Virginia, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Change in Accounting Principle

As described in Note 22 to the financial statements, in 2025, the School Board adopted new accounting guidance, GASB Statement No. 101, *Compensated Absences*. Our opinions are not modified with respect to this matter.

Restatement of Beginning Balances

As described in Note 21 to the financial statements, in 2025, the School Board restated beginning balances to reflect the requirements of GASB Statement No. 101. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the School Board of Greensville County, Virginia'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.

Auditors' 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 auditors' 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, *Government Auditing Standards*, and the *Specifications for Audits of Counties, Cities, and Towns* 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, *Government Auditing Standards*, and the *Specifications for Audits of Counties, Cities, and Towns*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School Board of Greensville County, Virginia's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the School Board of Greensville County, Virginia'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, and schedules related to pension and OPEB funding as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The budgetary comparison information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School Board of Greensville County, Virginia's basic financial statements. The accompanying supporting schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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 supporting schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2025, on our consideration of the School Board of Greensville County, Virginia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School Board of Greensville County, Virginia's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Board of Greensville County, Virginia's internal control over financial reporting and compliance.

Robinson, Farmer, Cox Associates

Charlottesville, Virginia
December 15, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Greensville County School Board (a component unit of the County of Greensville, Virginia), we offer this narrative overview and analysis of the financial performance and overview of the School Board's financial activities for the fiscal year ended June 30, 2025. We encourage readers to consider the information presented herein in connection with the School Board's basic financial statements.

Financial Highlights for FY2025

The assets and deferred outflows of resources of the School Board exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$7,350,477.

The School Board's net position increased \$3,269,778 for the current year, largely due to earnings on net pension assets.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the School Board's basic financial statements. The School Board's basic financial statements are comprised of three components:

1. Government-wide financial statements,
2. Fund financial statements, and
3. Notes to financial statements.

This report also contains required and other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements - The government-wide financial statements are designed to provide readers with a broad overview of the School Board's finances, in a manner like a private-sector business.

The statement of net position presents information on all School Board assets and deferred outflows of resources as well as liabilities and deferred inflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the School Board is improving or deteriorating.

The statement of activities presents information showing how the School Board'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 the statement for some items that will only result in cash flows in future fiscal periods.

Both government-wide financial statements distinguish functions of the School Board that are principally supported by intergovernmental revenues. The governmental activities of the School Board are items relating to the education of children.

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. Greensville County School Board, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The School Board has only governmental funds.

Overview of the Financial Statements (Continued)

Governmental funds - Governmental funds are used to account for essentially the same functions or services reported as governmental activities in government-wide financial statements. Whereas the government-wide financial statements are prepared on the accrual basis of accounting, the governmental fund financial statements are prepared on the modified accrual basis of accounting. The focus of modified accrual reporting is on near-term inflows and outflows of financial resources and the balance of financial resources available at the end of the fiscal year. Since the governmental funds focus is narrower than that of the government-wide financial statements a reconciliation between the two methods is provided on Exhibit 4. The School Board has four major governmental funds - the General Fund, the Capital Projects Fund, the School Cafeteria Fund, and the School Activity Fund.

Notes to 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.

Other information - In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information for budgetary comparison schedules and pension and OPEB funding progress as well as other supplementary information for supporting schedules.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a board's financial position. Assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$7,350,477 at the close of the most recent fiscal year.

Financial Analysis of the School Board as a Whole

Two years of information are presented to provide a comparative analysis of government-wide information.

Statement of Net Position

The following table reflects the condensed Statements of Net Position:

	<u>2025</u>	<u>2024</u>
Current and other assets	\$ 8,138,630	\$ 9,424,388
Capital assets	18,390,573	17,207,861
Total assets	<u>\$ 26,529,203</u>	<u>\$ 26,632,249</u>
Deferred outflows of resources	<u>\$ 5,922,871</u>	<u>\$ 5,550,674</u>
Current liabilities	\$ 3,489,414	\$ 6,377,560
Long-term liabilities	18,076,345	18,744,908
Total liabilities	<u>\$ 21,565,759</u>	<u>\$ 25,122,468</u>
Deferred inflows of resources	<u>\$ 3,535,838</u>	<u>\$ 2,882,797</u>
Net position:		
Net investment in capital assets	\$ 17,514,250	\$ 17,049,894
Restricted - pension plan	1,024,410	608,206
Unrestricted (deficit)	(11,188,183)	(13,480,442)
Total net position	<u>\$ 7,350,477</u>	<u>\$ 4,177,658</u>

The School Board's combined net position increased \$3,269,778 during the year.

Statement of Net Position (Continued)

At the end of the current fiscal year, the School Board can report a positive balance in the net investment in capital assets and a negative unrestricted net position, generated by the net pension liability for professional employees and OPEB liabilities. The School Board also reports restricted net position of \$1,024,410 related to the pension plan for nonprofessional employees.

The following table shows the revenues and expenses of the School Board for the past two fiscal years:

Changes in Net Position		
For the Year Ended June 30, 2025 and 2024		
	Governmental Activities	
	2025	2024
Revenues:		
Program revenues:		
Charges for services	\$ 5,040,992	\$ 4,483,957
Operating grants and contributions	18,107,800	18,810,327
Capital grants and contributions	980,272	673,371
General revenues:		
Basic aid	8,457,308	7,566,502
State sales tax	2,915,108	2,764,437
Payment from Greenville County	6,369,940	6,704,461
Other	521,354	703,161
Total revenues	<u>\$ 42,392,774</u>	<u>\$ 41,706,216</u>
Expenses:		
Instruction	\$ 29,904,417	\$ 30,914,216
Administration, Attendance & Health	1,778,659	1,340,338
Pupil Transportation Services	2,009,775	1,983,738
Operation & Maintenance Services	3,615,281	3,245,268
School Food Service	1,810,836	1,924,750
Interest and other charges on long-term debt	4,028	5,967
Total expenses	<u>\$ 39,122,996</u>	<u>\$ 39,414,277</u>
Increase (decrease) in net position	<u>\$ 3,269,778</u>	<u>\$ 2,291,939</u>
Net position - beginning (deficit), as originally reported	\$ 4,177,658	\$ 1,885,719
Restatement for change in accounting principle	<u>(96,959)</u>	<u>-</u>
Net position, -beginning (deficit), as restated	<u>\$ 4,080,699</u>	<u>\$ -</u>
Net position - ending	<u><u>\$ 7,350,477</u></u>	<u><u>\$ 4,177,658</u></u>

For the most part, the increases in expenditures closely paralleled inflation and growth in the demand for services.

Greenville County School Board's investment in capital assets as of June 30, 2025 and 2024 amounts to \$18,390,573 and \$17,207,861 (net of accumulated depreciation), respectively. Below is a list of the items that make up capital assets as of June 30, 2025 and 2024.

Statement of Net Position (Continued)

	<u>2025</u>	<u>2024</u>
Land	\$ 437,775	\$ 437,775
Buildings and improvements (net)	15,112,791	14,518,349
Lease building (net)	790,205	-
Machinery & equipment (net)	<u>2,049,802</u>	<u>2,251,737</u>
Total capital assets	<u>\$ 18,390,573</u>	<u>\$ 17,207,861</u>

See Note 5 for more information.

Greensville County School Board's long-term obligations as of June 30, 2025 and 2024 amount to \$18,076,345 and \$18,841,867, respectively. Below is a list of the items that make up long term obligations.

	<u>Outstanding Long-term Obligations</u>	
	<u>2025</u>	<u>2024</u>
Net OPEB liabilities	\$ 3,003,427	\$ 3,288,676
Financed Purchases	79,978	157,967
Lease liability	796,345	-
Compensated absences*	279,526	96,959
Net pension liability	<u>13,917,069</u>	<u>15,298,265</u>
Total	<u>\$ 18,076,345</u>	<u>\$ 18,841,867</u>

*Compensated absences reflect restated balances as a result of GASB 101 implementation.

See Note 7 for more information.

Economic Factors and Review of Operations

Greensville County School Board is an organization dedicated to educating the youth of Greensville County and the City of Emporia, Virginia. The School Board is governed by a 6-member board, appointed by the School Board of Supervisors of Greensville County, Virginia and the City Council of the City of Emporia, Virginia. Greensville County appoints four of the six members, while the City of Emporia appoints the other two.

There was no cost agreement in place for the year ended June 30, 2025. Net local costs are based on student ADM. For the year ended June 30, 2025, the School Board had local costs of \$10,650,355. The local costs were allocated as follows:

	<u>Local</u>
County of Greensville, Virginia	\$ 5,936,172
City of Emporia, Virginia	<u>4,714,183</u>
Total Local Costs	<u>\$ 10,650,355</u>

These amounts do not agree with the amounts reported in the financial statements due to the difference in the budgeted and actual debt payment transfers.

See Note 6 for more information.

Contacting the School Board's Financial Management

This financial report is designed to provide a general overview of the School Board's finances for all those with an interest in the School Board's finances. Questions concerning any of the information provided in the report or requests for additional financial information should be directed to the Finance Director, Greensville County School Board, 105 Ruffin Street, Emporia, VA 23847.

BASIC FINANCIAL STATEMENTS

- *Government-wide Financial Statements* -

GREENSVILLE COUNTY SCHOOL BOARD
(A COMPONENT UNIT OF THE COUNTY OF GREENSVILLE, VIRGINIA)

Exhibit 1

Statement of Net Position
June 30, 2025

	<u>Governmental Activities</u>
ASSETS	
Cash and cash equivalents	\$ 2,216,800
Due from other governmental units	982,284
Due from primary government	2,634,810
Prepaid items	188,391
Due from city of Emporia	163,087
Restricted assets:	
Temporarily restricted:	
Cash and cash equivalents	928,848
Net pension asset	1,024,410
Capital assets (net of accumulated depreciation):	
Land	437,775
Buildings and improvements	15,112,791
Lease building	790,205
Machinery and equipment	<u>2,049,802</u>
Total assets	<u>\$ 26,529,203</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pension related items	\$ 5,260,072
OPEB related items	<u>662,799</u>
Total deferred outflows of resources	<u>\$ 5,922,871</u>
LIABILITIES	
Accounts payable	\$ 64,264
Accrued liabilities	1,323,389
Unearned revenue	1,601,761
Long-term advance	500,000
Long-term liabilities:	
Due within one year	175,074
Due in more than one year	<u>17,901,271</u>
Total liabilities	<u>\$ 21,565,759</u>
DEFERRED INFLOWS OF RESOURCES	
Pension related items	\$ 3,017,871
OPEB related items	<u>517,967</u>
Total deferred inflows of resources	<u>\$ 3,535,838</u>
NET POSITION	
Net investment in capital assets	\$ 17,514,250
Restricted for:	
Pension plans	1,024,410
Unrestricted (deficit)	<u>(11,188,183)</u>
Total net position	<u>\$ 7,350,477</u>

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

GREENSVILLE COUNTY SCHOOL BOARD
(A COMPONENT UNIT OF THE COUNTY OF GREENSVILLE, VIRGINIA)

Exhibit 2

Statement of Activities
For the Year Ended June 30, 2025

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
					Governmental Activities
Governmental activities:					
Instruction	\$ 29,904,746	\$ 4,912,827	\$ 16,134,849	\$ -	\$ (8,857,070)
Administration, attendance and health	1,778,594	-	8,389	-	(1,770,205)
Pupil transportation services	2,009,707	-	8,686	-	(2,001,021)
Operation and maintenance services	3,615,150	-	16,800	980,272	(2,618,078)
School food service	1,810,771	128,165	1,939,075	-	256,469
Interest on long-term debt	4,028	-	-	-	(4,028)
Total governmental activities	\$ 39,122,996	\$ 5,040,992	\$ 18,107,800	\$ 980,272	\$ (14,993,932)
General revenues:					
Basic aid					\$ 8,457,308
State sales tax					2,915,108
Miscellaneous					521,354
Payment from County of Greenville					6,369,940
Total general revenues					\$ 18,263,710
Change in net position					\$ 3,269,778
Net position - beginning of year, as originally reported					\$ 4,177,658
Restatement for change in accounting principle					(96,959)
Net position, beginning of year, as restated					\$ 4,080,699
Net position - ending					\$ 7,350,477

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

BASIC FINANCIAL STATEMENTS

- Fund Financial Statements -

GREENSVILLE COUNTY SCHOOL BOARD
(A COMPONENT UNIT OF THE COUNTY OF GREENSVILLE, VIRGINIA)

Exhibit 3

Balance Sheet
 Governmental Funds
 June 30, 2025

	<u>General</u>	<u>School Cafeteria</u>	<u>School Capital Projects</u>	<u>School Activity Fund</u>	<u>Total</u>
ASSETS					
Cash and cash equivalents	\$ -	\$ 1,154,579	\$ 2,633,087	\$ 80,633	\$ 3,868,299
Due from other funds	-	-	271,949	-	271,949
Due from primary government	2,634,810	-	-	-	2,634,810
Due from City of Emporia	163,087	-	-	-	163,087
Due from other governmental units	824,813	157,471	-	-	982,284
Prepaid items	188,391	-	-	-	188,391
Restricted assets:					
Cash and cash equivalents	928,848	-	-	-	928,848
Total assets	<u>\$ 4,739,949</u>	<u>\$ 1,312,050</u>	<u>\$ 2,905,036</u>	<u>\$ 80,633</u>	<u>\$ 9,037,668</u>
LIABILITIES					
Accounts payable	\$ 64,264	\$ -	\$ -	\$ -	\$ 64,264
Accrued liabilities	1,323,389	-	-	-	1,323,389
Reconciled overdraft payable	1,651,499	-	-	-	1,651,499
Unearned revenue	928,848	-	672,913	-	1,601,761
Due to other funds	271,949	-	-	-	271,949
Long term advance	500,000	-	-	-	500,000
Total liabilities	<u>\$ 4,739,949</u>	<u>\$ -</u>	<u>\$ 672,913</u>	<u>\$ -</u>	<u>\$ 5,412,862</u>
FUND BALANCE					
Nonspendable:					
Prepaid items	\$ 188,391	\$ -	\$ -	\$ -	\$ 188,391
Restricted:					
Capital projects - various projects	-	-	2,232,123	-	2,232,123
Committed:					
School cafeteria and activity funds	-	1,312,050	-	80,633	1,392,683
Unassigned	(188,391)	-	-	-	(188,391)
Total fund balances	<u>\$ -</u>	<u>\$ 1,312,050</u>	<u>\$ 2,232,123</u>	<u>\$ 80,633</u>	<u>\$ 3,624,806</u>
Total liabilities and fund balances	<u>\$ 4,739,949</u>	<u>\$ 1,312,050</u>	<u>\$ 2,905,036</u>	<u>\$ 80,633</u>	<u>\$ 9,037,668</u>

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

GREENSVILLE COUNTY SCHOOL BOARD
(A COMPONENT UNIT OF THE COUNTY OF GREENSVILLE, VIRGINIA)

Exhibit 4

Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 2025

Amounts reported for governmental activities in the Statement of Net Position
are different because:

Total fund balances per Exhibit 3 - Balance Sheet - Governmental Funds	\$	3,624,806
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Capital assets used in governmental activities are not financial
resources and, therefore, are not reported in the funds. The
amounts reported below are net of accumulated depreciation.

Land	\$	437,775	
Lease Building		790,205	
Buildings and improvements		15,112,791	
Machinery and equipment		<u>2,049,802</u>	18,390,573

The net pension asset is not an available resource and, therefore, is and, not reported in the funds - Nonprofessional group			1,024,410
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Deferred outflows of resources are not available to pay for current period
expenditures and, therefore, are not reported in the funds.

Pension related items	\$	5,260,072	
OPEB related items		<u>662,799</u>	5,922,871

Long-term liabilities are not due and payable in
the current period and, therefore, are not reported in the funds.

Net pension liability - teachers cost-sharing pool	\$	(13,917,069)	
Financed purchase		(79,978)	
Lease liability		(796,345)	
Compensated absences		(279,526)	
Net OPEB liabilities		<u>(3,003,427)</u>	(18,076,345)

Deferred inflows of resources are not due and payable in the current period
and, therefore, are not reported in the funds.

Pension related items	\$	(3,017,871)	
OPEB related items		<u>(517,967)</u>	(3,535,838)

Net position of governmental activities			<u>\$ 7,350,477</u>
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The notes to financial statements are an integral part of this statement.

GREENSVILLE COUNTY SCHOOL BOARD
(A COMPONENT UNIT OF THE COUNTY OF GREENSVILLE, VIRGINIA)

Exhibit 5

Statement of Revenues, Expenditures, and Changes in Fund Balances
 Governmental Funds
 For the Year Ended June 30, 2025

	General	School Cafeteria	School Capital Projects	School Activity Fund	Total
REVENUES					
Charges for services	\$ 4,912,827	\$ 128,165	\$ -	\$ -	\$ 5,040,992
Miscellaneous	236,418	-	-	284,936	521,354
Intergovernmental:					
County contribution	5,936,172	-	-	-	5,936,172
Commonwealth	22,975,535	49,322	980,272	-	24,005,129
Federal	4,391,370	1,881,422	-	-	6,272,792
Total revenues	<u>\$ 38,452,322</u>	<u>\$ 2,058,909</u>	<u>\$ 980,272</u>	<u>\$ 284,936</u>	<u>\$ 41,776,439</u>
EXPENDITURES					
Current:					
Education:					
Instruction	\$ 30,704,208	\$ -	\$ -	\$ 297,766	\$ 31,001,974
Administration, attendance and health	1,853,002	-	-	-	1,853,002
Pupil transportation services	1,918,593	-	-	-	1,918,593
Operation and maintenance services	3,710,575	-	-	-	3,710,575
School food service	-	1,840,167	-	-	1,840,167
Capital projects	-	-	-	-	-
Debt service:					
Principal retirement	113,439	-	-	-	113,439
Interest and other fiscal charges	4,028	-	-	-	4,028
Total expenditures	<u>\$ 38,303,845</u>	<u>\$ 1,840,167</u>	<u>\$ -</u>	<u>\$ 297,766</u>	<u>\$ 40,441,778</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 148,477</u>	<u>\$ 218,742</u>	<u>\$ 980,272</u>	<u>\$ (12,830)</u>	<u>\$ 1,334,661</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	\$ -	\$ -	\$ 980,272	\$ -	\$ 980,272
Transfers out	(980,272)	-	-	-	(980,272)
Issuance of leases	831,795	-	-	-	831,795
Total other financing sources (uses)	<u>\$ (148,477)</u>	<u>\$ -</u>	<u>\$ 980,272</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balances	\$ -	\$ 218,742	\$ 1,960,544	\$ (12,830)	\$ 2,166,456
Fund balances - beginning	-	1,093,308	1,251,851	93,463	2,438,622
Fund balances - ending	<u>\$ -</u>	<u>\$ 1,312,050</u>	<u>\$ 3,212,395</u>	<u>\$ 80,633</u>	<u>\$ 4,605,078</u>

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

GREENSVILLE COUNTY SCHOOL BOARD
(A COMPONENT UNIT OF THE COUNTY OF GREENSVILLE, VIRGINIA)

Exhibit 6

Reconciliation of the Statement of Revenues,
 Expenditures, and Changes in Fund Balances of Governmental Funds
 to the Statement of Activities
 For the Year Ended June 30, 2025

Amounts reported for governmental activities in the Statement of Activities are different because:

Net change in fund balances - total governmental funds \$ 2,166,456

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.

Capital asset additions	\$ 2,054,225	
Capital outlay for jointly owned assets	856,000	
Depreciation	<u>(1,727,513)</u>	1,182,712

The issuance of long-term debt (e.g. bonds, leases) 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 issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Issuance of leases	\$ (831,795)	
Principal paid on lease liability	35,450	
Principal paid on financed purchase	<u>77,989</u>	(718,356)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore are not reported as expenditures in governmental funds.

Compensated absences	\$ (182,567)	
Pension expense	1,539,398	
OPEB expense	<u>262,407</u>	<u>1,619,238</u>

Change in net position of governmental activities \$ 4,250,050

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

GREENSVILLE COUNTY SCHOOL BOARD
(A Component Unit of the County of Greenville, Virginia)

Notes to Financial Statements
June 30, 2025

Note 1–Summary of Significant Accounting Policies:

Greenville County School Board (a component unit of the County of Greenville, Virginia) is governed by an appointed six-member School Board. The School Board consists of four representatives from the County of Greenville, Virginia and two representatives from the City of Emporia, Virginia. The School Board is responsible for appointing the School Superintendent. The School Board provides educational services for the children of the County of Greenville, Virginia and the City of Emporia, Virginia.

The School Board is fiscally dependent upon the County because the County Board of Supervisors approves the School Board budget, levies the necessary taxes to finance operations, and approves the borrowing of money and issuance of debt. The School Board is reported as a Discretely Presented Component Unit of the County of Greenville, Virginia.

The financial statements of Greenville County School Board have been prepared in conformity with accounting principles generally accepted in the United States as specified by the Governmental Accounting Standards Board (GASB); and the specifications promulgated by the Auditor of Public Accounts (APA) of the Commonwealth of Virginia. The more significant of the School Board’s accounting policies are described below.

Financial Statement Presentation

Management’s Discussion and Analysis - The financial statements are required to be accompanied by a narrative introduction and analytical overview of the School Board’s financial activities in the form of “Management’s Discussion and Analysis” (MD&A).

Government-wide and Fund Financial Statements

Government-wide financial statements - The reporting model includes financial statements prepared using full accrual accounting for all School Board activities. This approach includes not just current assets and liabilities but also capital assets and long-term liabilities (such as buildings and general obligation debt).

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all nonfiduciary activities of the primary government and its component units. For the most part, effects of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

Statement of Net Position - The Statement of Net Position is designed to display financial position of the primary government (governmental and business-type activities) and its discretely presented component units. Governments will report all capital assets in the government-wide Statement of Net Position and will report depreciation expense - the cost of “using up” capital assets - in the Statement of Activities. The net position of a government will be broken down into three categories: 1) net investment in capital assets; 2) restricted; and 3) unrestricted.

GREENSVILLE COUNTY SCHOOL BOARD

(A Component Unit of the County of Greenville, Virginia)

Notes to Financial Statements
June 30, 2025 (Continued)

Note 1–Summary of Significant Accounting Policies: (Continued)

Statement of Activities - The government-wide Statement of Activities reports expenses and revenues in a format that focuses on the cost of each of the government's functions. The expense of individual functions is compared to the revenues generated directly by the function (for instance, through user charges or intergovernmental grants).

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

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. The School Board has no proprietary or fiduciary funds.

Budgetary Comparison Schedules - Demonstrating compliance with the adopted budget is an important component of a government's accountability to the public. Many citizens participate in one way or another in the process of establishing the annual operating budgets of state and local governments and have a keen interest in following the actual financial progress of their governments over the course of the year. Many governments revise their original budgets over the course of the year for a variety of reasons. Under the reporting model, governments provide budgetary comparison information in their annual reports including the government's original budget and a comparison of final budget and actual results.

A. Financial Reporting Entity

The basic criterion for determining whether a governmental department, agency, institution, commission, public authority, or other governmental organization should be included in a primary governmental unit's reporting entity for basic financial statements is financial accountability. Financial accountability includes the appointment of a voting majority of the organization's governing body and the ability of the primary government to impose its will on the organization or if there is a financial benefit/burden relationship. In addition, an organization which is fiscally dependent on the primary government should be included in its reporting entity. These financial statements present the Greenville County School Board. Blended component units, although legally separate entities, are, in substance, part of the government's operations and so data from these units are combined with data of the primary government. Each discretely presented component unit, on the other hand, is reported in a separate column in the government-wide financial statements to emphasize it is both legally and substantively separate from the government. Greenville County School Board has no component units for the year ended June 30, 2025.

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

The accompanying financial statements are prepared in accordance with pronouncements issued by the Governmental Accounting Standards Board. The principles prescribed by GASB represent generally accepted accounting principles applicable to governmental units.

GREENSVILLE COUNTY SCHOOL BOARD

(A Component Unit of the County of Greenville, Virginia)

Notes to Financial Statements
June 30, 2025 (Continued)

Note 1–Summary of Significant Accounting Policies: (Continued)

B. Measurement Focus, Basis of Accounting and Financial Statement Presentation: (Continued)

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The government-wide Statement of Activities reflects both the gross and net cost per functional category (instruction, school food, etc.) which are otherwise being supported by general government revenues. The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants, and contributions. The program revenues must be directly associated with the function (instruction; administration, attendance, and health; etc.).

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. This is the way these funds are normally budgeted. Revenues are recognized when they have been earned and they are both measurable and available. Revenues are 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 of the end of the current fiscal period. All other revenue items are measurable and available only when cash is received by the government. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service principal and interest expenditures on general long-term debt, including lease liabilities, as well as expenditures related to compensated absences and claims, and judgments are recorded only when payment is due. General capital asset acquisitions, including entering into contracts giving the government the right to use lease assets, are reported as expenditures in the governmental funds. Issuance of long-term debt and financing through leases are reported as other financing sources.

In the fund financial statements, financial transactions and accounts of the School Board are organized based on funds. The operation of each fund is considered to be an independent fiscal and separate accounting entity, with a self-balancing set of accounts recording cash and/or other financial resources together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

1. Governmental Funds

Governmental Funds are those through which most governmental functions typically are financed. Governmental Funds account for the expendable financial resources, other than those accounted for in proprietary and similar trust funds. The Governmental Funds measurement focus is on determination of financial position and changes in financial position, rather than on net income determination. The individual Governmental funds, all of which are major, are:

GREENSVILLE COUNTY SCHOOL BOARD

(A Component Unit of the County of Greenville, Virginia)

Notes to Financial Statements
June 30, 2025 (Continued)

Note 1–Summary of Significant Accounting Policies: (Continued)

B. Measurement Focus, Basis of Accounting and Financial Statement Presentation: (Continued)

1. Governmental Funds (Continued)

General Fund - The General Fund is the primary operating fund of the School Board and accounts for and reports all revenues and expenditures applicable to the general operations of the School Board which are not accounted for and reported in other funds. Revenues are derived primarily from intergovernmental grants.

School Cafeteria Fund - This fund accounts for and reports the operations of the School Board’s food service program. Financing is provided primarily by food and beverage sales and state and federal grants.

School Capital Projects Fund - A fund that accounts for and reports financial resources that are restricted, committed, or assigned to expenditures for capital outlays, except for those financed by proprietary funds or for assets held in trust for individuals, private organizations, or other governments.

School Activity Fund - A fund that accounts for and reports financial resources that are restricted, committed, or assigned to expenditures for students and teachers of the school system.

C. Budgets and Budgetary Accounting

The following procedures are used by the School Board in establishing the budgetary data reflected in the financial statements.

1. Prior to March 30, the School Board submits to the Board of Supervisors a proposed operating and capital budget for the fiscal year commencing the following July 1. The operating budget and capital budget include proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain citizen comments.
3. Prior to June 30, the budget is legally enacted through passage of an Appropriations Resolution by the Board of Supervisors of Greenville County.
4. The Appropriations Resolution places legal restrictions on expenditures at the department level or category level. The appropriation for each department or category can be revised only by the Board of Supervisors upon request by the School Board.
5. Formal budgetary integration is employed as a management control device during the year and budgets are legally adopted for the Special Revenue Funds.
6. All budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).
7. All appropriations lapse on June 30, for all School Board expenditures.
8. Total general fund and school cafeteria fund expenditures exceeded appropriations.

GREENSVILLE COUNTY SCHOOL BOARD
(A Component Unit of the County of Greenville, Virginia)

Notes to Financial Statements
June 30, 2025 (Continued)

Note 1–Summary of Significant Accounting Policies: (Continued)

D. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, amounts in demand deposits, and short-term investments with a maturity date within three months of the date acquired by the government.

At June 30, 2025, the County held the following cash related to grants which was restricted for specific purposes:

State Security Grant	\$ 53,929
All In Virginia Grant	645,102
SOQ Position Bonus	212,899
Rosies Casino Donation	<u>16,918</u>
Total restricted cash, Exhibit 3	<u>\$ 928,848</u>
Total restricted cash, Exhibit 1	<u><u>\$ 928,848</u></u>

E. Receivables and Payables

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as “due to/from other funds” (i.e. the current portion of interfund loans). All other outstanding balances between funds are reported as “advances to/from other funds” (i.e. the noncurrent portion of interfund loans).

F. Capital Assets

Capital assets, which include property and plant and equipment, are reported in the government-wide financial statements. Capital assets are defined by the School Board as land, buildings, road registered vehicles, and equipment with an initial individual cost of more than \$5,000 (amount not rounded) and an estimated useful life of more than two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of the donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset’s life are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Tangible and intangible property, plant, equipment, lease assets, and infrastructure of the School Board are depreciated/amortized using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	40
Building improvements	20-40
Lease building	10
Vehicles	5-10
Office and computer equipment	5
Buses	10

GREENSVILLE COUNTY SCHOOL BOARD

(A Component Unit of the County of Greenville, Virginia)

Notes to Financial Statements
June 30, 2025 (Continued)

Note 1–Summary of Significant Accounting Policies: (Continued)

F. Capital Assets (Continued)

Some School Board capital assets are jointly owned by the County (primary government) and the component unit School Board. The County reports depreciation on these assets as an element of its share of the costs of the public school system.

G. Compensated Absences

The School Board recognizes a liability for compensated absences for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled (for example paid in cash to the employee or payment to an employee flex spending account) during or upon separation from employment. Based on the criteria listed, two types of leave qualify for liability recognition for compensated absences - vacation and sick leave. The liability for compensated absences is reported as incurred in the government-wide financial statements. A liability for compensated absences is recorded in the governmental funds only if the liability has matured because of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable.

H. Fund Balance

The following classifications of fund balance describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Nonspendable fund balance - amounts that are either not in spendable form (such as inventory and prepaids) or are legally or contractually required to be maintained intact (corpus of a permanent fund).
- Restricted fund balance - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.
- Committed fund balance - amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint.
- Assigned fund balance - amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.
- Unassigned fund balance - amounts that are available for any purpose; positive amounts are only reported in the general fund.

GREENSVILLE COUNTY SCHOOL BOARD

(A Component Unit of the County of Greenville, Virginia)

Notes to Financial Statements
June 30, 2025 (Continued)

Note 1–Summary of Significant Accounting Policies: (Continued)

H. Fund Balance (Continued)

When fund balance resources are available for a specific purpose in more than one classification, it is the School Board’s policy to use the most restrictive funds first in the following order: restricted, committed, assigned, and unassigned as they are needed.

The School Board establishes (and modifies or rescinds) fund balance commitments by passage of a resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment, which does not lapse at year end, is further indicated in the budget document as a designation or commitment of the fund (such as for special incentives). Assigned fund balance is established by the School Board through adoption or amendment of the budget as intended for specific purpose (such as the purchase of capital assets, construction, debt service, or for other purposes).

I. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

J. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

K. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position includes a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Board has one item that qualifies for reporting in this category. It is comprised of certain items related to pension and OPEB. For more detailed information on these items, reference the related notes.

In addition to liabilities, the statement of financial position includes a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Board has one item that qualifies for reporting in this category. Certain items related to the measurement of pension and OPEB liabilities are reported as deferred inflows of resources. For more detailed information on these items, reference the related notes.

GREENSVILLE COUNTY SCHOOL BOARD
(A Component Unit of the County of Greenville, Virginia)

Notes to Financial Statements
June 30, 2025 (Continued)

Note 1–Summary of Significant Accounting Policies: (Continued)

L. Net Position

For government-wide reporting as well as in proprietary funds, the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called net position. Net position is comprised of three components: net investment in capital assets, restricted, and unrestricted.

- Net investment in capital assets consists of capital assets, net of accumulated depreciation/amortization and reduced by outstanding balances of bonds, notes, and other debt that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are included in this component of net position.
- Restricted net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Assets are reported as restricted when constraints are placed on asset use either by external parties or by law through constitutional provision or enabling legislation.
- Unrestricted net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that does not meet the definition of the two preceding categories.

M. Net Position Flow Assumption

Sometimes the School Board will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the School Board’s policy to consider restricted net position to have been depleted before unrestricted net position is applied.

N. Pensions

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

O. Other Postemployment Benefits (OPEB)

For purposes of measuring the net VRS related OPEB liabilities, deferred outflows of resources and deferred inflows of resources related to the OPEB, and OPEB expense, information about the fiduciary net position of the of the VRS GLI, HIC, and Teacher HIC plans and the additions to/deductions from the VRS OPEB Plans’ fiduciary net position have been determined on the same basis as they were reported by VRS. In addition, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

GREENSVILLE COUNTY SCHOOL BOARD
(A Component Unit of the County of Greenville, Virginia)

Notes to Financial Statements
June 30, 2025 (Continued)

Note 2—Deposits and Investments:

Deposits

Deposits with banks are covered by the Federal Deposit Insurance Corporation (FDIC) and collateralized in accordance with the Virginia Security for Public Deposits Act (the “Act”) Section 2.2-4400 et. seq. of the Code of Virginia. Under the Act, banks and savings institutions holding public deposits more than the amount insured by the FDIC must pledge collateral to the Commonwealth of Virginia Treasury Board. Financial Institutions may choose between two collateralization methodologies and depending upon that choice, will pledge collateral that ranges in the amounts from 50% to 130% of excess deposits. Accordingly, all deposits are considered fully collateralized.

Investments

Statutes authorize local governments and other public bodies to invest in obligations of the United States or agencies thereof, obligations of the Commonwealth of Virginia or political subdivisions thereof, obligations of the International Bank for Reconstruction and Development (World Bank), the Asian Development Bank, the African Development Bank, “prime quality” commercial paper that has received at least two of the following ratings: P-1 by Moody’s Investors Service, Inc.; A-1 by Standard & Poor’s; or F1 by Fitch Ratings, Inc. (Section 2.2-4502), banker’s acceptances, repurchase agreements, and the State Treasurer’s Local Government Investment Pool (LGIP). The school board holds no investments.

Note 3—Due From/Due To Other Governmental Units:

On June 30, 2025, the School Board had receivables from other governments as follows:

	<u>General</u>	<u>School Cafeteria</u>	<u>Total Governmental Activities</u>
Other local governments:			
City of Emporia, Virginia	\$ 163,087	\$ -	\$ 163,087
Commonwealth of Virginia:			
State sales tax	405,932	-	405,932
Federal Government:			
School food program	-	157,471	157,471
Student Support and Enrichment	10,691	-	10,691
21st Century Learning	69,432	-	69,432
Title IV Stronger Connections Grant	-	-	-
Title VI Rural	1,913	-	1,913
Title II Part A	15,307	-	15,307
Title I	250,014	-	250,014
Title VI-B	44,435	-	44,435
Title VI-B preschool	-	-	-
COVID-19 ESSER	-	-	-
Vocational Education	27,089	-	27,089
Total due from other governments	<u>\$ 987,900</u>	<u>\$ 157,471</u>	<u>\$ 1,145,371</u>

GREENSVILLE COUNTY SCHOOL BOARD
(A Component Unit of the County of Greenville, Virginia)

Notes to Financial Statements
June 30, 2025 (Continued)

Note 4–Interfund Balances:

Interfund balances for the year ended June 30, 2025 consisted of the following:

Fund	Due From Balance	Due To Balance
General	\$ -	\$ 271,949
School Capital Projects	271,949	-
Total	<u>\$ 271,949</u>	<u>\$ 271,949</u>

This balance represents funds held by the general fund that will be provided for capital projects at a future date.

Note 5–Capital Assets:

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

	Balance July 1, 2024	Additions	Deletions	Balance June 30, 2025
Capital assets not being depreciated:				
Land	\$ 437,775	\$ -	\$ -	\$ 437,775
Total capital assets not being depreciated	<u>\$ 437,775</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 437,775</u>
Capital assets being depreciated:				
Buildings and improvements	\$ 38,667,268	\$ 993,804	\$ -	\$ 39,661,072
Lease building	-	831,795	-	831,795
Machinery and equipment	7,020,029	228,626	34,050	7,214,605
Jointly owned assets	(4,383,000)	856,000	-	(3,527,000)
Total capital assets being depreciated	<u>\$ 41,304,297</u>	<u>\$ 2,910,225</u>	<u>\$ 34,050</u>	<u>\$ 44,180,472</u>
Accumulated depreciation:				
Buildings and improvements	\$ 21,434,539	\$ 1,015,697	\$ -	\$ 22,450,236
Lease building	-	41,590	-	41,590
Machinery and equipment	4,768,292	430,561	34,050	5,164,803
Jointly owned assets	(1,668,620)	(85,422)	(325,087)	(1,428,955)
Total accumulated depreciation	<u>\$ 24,534,211</u>	<u>\$ 1,402,426</u>	<u>\$ (291,037)</u>	<u>\$ 26,227,674</u>
Total capital assets being depreciated, net	<u>\$ 16,770,086</u>	<u>\$ 1,507,799</u>	<u>\$ 325,087</u>	<u>\$ 17,952,798</u>
Governmental activities capital assets, net	<u>\$ 17,207,861</u>	<u>\$ 1,507,799</u>	<u>\$ 325,087</u>	<u>\$ 18,390,573</u>

GREENSVILLE COUNTY SCHOOL BOARD
(A Component Unit of the County of Greenville, Virginia)

Notes to Financial Statements
June 30, 2025 (Continued)

Note 5–Capital Assets: (Continued)

Depreciation expense was charged to functions/programs as follows:

Governmental activities:	
Instruction	\$ 1,035,255
Pupil transportation services	168,156
Operation and maintenance services	239,940
School food service	44,497
	<u>\$ 1,487,848</u>

Note 6–Local Contributions:

The actual cash contribution from the County of Greenville, Virginia and the City of Emporia, Virginia is adjusted for the calculation of the net local educational costs as follows, based on student ADM:

	<u>Actual Cash Contributions By Localities</u>	<u>Adjustment for Net Local Costs</u>	<u>Contributions Per Financial Calculation</u>
Greenville	\$ 5,201,019	\$ 735,153	\$ 5,936,172
Emporia	4,348,931	365,252	4,714,183
Total	<u>\$ 9,549,950</u>	<u>\$ 1,100,405</u>	<u>\$ 10,650,355</u>

Note 7–Long-Term Obligations:

The following is a summary of changes in long-term obligations for the fiscal year ended June 30, 2025:

	<u>Balance at July 1, 2024</u>	<u>Restatement for GASB 101</u>	<u>Balance at July 1, 2024 Restated</u>	<u>Issuances/ Increases</u>	<u>Retirements/ Decreases</u>	<u>Balance at June 30, 2025</u>	<u>Amounts Due Within One Year</u>
Financed purchase	\$ 157,967	\$ -	\$ 157,967	\$ -	\$ 77,989	\$ 79,978	\$ 79,978
Compensated absences*	-	96,959	96,959	182,567	-	279,526	27,953
Lease liability	-	-	-	831,795	35,450	796,345	67,143
Net pension liability	15,298,265	-	15,298,265	6,213,727	7,594,923	13,917,069	-
Net OPEB liabilities	3,288,676	-	3,288,676	718,897	1,004,146	3,003,427	-
Total	<u>\$ 18,744,908</u>	<u>\$ 96,959</u>	<u>\$ 18,841,867</u>	<u>\$ 7,946,986</u>	<u>\$ 8,712,508</u>	<u>\$ 18,076,345</u>	<u>\$ 175,074</u>

*The change in compensated absences above is a net change for the year.

GREENSVILLE COUNTY SCHOOL BOARD
(A Component Unit of the County of Greenville, Virginia)

Notes to Financial Statements
June 30, 2025 (Continued)

Note 7—Long-Term Obligations: (Continued)

Annual requirements to amortize long-term obligations and related interest are as follows:

Year Ending June 30	Financed purchase			Lease Liabilities		
	Principal	Interest	Total	Principal	Interest	Interest
2026	\$ 79,978	\$ 2,040	\$ 82,018	\$ 67,143	\$ 32,470	\$ 99,613
2027	-	-	-	70,046	29,567	99,613
2028	-	-	-	73,074	26,539	99,613
2029	-	-	-	76,233	23,380	99,613
2030	-	-	-	82,042	20,062	102,104
2031-2035	-	-	-	427,807	42,865	470,672
Total	\$ 79,978	\$ 2,040	\$ 82,018	\$ 796,345	\$ 174,883	\$ 971,228

Details of long-term debt obligations are as follows:

	Notes	Interest Rate	Date Issued	Final Maturity Date	Amount of Original Issue	Balance Governmental Activities	Amount Due Within One Year
Net OPEB liabilities						\$ 3,003,427	\$ -
Net pension liability						\$ 13,917,069	\$ -
Compensated absences						\$ 279,526	\$ 27,953
Lease liability							
School Building		4.24%	1/1/2025	12/31/2034	\$ 831,795	\$ 796,345	\$ 67,143
Financed purchase							
5 School buses	(a)	2.55%	9/10/2019	9/10/2025	\$ 533,025	\$ 79,978	\$ 79,978
Total outstanding debt						\$ 18,076,345	\$ 175,074

(a) No other terms specified in the debt agreement

GREENSVILLE COUNTY SCHOOL BOARD

(A Component Unit of the County of Greenville, Virginia)

Notes to Financial Statements
June 30, 2025 (Continued)

Note 8—Pension Plan:

Plan Description

All full-time, salaried permanent employees of the Greenville County School Board (nonprofessional employees) are automatically covered by a VRS Retirement Plan upon employment. This is an agent multiple-employer plan administered by the Virginia Retirement System (the System) along with plans for other employer groups in the Commonwealth of Virginia. Members earn one month of service credit for each month they are employed and for which they and their employer pay contributions to VRS. Members are eligible to purchase prior service, based on specific criteria as defined in the Code of Virginia, as amended. Eligible prior service that may be purchased includes prior public service, active military service, certain periods of leave, and previously refunded service.

Benefit Structures

The System administers three different benefit structures for covered employees - Plan 1, Plan 2 and Hybrid. Each of these benefit structures has different eligibility criteria, as detailed below.

- a. Employees with a membership date before July 1, 2010, vested as of January 1, 2013, and have not taken a refund, are covered under Plan 1, a defined benefit plan. Non-hazardous duty employees are eligible for an unreduced retirement benefit beginning at age 65 with at least 5 years of service credit or age 50 with at least 30 years of service credit. Non-hazardous duty employees may retire with a reduced benefit as early as age 55 with at least 5 years of service credit or age 50 with at least 10 years of service credit.
- b. Employees with a membership date from July 1, 2010 to December 31, 2013, that have not taken a refund or employees with a membership date prior to July 1, 2010 and not vested before January 1, 2013, are covered under Plan 2, a defined benefit plan. Non-hazardous duty employees are eligible for an unreduced benefit beginning at their normal social security retirement age with at least 5 years of service credit or when the sum of their age plus service equals 90. Non-hazardous duty employees may retire with a reduced benefit as early as age 60 with at least 5 years of service credit.
- c. Non-hazardous duty employees with a membership date on or after January 1, 2014 are covered by the Hybrid Plan combining the features of a defined benefit plan and a defined contribution plan. Plan 1 and Plan 2 members also had the option of opting into this plan during the election window held January 1 - April 30, 2014 with an effective date of July 1, 2014. Employees covered by this plan are eligible for an unreduced benefit beginning at their normal social security retirement age with at least 5 years of service credit, or when the sum of their age plus service equal 90. Employees may retire with a reduced benefit as early as age 60 with at least 5 years of service credit. For the defined contribution component, members are eligible to receive distributions upon leaving employment, subject to restrictions.

GREENSVILLE COUNTY SCHOOL BOARD
(A Component Unit of the County of Greenville, Virginia)

Notes to Financial Statements
June 30, 2025 (Continued)

Note 8–Pension Plan: (Continued)

Average Final Compensation and Service Retirement Multiplier

The VRS defined benefit is a lifetime monthly benefit based on a retirement multiplier as a percentage of the employee’s average final compensation multiplied by the employee’s total service credit. Under Plan 1, average final compensation is the average of the employee’s 36 consecutive months of highest compensation and the multiplier is 1.70% for non-hazardous duty employees as elected by the employer. Under Plan 2, average final compensation is the average of the employee’s 60 consecutive months of highest compensation and the retirement multiplier is 1.65% for non-hazardous duty employees as elected by the employer. Under the Hybrid Plan, average final compensation is the average of the employee’s 60 consecutive months of highest compensation and the multiplier is 1.00%. For members who opted into the Hybrid Retirement Plan from Plan 1 or Plan 2, the applicable multipliers for those plans will be used to calculate the retirement benefit for service credited in those plans.

Cost-of-Living Adjustment (COLA) in Retirement and Death and Disability Benefits

Retirees with an unreduced benefit or with a reduced benefit with at least 20 years of service credit are eligible for an annual COLA beginning July 1 after one full calendar year from the retirement date. Retirees with a reduced benefit and who have less than 20 years of service credit are eligible for an annual COLA beginning on July 1 after one calendar year following the unreduced retirement eligibility date. Under Plan 1, the COLA cannot exceed 5.00%. Under Plan 2 and the Hybrid Plan, the COLA cannot exceed 3.00%. The VRS also provides death and disability benefits. Title 51.1 of the Code of Virginia, as amended, assigns the authority to establish and amend benefit provisions to the General Assembly of Virginia.

Employees Covered by Benefit Terms

As of the June 30, 2023 actuarial valuation, the following employees were covered by the benefit terms of the pension plan:

	School Board (Nonprofessional)
Inactive members or their beneficiaries currently receiving benefits	60
Inactive members:	
Vested inactive members	14
Non-vested inactive members	29
Inactive members active elsewhere in VRS	9
Total inactive members	52
Active members	33
Total covered employees	<u>145</u>

GREENSVILLE COUNTY SCHOOL BOARD
(A Component Unit of the County of Greenville, Virginia)

Notes to Financial Statements
June 30, 2025 (Continued)

Note 8–Pension Plan: (Continued)

Contributions

The contribution requirement for active employees is governed by §51.1-145 of the Code of Virginia, as amended, but may be impacted as a result of funding options provided to political subdivisions by the Virginia General Assembly. Employees are required to contribute 5.00% of their compensation toward their retirement

The School Board’s contractually required employer contribution rate for nonprofessional employees for the year ended June 30, 2025 was 0.56% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2023.

This rate, when combined with employee contributions, was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the School Board’s nonprofessional employees were \$6,303 and \$26,243 for the years ended June 30, 2025 and June 30, 2024, respectively.

The defined contributions component of the Hybrid plan includes member and employer mandatory and voluntary contributions. The Hybrid plan member must contribute a mandatory rate of 1% of their covered payroll. The employer must also contribute a mandatory rate of 1% of this covered payroll, which totaled \$5,994 for the School Board for the year ended June 30, 2025. Hybrid plan members may also elect to contribute an additional voluntary rate of up to 4% of their covered payroll; which would require the employer a mandatory additional contribution rate of up to 2.5%. This additional employer mandatory contribution totaled \$3,269 for the School Board for the year ended June 30, 2025. The total Hybrid plan participant covered payroll totaled \$599,434 for the School Board for the year ended June 30, 2025.

Net Pension Asset

The net pension asset (NPA) is calculated separately for each employer and represents that particular employer’s total pension liability determined in accordance with GASB Statement No. 68, less that employer’s fiduciary net position. The School Board’s (nonprofessional) net pension asset was measured as of June 30, 2024. The total pension liabilities used to calculate the net pension liability was determined by an actuarial valuation performed as of June 30, 2023 and rolled forward to the measurement date of June 30, 2024.

Actuarial Assumptions - General Employees

The total pension liability for General Employees in the School Board’s (nonprofessional) Retirement Plan was based on an actuarial valuation as of June 30, 2023, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2024.

Inflation	2.50%
Salary increases, including inflation	3.50% - 5.35%
Investment rate of return	6.75%, net of pension plan investment expenses, including inflation

GREENSVILLE COUNTY SCHOOL BOARD
(A Component Unit of the County of Greenville, Virginia)

Notes to Financial Statements
June 30, 2025 (Continued)

Note 8–Pension Plan: (Continued)

Actuarial Assumptions - General Employees (Continued)

Mortality rates:

All Others (Non 10 Largest) - Non-Hazardous Duty: 15% of deaths are assumed to be service related

Pre-Retirement:

Pub-2010 Amount Weighted Safety Employee Rates projected generationally; 95% of rates for males; 105% of rates for females set forward 2 years

Post-Retirement:

Pub-2010 Amount Weighted Safety Healthy Retiree Rates projected generationally; 110% of rates for males; 105% of rates for females set forward 3 years

Post-Disablement:

Pub-2010 Amount Weighted General Disabled Rates projected generationally; 95% of rates for males set back 3 years; 90% of rates for females set back 3 years

Beneficiaries and Survivors:

Pub-2010 Amount Weighted Safety Contingent Annuitant Rates projected generationally; 110% of rates for males and females set forward 2 years

Mortality Improvement:

Rates projected generationally with Modified MP-2020 Improvement Scale that is 75% of the MP-2020 rates

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of an actuarial experience study for the period from July 1, 2016 through June 30, 2020. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

All Others (Non-10 Largest) - Non-Hazardous Duty:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

GREENSVILLE COUNTY SCHOOL BOARD
(A Component Unit of the County of Greenville, Virginia)

Notes to Financial Statements
June 30, 2025 (Continued)

Note 8–Pension Plan: (Continued)

Long-Term Expected Rate of Return

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

Asset Class (Strategy)	Long-Term Target Asset Allocation	Arithmetic Long-term Expected Rate of Return	Weighted Average Long-term Expected Rate of Return*
Public Equity	32.00%	6.70%	2.14%
Fixed Income	16.00%	5.40%	0.86%
Credit Strategies	16.00%	8.10%	1.30%
Real Assets	15.00%	7.20%	1.08%
Private Equity	15.00%	8.70%	1.31%
PIP - Private Investment Partnerships	1.00%	8.00%	0.08%
Diversifying Strategies	6.00%	5.80%	0.35%
Cash	2.00%	3.00%	0.06%
Leverage	-3.00%	3.50%	-0.11%
Total	100.00%		7.07%
		Expected arithmetic nominal return**	7.07%

* The above allocation provides a one-year expected return of 7.07% (includes 2.50% inflation assumption). However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return for the System, stochastic projections are employed to model future returns under various economic conditions. These results provide a range of returns over various time periods that ultimately provide a median return of 7.10%, including expected inflation of 2.50%.

**On June 15, 2023, the VRS Board elected a long-term rate of return of 6.75% which was roughly at the 45th percentile of expected long-term results of the VRS fund asset allocation at that time, providing a median return of 7.14%, including expected inflation of 2.50%.

GREENSVILLE COUNTY SCHOOL BOARD
(A Component Unit of the County of Greenville, Virginia)

Notes to Financial Statements
June 30, 2025 (Continued)

Note 8–Pension Plan: (Continued)

Discount Rate: (Continued)

The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that System member contributions will be made per the VRS Statutes and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. For the year ended June 30, 2024, the employer contribution rate was 100% of the actuarially determined employer contribution rate from the June 30, 2023 actuarial valuations. From July 1, 2024 on, participating employers are assumed to continue to contribute 100% of the actuarially determined contribution rates. 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 active and inactive employees. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability (Asset)

	School Board (Nonprofessional)		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances at June 30, 2023	\$ 6,129,837	\$ 6,738,043	\$ (608,206)
Changes for the year:			
Service cost	\$ 86,692	\$ -	\$ 86,692
Interest	406,386	-	406,386
Differences between expected and actual experience	(196,301)	-	(196,301)
Assumption changes	-	-	-
Contributions - employer	-	26,244	(26,244)
Contributions - employee	-	49,135	(49,135)
Net investment income	-	642,089	(642,089)
Benefit payments, including refunds	(391,987)	(391,987)	-
Administrative expenses	-	(4,490)	4,490
Other changes	-	3	(3)
Net changes	\$ (95,210)	\$ 320,994	\$ (416,204)
Balances at June 30, 2024	\$ 6,034,627	\$ 7,059,037	\$ (1,024,410)

GREENSVILLE COUNTY SCHOOL BOARD
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Notes to Financial Statements
June 30, 2025 (Continued)

Note 8–Pension Plan: (Continued)

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the net pension liability (asset) of the School Board (nonprofessional) using the discount rate of 6.75%, as well as what the School Board’s (nonprofessional) net pension liability asset would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

	Rate		
	1% Decrease <u>(5.75%)</u>	Current Discount <u>(6.75%)</u>	1% Increase <u>(7.75%)</u>
School Board's (Nonprofessional) Net Pension Liability (Asset)	\$ (473,925)	\$ (1,024,410)	\$ (1,501,294)

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

For the year ended June 30, 2025, the School Board (nonprofessional) recognized pension expense of (\$263,008). On June 30, 2025, the School Board (nonprofessional) reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>School Board (Nonprofessional)</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 34,069
Net difference between projected and actual earnings on pension plan investments	-	193,330
Employer contributions subsequent to the measurement date	<u>6,303</u>	<u>-</u>
Total	<u>\$ 6,303</u>	<u>\$ 227,399</u>

GREENSVILLE COUNTY SCHOOL BOARD
(A Component Unit of the County of Greenville, Virginia)

Notes to Financial Statements
June 30, 2025 (Continued)

Note 8–Pension Plan: (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: (Continued)

\$6,303 reported as deferred outflows of resources related to pensions resulting from the School Board’s (nonprofessional) contributions after the measurement date will be recognized as a reduction of the Net Pension Liability in the fiscal year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future reporting periods as follows:

<u>Year Ended June 30</u>	<u>School Board (Nonprofessional)</u>
2026	\$ (208,208)
2027	56,218
2028	(35,789)
2029	(39,620)
2030	-
Thereafter	-

Pension Plan Data

Information about the VRS Political Subdivision Retirement Plan is also available in the separately issued VRS 2024 Annual Comprehensive Financial Report (Annual Report). A copy of the 2024 VRS Annual Report may be downloaded from the VRS website at <https://www.varetire.org/pdf/publications/2024-annual-report.pdf>, or by writing to the System’s Chief Financial Officer at P.O. Box 2500, Richmond, VA 23218-2500.

Component Unit School Board (Professional)

Plan Description

All full-time, salaried permanent (professional) employees of public school divisions are automatically covered by the VRS Teacher Retirement Plan upon employment. This is a cost-sharing multiple employer plan administered by the Virginia Retirement System (the system). Additional information related to the plan description is included in the first section of this note.

GREENSVILLE COUNTY SCHOOL BOARD

(A Component Unit of the County of Greenville, Virginia)

Notes to Financial Statements
June 30, 2025 (Continued)

Note 8–Pension Plan: (Continued)

Component Unit School Board (Professional) (Continued)

Contributions

The contribution requirement for active employees is governed by §51.1-145 of the Code of Virginia, as amended, but may be impacted because of funding provided to school divisions by the Virginia General Assembly. Employees are required to contribute 5.00% of their compensation toward their retirement. Each school division’s contractually required employer contribution rate for the year ended June 30, 2025 was 14.21% of covered employee compensation. This was the General Assembly approved rate, which was based on an actuarially determined rate from an actuarial valuation as of June 30, 2023. The actuarially determined rate, when combined with employee contributions, was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the school division were \$2,369,572 and \$2,500,633 for the years ended June 30, 2025 and June 30, 2024, respectively.

The defined contributions component of the Hybrid plan includes member and employer mandatory and voluntary contributions. The Hybrid plan member must contribute a mandatory rate of 1% of their covered payroll. The employer must also contribute a mandatory rate of 1% of this covered payroll, which totaled \$88,803 for the year ended June 30, 2025. Hybrid plan members may also elect to contribute an additional voluntary rate of up to 4% of their covered payroll; which would require the employer a mandatory additional contribution rate of up to 2.5%. This additional employer mandatory contribution totaled \$48,431 for the year ended June 30, 2025. The total Hybrid plan participant covered payroll totaled \$8,880,293 for the year ended June 30, 2025.

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

On June 30, 2025, the school division reported a liability of \$13,917,069 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2024 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation performed as of June 30, 2023 and rolled forward to the measurement date of June 30, 2024. The school division’s proportion of the Net Pension Liability was based on the school division’s actuarially determined employer contributions to the pension plan for the year ended June 30, 2024 relative to the total of the actuarially determined employer contributions for all participating employers. On June 30, 2024, the school division’s proportion was .14826% as compared to .15136% at June 30, 2023.

For the year ended June 30, 2025, the school division recognized pension expense of \$1,099,486. Since there was a change in proportionate share between measurement dates, a portion of the pension expense was related to deferred amounts from changes in proportion and from differences between employer contributions and the proportionate share of employer contributions. Beginning with the June 30, 2022 measurement date, the difference between expected and actual contributions is included with the pension expense calculation.

GREENSVILLE COUNTY SCHOOL BOARD
(A Component Unit of the County of Greenville, Virginia)

Notes to Financial Statements
June 30, 2025 (Continued)

Note 8–Pension Plan: (Continued)

Component Unit School Board (Professional) (Continued)

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

On June 30, 2025, the school division reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 2,414,415	\$ 286,562
Change in assumptions	252,613	-
Net difference between projected and actual earnings on pension plan investments	-	1,915,693
Changes in proportion and differences between employer contributions and proportionate share of contributions	217,169	588,217
Employer contributions subsequent to the measurement date	<u>2,369,572</u>	<u>-</u>
Total	<u>\$ 5,253,769</u>	<u>\$ 2,790,472</u>

\$2,369,572 reported as deferred outflows of resources related to pensions resulting from the school division’s contributions after the measurement date will be recognized as a reduction of the Net Pension Liability in the fiscal year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future reporting periods as follows:

<u>Year Ended June 30</u>	
2026	\$ (1,058,734)
2027	1,094,343
2028	270,077
2029	(211,961)
2030	-
Thereafter	-

Actuarial Assumptions

The total pension liability for the VRS Teacher Retirement Plan was based on an actuarial valuation as of June 30, 2023, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2024.

GREENSVILLE COUNTY SCHOOL BOARD
(A Component Unit of the County of Greenville, Virginia)

Notes to Financial Statements
June 30, 2025 (Continued)

Note 8–Pension Plan: (Continued)

Component Unit School Board (Professional) (Continued)

Actuarial Assumptions

Inflation	2.50%
Salary increases, including inflation	3.50% - 5.95%
Investment rate of return	6.75%, net of pension plan investment expenses, including inflation

Mortality rates:

Pre-Retirement:

Pub-2010 Amount Weighted Teachers Employee Rates projected generationally; 110% of rates for males

Post-Retirement:

Pub-2010 Amount Weighted Teachers Healthy Retiree Rates projected generationally; males set forward 1 year; 105% of rates for females

Post-Disablement:

Pub-2010 Amount Weighted Teachers Disabled Rates projected generationally; 110% of rates for males and females

Beneficiaries and Survivors:

Pub-2010 Amount Weighted Teachers Contingent Annuitant Rates projected generationally

Mortality Improvement:

Rates projected generationally with Modified MP-2020 Improvement Scale that is 75% of the standard rates

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of an actuarial experience study for the period from July 1, 2016 through June 30, 2020. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Discount Rate	No change

GREENSVILLE COUNTY SCHOOL BOARD
(A Component Unit of the County of Greenville, Virginia)

Notes to Financial Statements
June 30, 2025 (Continued)

Note 8–Pension Plan: (Continued)

Component Unit School Board (Professional) (Continued)

Net Pension Liability

The net pension liability (NPL) is calculated separately for each system and represents that particular system’s total pension liability determined in accordance with GASB Statement No. 67, less that system’s fiduciary net position. As of June 30, 2024, NPL amounts for the VRS Teacher Employee Retirement Plan is as follows (amounts expressed in thousands):

		Teacher Employee Retirement Plan	
Total Pension Liability	\$	60,622,260	
Plan Fiduciary Net Position		51,235,326	
Employers' Net Pension Liability (Asset)	\$	9,386,934	
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability			
		84.52%	

The total pension liability is calculated by the System’s actuary, and each plan’s fiduciary net position is reported in the System’s financial statements. The net pension liability is disclosed in accordance with the requirements of GASB Statement No. 67 in the System’s notes to the financial statements and required supplementary information.

The long-term expected rate of return and discount rate information previously described also apply to this plan.

Sensitivity of the School Division’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the school division’s proportionate share of the net pension liability using the discount rate of 6.75%, as well as what the school division’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

	Rate		
	1% Decrease	Current Discount	1% Increase
	(5.75%)	(6.75%)	(7.75%)
School division's proportionate share of the VRS Teacher Employee Retirement Plan Net Pension Liability (Asset)	\$ 25,855,187	\$ 13,917,069	\$ 4,140,131

GREENSVILLE COUNTY SCHOOL BOARD
(A Component Unit of the County of Greenville, Virginia)

Notes to Financial Statements
June 30, 2025 (Continued)

Note 8–Pension Plan: (Continued)

Component Unit School Board (Professional) (Continued)

Pension Plan Fiduciary Net Position

Detailed information about the VRS Teacher Retirement Plan’s Fiduciary Net Position is available in the separately issued VRS 2024 Annual Comprehensive Financial Report (Annual Report). A copy of the 2024 VRS Annual Report may be downloaded from the VRS website at <https://www.varetire.org/pdf/publications/2024-annual-report.pdf>, or by writing to the System’s Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

Aggregate Pension Information

	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>	<u>Net Pension Liability (Asset)</u>	<u>Pension Expense</u>
VRS Pension Plans:				
School Board Nonprofessional	\$ 6,303	\$ 227,399	\$ (1,024,410)	\$ (263,008)
School Board Professional	5,253,769	2,790,472	13,917,069	1,099,486
Totals	<u>\$ 5,260,072</u>	<u>\$ 3,017,871</u>	<u>\$ 12,892,659</u>	<u>\$ 836,478</u>

Note 9–Commitments and Contingencies:

Federal programs in which the School Board participates were audited in accordance with the provisions of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Pursuant to the provisions of the guidance, all major programs and certain other programs were tested for compliance with applicable grant requirements. While no matters of noncompliance were disclosed by the audit, the federal government may subject grant programs to additional compliance tests which may result in disallowed expenditures. In the opinion of management, any future disallowance of current grant program expenditures, if any, would be immaterial.

Note 10–Risk Management:

The School Board 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 School Board joined with other local governments in Virginia to form the Virginia Association of Counties Risk Management Program, a public entity risk pool currently operating as a common risk management and insurance program for participating local governments. The School Board pays an annual premium to the association for its general liability insurance.

In the event of a loss deficit and depletion of all available excess insurance, the Association may assess all members in the proportion which the premium of each bears to the total premiums of all members in the year in which such deficit occurs.

The School Board continues to carry workman’s compensation commercial insurance for all other risks of loss, including employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

GREENSVILLE COUNTY SCHOOL BOARD
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Notes to Financial Statements
June 30, 2025 (Continued)

Note 11–Litigation:

On June 30, 2025, there were no matters of litigation involving the School Board or which would materially affect the School Board's financial position should any court decisions on pending matters not be favorable to such entities.

Note 12–City/County School Cost Agreement:

The City and County are in negotiations to extend and modify a previously terminated cost sharing agreement relating to the Greenville County Public School System.

Pursuant to an agreement between the above parties, the School Board has recorded a \$500,000 long-term advance. The amount was allocated between the County and City based upon fiscal year 2006 allocated expenditures. The allocated amounts are as follows:

County of Greenville	\$	275,000
City of Emporia		<u>225,000</u>
Total long-term advance	\$	<u><u>500,000</u></u>

Note 13–Group Life Insurance (GLI) Plan (OPEB Plan):

Plan Description

The Group Life Insurance (GLI) Plan was established pursuant to §51.1-500 et seq. of the Code of Virginia, as amended, and which provides the authority under which benefit terms are established or may be amended. All full-time, salaried permanent employees of the state agencies, teachers, and employees of participating political subdivisions are automatically covered by the VRS GLI Plan upon employment. This is a cost-sharing multiple-employer plan administered by the Virginia Retirement System (the System), along with pensions and other OPEB plans, for public employer groups in the Commonwealth of Virginia.

In addition to the Basic GLI benefit, members are also eligible to elect additional coverage for themselves as well as a spouse or dependent children through the Optional GLI Plan. For members who elect the optional group life insurance coverage, the insurer bills employers directly for the premiums. Employers deduct these premiums from members' paychecks and pay the premiums to the insurer. Since this is a separate and fully insured plan, it is not included as part of the GLI Plan OPEB.

The specific information for GLI OPEB, including eligibility, coverage and benefits is described below:

Eligible Employees

The GLI Plan was established July 1, 1960, for state employees, teachers, and employees of political subdivisions that elect the plan. Basic GLI coverage is automatic upon employment. Coverage ends for employees who leave their position before retirement eligibility or who take a refund of their accumulated retirement member contributions and accrued interest.

GREENSVILLE COUNTY SCHOOL BOARD

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Notes to Financial Statements
June 30, 2025 (Continued)

Note 13–Group Life Insurance (GLI) Plan (OPEB Plan): (Continued)

Benefit Amounts

The GLI Plan is a defined benefit plan with several components. The natural death benefit is equal to the employee’s covered compensation rounded to the next highest thousand and then doubled. The accidental death benefit is double the natural death benefit. In addition to basic natural and accidental death benefits, the plan provides additional benefits provided under specific circumstances that include the following: accidental dismemberment benefit, seatbelt benefit, repatriation benefit, felonious assault benefit, and accelerated death benefit option. The benefit amounts are subject to a reduction factor. The benefit amount reduces by 25% on January 1 following one calendar year of separation. The benefit amount reduces by an additional 25% on each subsequent January 1 until it reaches 25% of its original value. For covered members with at least 30 years of service credit, the minimum benefit payable was set at \$8,000 by statute in 2015. This will be increased annually based on the VRS Plan 2 cost-of-living adjustment calculation. The minimum benefit adjusted for the COLA was \$9,532 as of June 30, 2025.

Contributions

The contribution requirements for the GLI Plan are governed by §51.1-506 and §51.1-508 of the Code of Virginia, as amended, but may be impacted as a result of funding provided to state agencies and school divisions by the Virginia General Assembly. The total rate for the GLI Plan was 1.18% of covered employee compensation. This was allocated into an employee and an employer component using a 60/40 split. The employee component was 0.71% (1.18% x 60%) and the employer component was 0.47% (1.18% x 40%). Employers may elect to pay all or part of the employee contribution; however, the employer must pay all of the employer contribution. Each employer’s contractually required employer contribution rate for the year ended June 30, 2025, was 0.47% of covered employee compensation. This rate was the final approved General Assembly rate, which was based on an actuarially determined rate from an actuarial valuation as of June 30, 2023. The actuarially determined rate, when combined with employee contributions, was expected to finance the costs of benefits payable during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the Group Life Insurance Plan from the entity were \$5,367 and \$6,037 for the years ended June 30, 2025 and June 30, 2024, respectively, for the School Board (nonprofessional); and \$78,423 and \$86,255 for the years ended June 30, 2025 and June 30, 2024, respectively, for the School Board (professional).

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

At June 30, 2025, liabilities of \$48,654 and \$694,215 were reported for School Board (nonprofessional) and School Board (professional), respectively, for the proportionate shares of the Net GLI OPEB Liability. The Net GLI OPEB Liability was measured as of June 30, 2024 and the total GLI OPEB liability used to calculate the Net GLI OPEB Liability was determined by an actuarial valuation performed as of June 30, 2023, and rolled forward to the measurement date of June 30, 2024. The covered employer’s proportion of the Net GLI OPEB Liability was based on the covered employer’s actuarially determined employer contributions to the GLI Plan for the year ended June 30, 2024 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2024, the participating employer’s proportion was .00436% and .06221% as compared to .00415% and .06396% at June 30, 2023, for School Board (nonprofessional) and School Board (professional), respectively.

GREENSVILLE COUNTY SCHOOL BOARD
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Notes to Financial Statements
June 30, 2025 (Continued)

Note 13–Group Life Insurance (GLI) Plan (OPEB Plan): (Continued)

GLI OPEB Liabilities, GLI OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the GLI Plan OPEB: (Continued)

For the year ended June 30, 2025, the participating employer recognized GLI OPEB expense of \$460 and \$3,143 for School Board (nonprofessional) and School Board (professional), respectively. Since there was a change in proportionate share between measurement dates, a portion of the GLI OPEB expense was related to deferred amounts from changes in proportion.

On June 30, 2025, the employer reported deferred outflows of resources and deferred inflows of resources related to the GLI OPEB from the following sources:

<u>School Board (Nonprofessional)</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 7,674	\$ 1,188
Net difference between projected and actual earnings on GLI OPEB plan investments	-	4,101
Change in assumptions	277	2,411
Changes in proportionate share	2,786	5,802
Employer contributions subsequent to the measurement date	5,367	-
Total	<u>\$ 16,104</u>	<u>\$ 13,502</u>
<u>School Board (Professional)</u>		
Differences between expected and actual experience	\$ 109,494	\$ 16,957
Net difference between projected and actual earnings on GLI OPEB plan investments	-	58,515
Change in assumptions	3,957	34,404
Changes in proportionate share	3,664	44,817
Employer contributions subsequent to the measurement date	78,423	-
Total	<u>\$ 195,538</u>	<u>\$ 154,693</u>

\$5,367 and \$78,423 (School Board nonprofessional and School Board professional) reported as deferred outflows of resources related to the GLI OPEB resulting from the employer’s contributions subsequent to the measurement date will be recognized as a reduction of the Net GLI OPEB Liability in the fiscal year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the GLI OPEB will be recognized in the GLI OPEB expense in future reporting periods as follows:

<u>Year Ended June 30</u>	<u>School Board (Nonprofessional)</u>	<u>School Board (Professional)</u>
2026	\$ (3,102)	\$ (45,623)
2027	(524)	1,376
2028	(770)	(5,870)
2029	495	4,922
2030	1,136	7,617
Thereafter	-	-

GREENSVILLE COUNTY SCHOOL BOARD
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Notes to Financial Statements
June 30, 2025 (Continued)

Note 13–Group Life Insurance (GLI) Plan (OPEB Plan): (Continued)

Actuarial Assumptions

The total GLI OPEB liability was based on an actuarial valuation as of June 30, 2023, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2024. The assumptions include several employer groups as noted below. Mortality rates included herein are for relevant employer groups. Information for other groups can be referenced in the VRS Comprehensive Annual Financial Report.

Inflation	2.50%
Salary increases, including inflation:	
Teachers	3.50%-5.95%
Locality - General employees	3.50%-5.35%
Locality - Hazardous Duty employees	3.50%-4.75%
Investment rate of return	6.75%, net of investment expenses, including inflation

Mortality Rates - Teachers

Pre-Retirement:

Pub-2010 Amount Weighted Teachers Employee Rates projected generationally; 110% of rates for males

Post-Retirement:

Pub-2010 Amount Weighted Teachers Healthy Retiree Rates projected generationally; males set forward 1 year; 105% of rates for females

Post-Disablement:

Pub-2010 Amount Weighted Teachers Disabled Rates projected generationally; 110% of rates for males and females

Beneficiaries and Survivors:

Pub-2010 Amount Weighted Teachers Contingent Annuitant Rates projected generationally

Mortality Improvement Scale:

Rates projected generationally with Modified MP-2020 Improvement Scale that is 75% of the MP-2020 rates

GREENSVILLE COUNTY SCHOOL BOARD
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Notes to Financial Statements
June 30, 2025 (Continued)

Note 13–Group Life Insurance (GLI) Plan (OPEB Plan): (Continued)

Actuarial Assumptions: (Continued)

Mortality Rates - Teachers: (Continued)

The actuarial assumptions used in the June 30, 2023, valuation were based on the results of an actuarial experience study for the period from July 1, 2016 through June 30, 2020. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Discount Rate	No change

Mortality Rates - Non-Largest Ten Locality Employers - General Employees

Pre-Retirement:

Pub-2010 Amount Weighted Safety Employee Rates projected generationally; males set forward 2 years; 105% of rates for females set forward 3 years

Post-Retirement:

Pub-2010 Amount Weighted Safety Healthy Retiree Rates projected generationally; 95% of rates for males set forward 2 years; 95% of rates for females set forward 1 year

Post-Disablement:

Pub-2010 Amount Weighted General Disabled Rates projected generationally; 110% of rates for males set forward 3 years; 110% of rates for females set forward 2 years

Beneficiaries and Survivors:

Pub-2010 Amount Weighted Safety Contingent Annuitant Rates projected generationally

Mortality Improvement Scale:

Rates projected generationally with Modified MP-2020 Improvement Scale that is 75% of the MP-2020 rates

GREENSVILLE COUNTY SCHOOL BOARD
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Notes to Financial Statements
June 30, 2025 (Continued)

Note 13–Group Life Insurance (GLI) Plan (OPEB Plan): (Continued)

Actuarial Assumptions: (Continued)

Mortality Rates - Non-Largest Ten Locality Employers - General Employees: (Continued)

The actuarial assumptions used in the June 30, 2023, valuation were based on the results of an actuarial experience study for the period from July 1, 2016 through June 30, 2020. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

NET GLI OPEB Liability

The net OPEB liability (NOL) for the GLI Plan represents the plan’s total OPEB liability determined in accordance with GASB Statement No. 74, less the associated fiduciary net position. As of the measurement date of June 30, 2024, NOL amounts for the GLI Plan are as follows (amounts expressed in thousands):

	GLI OPEB Plan
Total GLI OPEB Liability	\$ 4,196,055
Plan Fiduciary Net Position	<u>3,080,133</u>
GLI Net OPEB Liability (Asset)	<u>\$ 1,115,922</u>
Plan Fiduciary Net Position as a Percentage of the Total GLI OPEB Liability	73.41%

The total GLI OPEB liability is calculated by the System’s actuary, and each plan’s fiduciary net position is reported in the System’s financial statements. The net GLI OPEB liability is disclosed in accordance with the requirements of GASB Statement No. 74 in the System’s notes to the financial statements and required supplementary information.

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Notes to Financial Statements
June 30, 2025 (Continued)

Note 13–Group Life Insurance (GLI) Plan (OPEB Plan): (Continued)

Long-Term Expected Rate of Return

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

Asset Class (Strategy)	Long-term Target Asset Allocation	Arithmetic Long-term Expected Rate of Return	Weighted Average Long-term Expected Rate of Return*
Public Equity	32.00%	6.70%	2.14%
Fixed Income	16.00%	5.40%	0.86%
Credit Strategies	16.00%	8.10%	1.30%
Real Assets	15.00%	7.20%	1.08%
Private Equity	15.00%	8.70%	1.31%
PIP-Private Investment Partnerships	1.00%	8.00%	0.08%
Diversifying Strategies	6.00%	5.80%	0.35%
Cash	2.00%	3.00%	0.06%
Leverage	-3.00%	3.50%	-0.11%
Total	100.00%		7.07%
	Expected arithmetic nominal return**		7.07%

*The above allocation provides a one-year expected return of 7.07% (includes 2.50% inflation assumption). However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return for the System, stochastic projections are employed to model future returns under various economic conditions. These results provide a range of returns over various time periods that ultimately provide a median return of 7.10%, including expected inflation of 2.50%.

** On June 15, 2023, the VRS Board elected a long-term rate of return of 6.75%, which was roughly at the 45th percentile of expected long-term results of the VRS fund asset allocation at that time, providing a median return of 7.14%, including expected inflation of 2.50%.

Discount Rate

The discount rate used to measure the total GLI OPEB liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made in accordance with the VRS funding policy and at rates equal to the actuarially determined contribution rates adopted by the VRS Board of Trustees. Through the fiscal year ended June 30, 2024, the rate contributed by the entity for the

GREENSVILLE COUNTY SCHOOL BOARD
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Notes to Financial Statements
June 30, 2025 (Continued)

Note 13–Group Life Insurance (GLI) Plan (OPEB Plan): (Continued)

Discount Rate: (Continued)

GLI OPEB will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly which was 113% of the actuarially determined contribution rate. From July 1, 2024 on, employers are assumed to continue to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the GLI OPEB’s fiduciary net position was projected to be available to make all projected future benefit payments of eligible employees. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total GLI OPEB liability.

Sensitivity of the Employer’s Proportionate Share of the Net GLI OPEB Liability to Changes in the Discount Rate

The following presents the employer’s proportionate share of the net GLI OPEB liability using the discount rate of 6.75%, as well as what the employer’s proportionate share of the net GLI OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

	Rate		
	1% Decrease (5.75%)	Current Discount (6.75%)	1% Increase (7.75%)
School Board (Nonprofessional’s) proportionate share of the GLI Plan Net OPEB Liability	\$ 75,664	\$ 48,654	\$ 26,834
School Board (Professional’s) proportionate share of the GLI Plan Net OPEB Liability	\$ 1,079,595	\$ 694,215	\$ 382,879

GLI Plan Fiduciary Net Position

Detailed information about the GLI Plan’s Fiduciary Net Position is available in the separately issued VRS 2024 Annual Comprehensive Financial Report (Annual Report). A copy of the 2024 VRS Annual Report may be downloaded from the VRS website at <https://www.varetire.org/pdf/publications/2024-annual-report.pdf>, or by writing to the System’s Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

Note 14–Health Insurance Credit (HIC) Plan (OPEB Plan):

Plan Description

The Political Subdivision Health Insurance Credit (HIC) Plan was established pursuant to §51.1-1400 et seq. of the Code of Virginia, as amended, and which provides the authority under which benefit terms are established or may be amended. All full-time, salaried permanent employees of participating political subdivisions are automatically covered by the VRS Political Subdivision HIC Plan upon employment. This is an agent multiple-employer plan administered by the Virginia Retirement System (the System), along with pension and other OPEB plans, for public employer groups in the Commonwealth of Virginia. Members earn one month of service credit toward the benefit for each month they are employed and for which their employer pays contributions to VRS. The HIC is a tax-free reimbursement in an amount set by the General Assembly for each year of service credit against qualified health insurance premiums retirees pay for single coverage, excluding any portion covering the spouse or dependents. The credit cannot exceed the amount of the premiums and ends upon the retiree’s death.

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Notes to Financial Statements
June 30, 2025 (Continued)

Note 14—Health Insurance Credit (HIC) Plan (OPEB Plan): (Continued)

The specific information about the Political Subdivision HIC Plan OPEB, including eligibility, coverage and benefits is described below:

Eligible Employees

The Political Subdivision Retiree HIC Plan was established July 1, 1993 for retired political subdivision employees of employers who elect the benefit and retire with at least 15 years of service credit. Eligible employees include full-time permanent salaried employees of the participating political subdivision who are covered under the VRS pension plan. These employees are enrolled automatically upon employment.

Benefit Amounts

The Political Subdivision Retiree HIC Plan is a defined benefit plan that provides a credit toward the cost of health insurance coverage for retired political subdivision employees of participating employers. For employees who retire, the monthly benefit is \$1.50 per year of service per month with a maximum benefit of \$45.00 per month. For employees who retire on disability or go on long-term disability under the Virginia Local Disability Program (VLDP), the monthly benefit is \$45.00 per month.

HIC Plan Notes

The monthly HIC benefit cannot exceed the individual premium amount. There is no HIC for premiums paid and qualified under LODA; however, the employee may receive the credit for premiums paid for other qualified health plans. Employees who retire after being on long-term disability under VLDP must have at least 15 years of service credit to qualify for the HIC as a retiree.

Employees Covered by Benefit Terms

As of the June 30, 2023 actuarial valuation, the following employees were covered by the benefit terms of the HIC OPEB plan:

	<u>Number</u>
Inactive members or their beneficiaries currently receiving benefits	<u>12</u>
Inactive members:	
Vested inactive members	2
Non-vested inactive members	-
Inactive members active elsewhere in VRS	9
Total inactive members	<u>23</u>
Active members	33
Total covered employees	<u><u>56</u></u>

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Notes to Financial Statements
June 30, 2025 (Continued)

Note 14–Health Insurance Credit (HIC) Plan (OPEB Plan): (Continued)

Contributions

The contribution requirements for active employees is governed by §51.1-1402(E) of the Code of Virginia, as amended, but may be impacted as a result of funding options provided to political subdivisions by the Virginia General Assembly. The School’s contractually required employer contribution rate for the year ended June 30, 2025 was 1.41% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2023. The actuarially determined rate was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions from the School to the HIC Plan were \$15,871 and \$15,602 for the years ended June 30, 2025 and June 30, 2024, respectively.

Net HIC OPEB Liability

The School Board’s net HIC OPEB liability was measured as of June 30, 2024. The total HIC OPEB liability was determined by an actuarial valuation performed as of June 30, 2023, using updated actuarial assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2024.

Actuarial Assumptions

The total HIC OPEB liability was based on an actuarial valuation as of June 30, 2023, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2024.

Inflation	2.50%
Salary increases, including inflation:	
Locality - General employees	3.50%-5.35%
Locality - Hazardous Duty employees	3.50%-4.75%
Investment rate of return	6.75%, net of investment expenses, including inflation

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Notes to Financial Statements
June 30, 2025 (Continued)

Note 14–Health Insurance Credit (HIC) Plan (OPEB Plan): (Continued)

Mortality Rates - Non-Largest Ten Locality Employers - General Employees

Pre-Retirement:

Pub-2010 Amount Weighted Safety Employee Rates projected generationally; 95% of rates for males; 105% of rates for females set forward 2 years

Post-Retirement:

Pub-2010 Amount Weighted Safety Healthy Retiree Rates projected generationally; 110% of rates for males; 105% of rates for females set forward 3 years

Post-Disablement:

Pub-2010 Amount Weighted General Disabled Rates projected generationally; 95% of rates for males set back 3 years; 90% of rates for females set back 3 years

Beneficiaries and Survivors:

Pub-2010 Amount Weighted Safety Contingent Annuitant Rates projected generationally; 110% of rates for males and females set forward 2 years

Mortality Improvement Scale:

Rates projected generationally with Modified MP-2020 Improvement Scale that is 75% of the MP-2020 rates

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of an actuarial experience study for the period from July 1, 2016 through June 30, 2020. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

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Notes to Financial Statements
June 30, 2025 (Continued)

Note 14–Health Insurance Credit (HIC) Plan (OPEB Plan): (Continued)

Long-Term Expected Rate of Return

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

Asset Class (Strategy)	Long-term Target Asset Allocation	Arithmetic Long-term Expected Rate of Return	Weighted Average Long-term Expected Rate of Return*
Public Equity	32.00%	6.70%	2.14%
Fixed Income	16.00%	5.40%	0.86%
Credit Strategies	16.00%	8.10%	1.30%
Real Assets	15.00%	7.20%	1.08%
Private Equity	15.00%	8.70%	1.31%
PIP - Private Investment Partnerships	1.00%	8.00%	0.08%
Diversifying Strategies	6.00%	5.80%	0.35%
Cash	2.00%	3.00%	0.06%
Leverage	-3.00%	3.50%	-0.11%
Total	100.00%		7.07%
		Expected arithmetic nominal return**	7.07%

*The above allocation provides a one-year expected return of 7.07% (includes 2.50% inflation assumption). However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return for the System, stochastic projections are employed to model future returns under various economic conditions. These results provide a range of returns over various time periods that ultimately provide a median return of 7.10%, including expected inflation of 2.50%.

** On June 15, 2023, the VRS Board elected a long-term rate of return of 6.75% which was roughly at the 45th percentile of expected long-term results of the VRS fund asset allocation at that time, providing a median return of 7.14%, including expected inflation of 2.50%.

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Notes to Financial Statements
June 30, 2025 (Continued)

Note 14–Health Insurance Credit (HIC) Plan (OPEB Plan): (Continued)

Discount Rate

The discount rate used to measure the total HIC OPEB liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Through the fiscal year ended June 30, 2024, the rate contributed by the entity for the HIC OPEB was 100% of the actuarially determined contribution rate. From July 1, 2024 on, employers are assumed to continue to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the HIC OPEB’s fiduciary net position was projected to be available to make all projected future benefit payments of eligible employees. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total HIC OPEB liability.

Changes in Net HIC OPEB Liability

	Increase (Decrease)		
	Total HIC OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net HIC OPEB Liability (Asset) (a) - (b)
Balances at June 30, 2023	\$ 109,276	\$ 28,763	\$ 80,513
Changes for the year:			
Service cost	\$ 984	\$ -	\$ 984
Interest	7,264	-	7,264
Benefit changes	-	-	-
Differences between expected and actual experience	(16,190)	-	(16,190)
Assumption changes	-	-	-
Contributions - employer	-	15,602	(15,602)
Net investment income	-	3,358	(3,358)
Benefit payments	(5,277)	(5,277)	-
Administrative expenses	-	(51)	51
Other changes	-	1	(1)
Net changes	\$ (13,219)	\$ 13,633	\$ (26,852)
Balances at June 30, 2024	\$ 96,057	\$ 42,396	\$ 53,661

GREENSVILLE COUNTY SCHOOL BOARD
(A Component Unit of the County of Greenville, Virginia)

Notes to Financial Statements
June 30, 2025 (Continued)

Note 14–Health Insurance Credit (HIC) Plan (OPEB Plan): (Continued)

Sensitivity of the School Board’s HIC Net OPEB Liability to Changes in the Discount Rate

The following presents the School’s HIC Plan net HIC OPEB liability using the discount rate of 6.75%, as well as what the School Board’s net HIC OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

	Rate		
	1% Decrease	Current Discount	1% Increase
	(5.75%)	(6.75%)	(7.75%)
School Board's Net HIC OPEB Liability	62,211	53,661	46,242

HIC Plan OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to HIC Plan OPEB

For the year ended June 30, 2025, the School Board recognized HIC Plan OPEB expense of (\$21,530). At June 30, 2025, the School Board reported deferred outflows of resources and deferred inflows of resources related to the School Board’s HIC Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 35,485
Net difference between projected and actual earnings on HIC OPEB plan investments	-	592
Change in assumptions	275	-
Employer contributions subsequent to the measurement date	15,871	-
Total	\$ 16,146	\$ 36,077

GREENSVILLE COUNTY SCHOOL BOARD
 (A Component Unit of the County of Greenville, Virginia)

Notes to Financial Statements
 June 30, 2025 (Continued)

Note 14–Health Insurance Credit (HIC) Plan (OPEB Plan): (Continued)

HIC Plan OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to HIC Plan OPEB (Continued)

\$15,871 reported as deferred outflows of resources related to the HIC OPEB resulting from the School Board’s contributions subsequent to the measurement date will be recognized as a reduction of the Net HIC OPEB Liability in the fiscal year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the HIC OPEB will be recognized in the HIC OPEB expense in future reporting periods as follows:

<u>Year Ended June 30</u>		
2026	\$	(25,703)
2027		(9,517)
2028		(369)
2029		(213)
2030		-
Thereafter		-

HIC Plan Data

Information about the VRS Political Subdivision HIC Plan is available in the separately issued VRS 2024 Annual Comprehensive Financial Report (Annual Report). A copy of the 2024 VRS Annual Report may be downloaded from the VRS website at <https://www.varetire.org/pdf/publications/2024-annual-report.pdf>, or by writing to the System’s Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

Note 15–Teacher Employee Health Insurance Credit (HIC) Plan (OPEB Plan):

Plan Description

The Virginia Retirement System (VRS) Teacher Employee Health Insurance Credit (HIC) Plan was established pursuant to §51.1-1400 et seq. of the Code of Virginia, as amended, and which provides the authority under which benefit terms are established or may be amended. All full-time, salaried permanent (professional) employees of public school divisions are automatically covered by the VRS Teacher Employee HIC Plan. This is a cost-sharing multiple-employer plan administered by the Virginia Retirement System (the System), along with pension and other OPEB plans, for public employer groups in the Commonwealth of Virginia. Members earn one month of service credit toward the benefit for each month they are employed and for which their employer pays contributions to VRS. The HIC is a tax-free reimbursement in an amount set by the General Assembly for each year of service credit against qualified health insurance premiums retirees pay for single coverage, excluding any portion covering the spouse or dependents. The credit cannot exceed the amount of the premiums and ends upon the retiree’s death.

GREENSVILLE COUNTY SCHOOL BOARD

(A Component Unit of the County of Greenville, Virginia)

Notes to Financial Statements
June 30, 2025 (Continued)

Note 15–Teacher Employee Health Insurance Credit (HIC) Plan (OPEB Plan): (Continued)

Plan Description (Continued)

The specific information for the Teacher HIC Plan OPEB, including eligibility, coverage, and benefits is described below:

Eligible Employees

The Teacher Employee Retiree HIC Plan was established July 1, 1993 for retired Teacher Employees covered under VRS who retire with at least 15 years of service credit. Eligible employees include full-time permanent (professional) salaried employees of public school divisions covered under VRS. These employees are enrolled automatically upon employment.

Benefit Amounts

The Teacher Employee HIC Plan is a defined benefit plan that provides a credit toward the cost of health insurance coverage for retired teachers. For Teacher and other professional school employees who retire with at least 15 years of service credit, the monthly benefit is \$4.00 per year of service per month with no cap on the benefit amount. For Teacher and other professional school employees who retire on disability or go on long-term disability under the Virginia Local Disability Program (VLDP), the monthly benefit is either: \$4.00 per month, multiplied by twice the amount of service credit, or \$4.00 per month, multiplied by the amount of service earned had the employee been active until age 60, whichever is lower.

HIC Plan Notes

The monthly HIC benefit cannot exceed the individual premium amount. Employees who retire after being on long-term disability under VLDP must have at least 15 years of service credit to qualify for the HIC as a retiree.

Contributions

The contribution requirements for active employees is governed by §51.1-1401(E) of the Code of Virginia, as amended, but may be impacted because of funding provided to school divisions by the Virginia General Assembly. Each school division’s contractually required employer contribution rate for the year ended June 30, 2025 was 1.21% of covered employee compensation for employees in the VRS Teacher Employee HIC Plan. This rate was the final approved General Assembly rate, which was based on an actuarially determined rate from an actuarial valuation as of June 30, 2023. The actuarially determined rate was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions from the school division to the VRS Teacher Employee HIC Plan were \$201,772 and \$192,393 for the years ended June 30, 2025 and June 30, 2024, respectively.

GREENSVILLE COUNTY SCHOOL BOARD
(A Component Unit of the County of Greenville, Virginia)

Notes to Financial Statements
June 30, 2025 (Continued)

Note 15–Teacher Employee Health Insurance Credit (HIC) Plan (OPEB Plan): (Continued)

Teacher Employee HIC OPEB Liabilities, Teacher Employee HIC OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the Teacher Employee HIC Plan OPEB

On June 30, 2025, the school division reported a liability of \$1,715,097 for its proportionate share of the VRS Teacher Employee HIC Net OPEB Liability. The Net VRS Teacher Employee HIC OPEB Liability was measured as of June 30, 2024 and the total VRS Teacher Employee HIC OPEB liability used to calculate the Net VRS Teacher Employee HIC OPEB Liability was determined by an actuarial valuation performed as of June 30, 2023 and rolled forward to the measurement date of June 30, 2024. The school division’s proportion of the Net VRS Teacher Employee HIC OPEB Liability was based on the school division’s actuarially determined employer contributions to the VRS Teacher Employee HIC OPEB plan for the year ended June 30, 2024 relative to the total of the actuarially determined employer contributions for all participating employers. On June 30, 2024, the school division’s proportion of the VRS Teacher Employee HIC was .14841% as compared to .15060% on June 30, 2023.

For the year ended June 30, 2025, the school division recognized VRS Teacher Employee HIC OPEB expense of \$111,752. Since there was a change in proportionate share between measurement dates a portion of the VRS Teacher Employee HIC Net OPEB expense was related to deferred amounts from changes in proportion.

At June 30, 2025, the school division reported deferred outflows of resources and deferred inflows of resources related to the VRS Teacher Employee HIC OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 81,257
Net difference between projected and actual earnings on Teacher HIC OPEB plan investments	-	6,101
Change in assumptions	29,546	-
Change in proportionate share and differences between actual and expected contributions	27,893	102,037
Employer contributions subsequent to the measurement date	<u>201,772</u>	<u>-</u>
Total	<u>\$ 259,211</u>	<u>\$ 189,395</u>

GREENSVILLE COUNTY SCHOOL BOARD
(A Component Unit of the County of Greenville, Virginia)

Notes to Financial Statements
June 30, 2025 (Continued)

Note 15—Teacher Employee Health Insurance Credit (HIC) Plan (OPEB Plan): (Continued)

Teacher Employee HIC OPEB Liabilities, Teacher Employee HIC OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the Teacher Employee HIC Plan OPEB: (Continued)

\$201,772 reported as deferred outflows of resources related to the Teacher Employee HIC OPEB resulting from the school division’s contributions subsequent to the measurement date will be recognized as a reduction of the Net Teacher Employee HIC OPEB Liability in the fiscal year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Teacher Employee HIC OPEB will be recognized in the Teacher Employee HIC OPEB expense in future reporting periods as follows:

<u>Year Ended June 30</u>		
2026	\$	(32,009)
2027		(30,009)
2028		(31,191)
2029		(24,111)
2030		(8,443)
Thereafter		(6,193)

Actuarial Assumptions

The total Teacher Employee HIC OPEB liability for the VRS Teacher Employee HIC Plan was based on an actuarial valuation as of June 30, 2023, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2024.

Inflation	2.50%
Salary increases, including inflation	3.50%-5.95%
Investment rate of return	6.75%, net of investment expenses, including inflation

Mortality Rates - Teachers

Pre-Retirement:

Pub-2010 Amount Weighted Teacher Employee Rates projected generationally; 110% of rates for males

Post-Retirement:

Pub-2010 Amount Weighted Teachers Healthy Retiree Rates projected generationally; males set forward 1 year; 105% of rates for females

Post-Disablement:

Pub-2010 Amount Weighted Teachers Disabled Rates projected generationally; 110% of rates for males and females

GREENSVILLE COUNTY SCHOOL BOARD
(A Component Unit of the County of Greenville, Virginia)

Notes to Financial Statements
June 30, 2025 (Continued)

Note 15–Teacher Employee Health Insurance Credit (HIC) Plan (OPEB Plan): (Continued)

Mortality Rates - Teachers: (Continued)

Beneficiaries and Survivors:

Pub-2010 Amount Weighted Teachers Contingent Annuitant Rates projected generationally

Mortality Improvement Scale:

Rates projected generationally with Modified MP-2020 Improvement Scale that is 75% of the MP-2020 rates

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of an actuarial experience study for the period from July 1, 2016 through June 30, 2020. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Discount Rate	No change

Net Teacher Employee HIC OPEB Liability

The net OPEB liability (NOL) for the Teacher Employee HIC Plan represents the plan’s total OPEB liability determined in accordance with GASB Statement No. 74, less the associated fiduciary net position. As of June 30, 2024, NOL amounts for the VRS Teacher Employee HIC Plan is as follows (amounts expressed in thousands):

		Teacher Employee HIC OPEB Plan
Total Teacher Employee HIC OPEB Liability	\$	1,478,105
Plan Fiduciary Net Position		322,457
Teacher Employee Net HIC OPEB Liability (Asset)	\$	<u>1,155,648</u>
Plan Fiduciary Net Position as a Percentage of the Total Teacher Employee HIC OPEB Liability		21.82%

GREENSVILLE COUNTY SCHOOL BOARD
(A Component Unit of the County of Greenville, Virginia)

Notes to Financial Statements
June 30, 2025 (Continued)

Note 15–Teacher Employee Health Insurance Credit (HIC) Plan (OPEB Plan): (Continued)

Net Teacher Employee HIC OPEB Liability: (Continued)

The total Teacher Employee HIC OPEB liability is calculated by the System’s actuary, and the plan’s fiduciary net position is reported in the System’s financial statements. The net Teacher Employee HIC OPEB liability is disclosed in accordance with the requirements of GASB Statement No. 74 in the System’s notes to the financial statements and required supplementary information.

Long-Term Expected Rate of Return

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

Asset Class (Strategy)	Long-term Target Asset Allocation	Arithmetic Long-term Expected Rate of Return	Weighted Average Long-term Expected Rate of Return*
Public Equity	32.00%	6.70%	2.14%
Fixed Income	16.00%	5.40%	0.86%
Credit Strategies	16.00%	8.10%	1.30%
Real Assets	15.00%	7.20%	1.08%
Private Equity	15.00%	8.70%	1.31%
PIP - Private Investment Partnership	1.00%	8.00%	0.08%
Diversifying Strategies	6.00%	5.80%	0.35%
Cash	2.00%	3.00%	0.06%
Leverage	-3.00%	3.50%	-0.11%
Total	100.00%		7.07%
		Expected arithmetic nominal return**	7.07%

*The above allocation provides a one-year expected return of 7.07% (includes 2.50% inflation assumption). However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return for the System, stochastic projections are employed to model future returns under various economic conditions. These results provide a range of returns over various time periods that ultimately provide a median return of 7.10%, including expected inflation of 2.50%.

**On June 15, 2023, the VRS Board elected a long-term rate of 6.75% which was roughly at the 45th percentile of expected long-term results of the VRS fund asset allocation at that time, providing a median return of 7.14%, including expected inflation of 2.50%.

GREENSVILLE COUNTY SCHOOL BOARD
(A Component Unit of the County of Greenville, Virginia)

Notes to Financial Statements
June 30, 2025 (Continued)

Note 15–Teacher Employee Health Insurance Credit (HIC) Plan (OPEB Plan): (Continued)

Discount Rate

The discount rate used to measure the total Teacher Employee HIC OPEB was 6.75%. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made in accordance with the VRS funding policy and at rates equal to the actuarially determined contribution rates adopted by the VRS Board of Trustees. Through the fiscal year ended June 30, 2024, the rate contributed by each school division for the VRS Teacher Employee HIC Plan will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly, which was 100% of the actuarially determined contribution rate. From July 1, 2024 on, all agencies are assumed to continue to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the Teacher Employee HIC OPEB plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total Teacher Employee HIC OPEB liability.

Sensitivity of the School Division’s Proportionate Share of the Teacher Employee HIC Net OPEB Liability to Changes in the Discount Rate

The following presents the school division’s proportionate share of the VRS Teacher Employee HIC Plan net HIC OPEB liability using the discount rate of 6.75%, as well as what the school division’s proportionate share of the net HIC OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

	Rate		
	1% Decrease (5.75%)	Current Discount (6.75%)	1% Increase (7.75%)
School division's proportionate share of the VRS Teacher Employee HIC OPEB Plan Net HIC OPEB Liability	\$ 1,950,493	\$ 1,715,097	\$ 1,515,577

Teacher Employee HIC OPEB Fiduciary Net Position

Detailed information about the VRS Teacher Employee HIC Plan’s Fiduciary Net Position is available in the separately issued VRS 2024 Annual Comprehensive Financial Report (Annual Report). A copy of the 2024 VRS Annual Report may be downloaded from the VRS website at <https://www.varetire.org/pdf/publications/2024-annual-report.pdf>, or by writing to the System’s Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

GREENSVILLE COUNTY SCHOOL BOARD
(A Component Unit of the County of Greenville, Virginia)

Notes to Financial Statements
June 30, 2025 (Continued)

Note 16–Health Insurance (Single-employer Defined Benefit Plan)

Plan Description

The School Board provides postemployment medical coverage for retired employees through a single-employer defined benefit plan. The School Board may change, add, or delete coverage as they deem appropriate and with the approval of the Board of Supervisors. The plan does not grant retirees vested health benefits. The Plan does not issue separate financial statements.

Benefits Provided

Employees who retire from the School Board with service eligible for VRS benefits (Plan 1 - Age 50 and 10 years of service or Age 55 and 5 years of service; Plan 2 - age 60 and 5 years of service; Hazardous duty - age 50 and 5 years of service) and who are participating in the medical coverage are eligible to elect post-retirement coverage. Retirees are eligible to remain on the medical plan with 100% of the premium paid by the retiree. The retiree’s spouse can receive benefits under the plan with the premium to be paid by the retiree. Retirees’ coverage ceases at eligibility for Medicare.

Plan Membership

On July 1, 2024 (the valuation date), the following employees were covered by the benefit terms:

	<u>School Board</u>
Total active employees with coverage	243
Total inactive employees or retirees with coverage	<u>16</u>
Total	<u><u>259</u></u>

Contributions

The School Board does not pre-fund benefits; therefore, no assets are accumulated in a trust fund. The current funding policy is to pay benefits directly from general assets on a pay-as-you-go basis. The funding requirements are established and may be amended by the School Board. The amount paid by the School Board for OPEB as the benefits came due during the year ended June 30, 2025 was \$81,400.

Total OPEB Liability

The School Board’s total OPEB liabilities were measured as of July 1, 2024. The total OPEB liabilities were determined by an actuarial valuation as of July 1, 2024.

GREENSVILLE COUNTY SCHOOL BOARD
(A Component Unit of the County of Greenville, Virginia)

Notes to Financial Statements
June 30, 2025 (Continued)

Note 16–Health Insurance (Single-employer Defined Benefit Plan): (Continued)

Actuarial Assumptions

The total OPEB liability in the July 1, 2024 actuarial valuations were determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Cost Method	Entry age actuarial cost method
Discount Rate	4.09%
Inflation	N/A
Healthcare Trend Rate	7.00% for fiscal year end 2025, decreasing 0.25% per year to an ultimate rate of 5.00%
Salary Increase Rates	Future salaries are assumed to increase by 2.50% annually
Retirement Age	Reduced benefit: Age 50 and 10 years of service or Age 55 and 5 years of service; Unreduced benefit: Age 65 and 5 years of service or Age 50 with 30 years of service; Disability benefit: No age or service requirement
Mortality Rates	RP-2014 Mortality Table, fully generational with base year 2006, projected using two-dimensional mortality scale MP-2021

Discount Rate

The discount rate has been set equal to 4.09% and represents the Municipal GO AA 20-year yield curve rate as of the measurement date.

Changes in Total OPEB Liability

Changes in Net OPEB Liability	
	Total OPEB Liability
Balances at July 1, 2024	\$ 567,400
Changes for the year:	
Service cost	25,800
Interest	21,300
Difference between expected and actual experience	(55,200)
Changes in assumptions	13,900
Contributions - employer	(81,400)
Net changes	<u>(75,600)</u>
Balances at June 30, 2025	<u>\$ 491,800</u>

GREENSVILLE COUNTY SCHOOL BOARD
(A Component Unit of the County of Greenville, Virginia)

Notes to Financial Statements
June 30, 2025 (Continued)

Note 16–Health Insurance (Single-employer Defined Benefit Plan): (Continued)

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following amounts present the total OPEB liability of the School Board, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.09%) or one percentage point higher (5.09%) than the current discount rate:

	Rate		
	1% Decrease (3.09%)	Current Discount Rate (4.09%)	1% Increase (5.09%)
School Board's Total OPEB Liability	\$ 520,300	\$ 491,800	\$ 465,200

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liabilities of the School Board, as well as what the total OPEB liabilities would be if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than the current healthcare cost trend rate used of 7.00%:

	Rates		
	1% Decrease (6.00%)	Healthcare Cost Trend (7.00%)	1% Increase (8.00%)
School Board's Total OPEB Liability	\$ 458,900	\$ 491,800	\$ 529,000

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended June 30, 2025, the School Board recognized OPEB expense in the amount of \$31,200. Deferred Outflows and Inflows of Resources related to OPEB as of June 30, 2025 from various sources are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ 59,300	\$ 90,000
Differences between expected and actual experience	35,100	34,300
Employer contributions subsequent to the measurement date	81,400	-
Total	\$ <u>175,800</u>	\$ <u>124,300</u>

GREENSVILLE COUNTY SCHOOL BOARD
(A Component Unit of the County of Greenville, Virginia)

Notes to Financial Statements
June 30, 2025 (Continued)

Note 16–Health Insurance (Single-employer Defined Benefit Plan): (Continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources: (Continued)

Amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ended June 30</u>	
2026	\$ (22,000)
2027	10,400
2028	(7,500)
2029	(8,500)
2030	(2,300)
Thereafter	-

Additional disclosures on changes in net OPEB liability, related ratios, and employer contributions can be found in the required supplementary information following the notes to the financial statements.

Note 17–Aggregate OPEB Information:

	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>	<u>Net OPEB Liabilities</u>	<u>OPEB Expense</u>
VRS OPEB Plans:				
Group Life Insurance Program (Note 14):				
School Board Nonprofessional	\$ 16,104	\$ 13,502	\$ 48,654	\$ 460
School Board Professional	195,538	154,693	694,215	3,143
Health Insurance Credit Program - Nonprof (Note 15)	16,146	36,077	53,661	(21,530)
Health Insurance Credit Program (Note 16)	259,211	189,395	1,715,097	111,752
School Stand-Alone Plan (Note 17)	175,800	124,300	491,800	31,200
Totals	<u>\$ 662,799</u>	<u>\$ 517,967</u>	<u>\$ 3,003,427</u>	<u>\$ 125,025</u>

Note 18–Upcoming Pronouncements:

Statement No. 103, *Financial Reporting Model Improvements*, improves key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government’s accountability. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025.

Statement No. 104, *Disclosure of Certain Capital Assets*, requires certain types of assets (lease assets, subscription assets, intangible right-to-use assets, and other intangible assets) to be disclosed separately in the capital asset note disclosures by major class of underlying asset. It also requires additional disclosures for capital assets held for sale. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025.

Implementation Guide No. 2025-1, *Implementation Guidance Update–2025*, effective for fiscal years beginning after June 15, 2025.

Management is currently evaluating the impact these standards will have on the financial statements when adopted.

GREENSVILLE COUNTY SCHOOL BOARD
(A Component Unit of the County of Greenville, Virginia)

Notes to Financial Statements
June 30, 2025 (Continued)

Note 19–Subsequent Events:

State Construction Funds

During fiscal year 2023 the school board received \$2,502,455 of state construction funds. \$175,899 of these funds were spent with the associated revenue recognized in fiscal year 2023. \$673,371 of these funds were spent during fiscal year 2024 with the associated revenue being recognized. Another \$980,272 was spent during fiscal year 2025 with the associated revenue being recognized. The unspent balance is reflected as unearned revenue in the financial statements at June 30, 2025.

Note 20–Restatement of Beginning Balances:

Beginning balances were restated as of July 1, 2024 as a result of implementing GASB Statement No. 101, *Compensated Absences*.

	<u>Net Position</u>
	<u>School</u>
	<u>Board</u>
Net Position as of July 1, 2024, previously reported	\$ 4,177,658
Compensated absences in accordance with GASB Statement No. 101	<u>(96,959)</u>
Net Position as of July 1, 2024, as restated	<u>\$ 4,080,699</u>

Note 21–Adoption of Accounting Principles for GASB 101:

During fiscal year 2025, the Authority implemented Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*. GASB 101 establishes recognition and measurement guidance for compensated absences, such as vacation and sick leave, to enhance the consistency and comparability of financial reporting. The implementation of this standard resulted in a restatement of beginning balances.

REQUIRED SUPPLEMENTARY INFORMATION

Note to Required Supplementary Information:

Presented budgets were prepared in accordance with accounting principles generally accepted in the United States of America.

GREENSVILLE COUNTY SCHOOL BOARD
(A COMPONENT UNIT OF THE COUNTY OF GREENSVILLE, VIRGINIA)

Exhibit 7

General Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$ 4,296,931	\$ 4,296,931	\$ 4,912,827	\$ 615,896
Miscellaneous	288,000	288,000	236,418	(51,582)
Intergovernmental:				
County contribution	4,285,224	4,285,224	5,936,172	1,650,948
Commonwealth	17,858,191	17,858,191	22,975,535	5,117,344
Federal	845,000	845,000	4,391,370	3,546,370
Total revenues	\$ 27,573,346	\$ 27,573,346	\$ 38,452,322	\$ 10,878,976
EXPENDITURES				
Current:				
Education:				
Instruction	\$ 19,269,340	\$ 19,847,257	\$ 30,704,208	\$ (10,856,951)
Administration, attendance and health	1,526,799	1,526,799	1,853,002	(326,203)
Pupil transportation services	1,597,246	1,597,246	1,918,593	(321,347)
Operation and maintenance services	4,520,027	4,520,027	3,710,575	809,452
Debt service:				
Principal retirement	77,989	77,989	113,439	(35,450)
Interest and other fiscal charges	4,028	4,028	4,028	-
Total expenditures	\$ 26,995,429	\$ 27,573,346	\$ 38,303,845	\$ (10,730,499)
Excess (deficiency) of revenues over (under) expenditures	\$ 577,917	\$ -	\$ 148,477	\$ 148,477
OTHER FINANCING SOURCES (USES)				
Transfers out	\$ -	\$ -	\$ (980,272)	\$ (980,272)
Proceeds of capital leases			831,795	831,795
Total other financing sources and uses	\$ -	\$ -	\$ (148,477)	\$ (148,477)
Net change in fund balances	\$ 577,917	\$ -	\$ -	\$ -
Fund balances - beginning	(577,917)	-	-	-
Fund balances - ending	\$ -	\$ -	\$ -	\$ -

GREENSVILLE COUNTY SCHOOL BOARD
(A COMPONENT UNIT OF THE COUNTY OF GREENSVILLE, VIRGINIA)

Exhibit 8

School Cafeteria Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 For the Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services	\$ 108,928	\$ 108,928	\$ 128,165	\$ 19,237
Miscellaneous	5,077	5,077	-	(5,077)
Intergovernmental:				
Commonwealth	-	-	49,322	49,322
Federal	1,437,019	1,437,019	1,881,422	444,403
Total revenues	<u>\$ 1,551,024</u>	<u>\$ 1,551,024</u>	<u>\$ 2,058,909</u>	<u>\$ 507,885</u>
EXPENDITURES				
Current:				
School food service	\$ 2,128,940	\$ 1,551,024	\$ 1,840,167	\$ (289,143)
Total expenditures	<u>\$ 2,128,940</u>	<u>\$ 1,551,024</u>	<u>\$ 1,840,167</u>	<u>\$ (289,143)</u>
Net change in fund balances	\$ (577,916)	\$ -	\$ 218,742	\$ 218,742
Fund balances - beginning	<u>577,916</u>	<u>-</u>	<u>1,093,308</u>	<u>1,093,308</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,312,050</u>	<u>\$ 1,312,050</u>

Schedule of Changes in Net Pension Liability (Asset) and Related Ratios
Component Unit School Board (Nonprofessional)
Pension Plans
For the Measurement Dates of June 30, 2015 through June 30, 2024

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Total pension liability					
Service cost	\$ 86,692	\$ 93,175	\$ 86,685	\$ 87,469	\$ 91,911
Interest	406,386	396,763	411,399	408,536	383,321
Differences between expected and actual experience	(196,301)	42,880	(327,216)	(368,759)	266,980
Assumption changes	-	-	-	219,015	-
Benefit payments	(391,987)	(375,547)	(412,822)	(368,263)	(369,030)
Net change in total pension liability	\$ (95,210)	\$ 157,271	\$ (241,954)	\$ (22,002)	\$ 373,182
Total pension liability - beginning	6,129,837	5,972,566	6,214,520	6,236,522	5,863,340
Total pension liability - ending (a)	<u>\$ 6,034,627</u>	<u>\$ 6,129,837</u>	<u>\$ 5,972,566</u>	<u>\$ 6,214,520</u>	<u>\$ 6,236,522</u>
Plan fiduciary net position					
Contributions - employer	\$ 26,244	\$ 24,354	\$ 61,597	\$ 63,933	\$ 51,673
Contributions - employee	49,135	43,827	42,874	45,980	50,976
Net investment income	642,089	417,959	(1,738)	1,526,441	110,180
Benefit payments, including refunds of employee contributions	(391,987)	(375,547)	(412,822)	(368,263)	(369,030)
Administrator charges	(4,490)	(4,332)	(4,402)	(3,946)	(3,912)
Other	3	167	156	143	(128)
Net change in plan fiduciary net position	\$ 320,994	\$ 106,428	\$ (314,335)	\$ 1,264,288	\$ (160,241)
Plan fiduciary net position - beginning	6,738,043	6,631,615	6,945,950	5,681,662	5,841,903
Plan fiduciary net position - ending (b)	<u>\$ 7,059,037</u>	<u>\$ 6,738,043</u>	<u>\$ 6,631,615</u>	<u>\$ 6,945,950</u>	<u>\$ 5,681,662</u>
School Division's net pension liability (asset) - ending (a) - (b)	\$ (1,024,410)	\$ (608,206)	\$ (659,049)	\$ (731,430)	\$ 554,860
Plan fiduciary net position as a percentage of the total pension liability	116.98%	109.92%	111.03%	111.77%	91.10%
Covered payroll	\$ 1,106,517	\$ 976,573	\$ 949,247	\$ 978,723	\$ 1,027,520
School Division's net pension liability (asset) as a percentage of covered payroll	-92.58%	-62.28%	-69.43%	-74.73%	54.00%

Schedule of Changes in Net Pension Liability (Asset) and Related Ratios
Component Unit School Board (Nonprofessional)
Pension Plans
For the Measurement Dates of June 30, 2015 through June 30, 2024

	2019	2018	2017	2016	2015
Total pension liability					
Service cost	\$ 82,538	83,811	\$ 84,559	\$ 90,677	\$ 69,864
Interest	380,155	378,660	373,845	365,187	355,274
Differences between expected and actual experience	15,749	(74,674)	3,015	59,707	68,750
Assumption changes	129,906	-	2,008	-	-
Benefit payments	(351,593)	(381,284)	(408,001)	(375,762)	(328,801)
Net change in total pension liability	\$ 256,755	6,513	\$ 55,426	\$ 139,809	\$ 165,087
Total pension liability - beginning	5,606,585	5,600,072	5,544,646	5,404,837	5,239,750
Total pension liability - ending (a)	<u>\$ 5,863,340</u>	<u>5,606,585</u>	<u>\$ 5,600,072</u>	<u>\$ 5,544,646</u>	<u>\$ 5,404,837</u>
Plan fiduciary net position					
Contributions - employer	\$ 48,103	54,501	\$ 52,923	\$ 64,243	\$ 81,768
Contributions - employee	46,821	44,425	43,101	48,082	50,945
Net investment income	372,444	407,611	626,818	88,826	244,410
Benefit payments, including refunds of employee contributions	(351,593)	(381,284)	(408,001)	(375,762)	(328,801)
Administrator charges	(3,873)	(3,683)	(3,849)	(3,509)	(3,491)
Other	(233)	(356)	(548)	(39)	(49)
Net change in plan fiduciary net position	\$ 111,669	121,214	\$ 310,444	\$ (178,159)	\$ 44,782
Plan fiduciary net position - beginning	5,730,234	5,609,020	5,298,576	5,476,735	5,431,953
Plan fiduciary net position - ending (b)	<u>\$ 5,841,903</u>	<u>5,730,234</u>	<u>\$ 5,609,020</u>	<u>\$ 5,298,576</u>	<u>\$ 5,476,735</u>
School Division's net pension liability (asset) - ending (a) - (b)	\$ 21,437	(123,649)	\$ (8,948)	\$ 246,070	\$ (71,898)
Plan fiduciary net position as a percentage of the total pension liability	99.63%	102.21%	100.16%	95.56%	101.33%
Covered payroll	\$ 942,753	883,745	\$ 844,634	\$ 806,013	\$ 839,952
School Division's net pension liability (asset) as a percentage of covered payroll	2.27%	-13.99%	-1.06%	30.53%	-8.56%

Schedule of Employer's Share of Net Pension Liability VRS Teacher Retirement Plan
 Pension Plans
 For the Measurement Dates of June 30, 2015 through June 30, 2024

	2024	2023	2022	2021	2020
Employer's Proportion of the Net Pension Liability	0.15%	0.15%	0.15%	0.15%	0.16%
Employer's Proportionate Share of the Net Pension Liability	\$ 13,917,069	\$ 15,298,265	\$ 14,073,349	\$ 11,876,762	\$ 22,633,700
Employer's Covered Payroll	15,900,233	15,012,529	13,787,297	13,562,913	13,733,318
Employer's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	87.53%	101.90%	102.07%	87.57%	164.81%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	84.52%	82.45%	85.46%	85.46%	71.47%

Schedule of Employer's Share of Net Pension Liability VRS Teacher Retirement Plan
 Pension Plans
 For the Measurement Dates of June 30, 2015 through June 30, 2024

	2019	2018	2017	2016	2015
Employer's Proportion of the Net Pension Liability	0.16%	0.16%	0.16%	0.16%	0.17%
Employer's Proportionate Share of the Net Pension Liability	\$ 21,030,589	\$ 18,875,000	\$ 19,184,000	\$ 22,448,000	\$ 20,913,000
Employer's Covered Payroll	13,468,819	13,057,193	12,371,196	12,195,239	12,396,864
Employer's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	156.14%	144.56%	155.07%	184.07%	168.70%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	73.51%	74.81%	72.92%	68.28%	70.68%

Schedule of Employer Contributions
Pension Plans
For the Years Ended June 30, 2016 through June 30, 2025

<u>Date</u>	<u>Contractually Required Contribution (1)*</u>	<u>Contributions in Relation to Contractually Required Contribution (2)*</u>	<u>Contribution Deficiency (Excess) (3)</u>	<u>Employer's Covered Payroll (4)</u>	<u>Contributions as a % of Covered Employee Payroll (5)</u>
Component Unit School Board (Nonprofessional)					
2025	\$ 6,303	\$ 6,303	\$ -	\$ 1,125,615	0.56%
2024	26,243	26,243	-	1,106,517	2.37%
2023	24,362	24,362	-	976,573	2.49%
2022	61,597	61,597	-	949,247	6.49%
2021	63,932	63,932	-	978,723	6.53%
2020	51,672	51,672	-	1,027,520	5.03%
2019	48,104	48,104	-	942,753	5.10%
2018	54,669	54,669	-	883,745	6.19%
2017	55,155	55,155	-	844,634	6.53%
2016	65,529	65,529	-	806,013	8.13%
Component Unit School Board (Professional)					
2025	\$ 2,369,572	\$ 2,369,572	\$ -	\$ 16,675,382	14.21%
2024	2,500,633	2,500,633	-	15,900,233	15.73%
2023	2,389,333	2,389,333	-	15,012,529	15.92%
2022	2,195,925	2,195,925	-	13,787,297	15.93%
2021	2,164,345	2,164,345	-	13,562,913	15.96%
2020	2,066,682	2,066,682	-	13,733,318	15.05%
2019	2,047,927	2,047,927	-	13,468,819	15.20%
2018	2,071,370	2,071,370	-	13,057,193	15.86%
2017	1,969,483	1,969,483	-	12,371,196	15.92%
2016	1,704,739	1,704,739	-	12,195,239	13.98%

*Excludes contributions (mandatory and match on voluntary) to the defined contribution portion of the Hybrid plan.

Notes to Required Supplementary Information
 Pension Plans
 For the Year Ended June 30, 2025

Changes of benefit terms - There have been no actuarially material changes to the System benefit provisions since the prior actuarial valuation.

Changes of assumptions - The actuarial assumptions used in the June 30, 2023 valuation were based on the results of an actuarial experience study for the period from July 1, 2016 through June 30, 2020. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

All Others (Non 10 Largest) - Non-Hazardous Duty:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

Component Unit School Board - Professional Employees

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Discount Rate	No change

Schedule of Board's Share of Net OPEB Liability
Group Life Insurance (GLI) Plan
For the Measurement Dates of June 30, 2017 through June 30, 2024

Date (1)	Employer's Proportion of the Net GLI OPEB Liability (Asset) (2)	Employer's Proportionate Share of the Net GLI OPEB Liability (Asset) (3)	Employer's Covered Payroll (4)	Employer's Proportionate Share of the Net GLI OPEB Liability (Asset) as a Percentage of Covered Payroll (3)/(4) (5)	Plan Fiduciary Net Position as a Percentage of Total GLI OPEB Liability (6)
School Board (Nonprofessional):					
2024	0.00436%	\$ 48,654	\$ 1,117,988	4.35%	73.41%
2023	0.00415%	49,772	976,573	5.10%	69.30%
2022	0.00438%	52,739	949,247	5.56%	67.21%
2021	0.00470%	55,186	978,723	5.64%	67.45%
2020	0.00500%	83,275	1,027,520	8.10%	52.64%
2019	0.00480%	78,271	942,753	8.30%	52.00%
2018	0.00467%	71,000	883,745	8.03%	51.22%
2017	0.00458%	69,000	844,634	8.17%	48.86%
School Board (Professional):					
2024	0.06221%	\$ 694,215	\$ 15,973,080	4.35%	73.41%
2023	0.06396%	767,081	15,012,529	5.11%	69.30%
2022	0.06353%	765,083	13,787,297	5.55%	67.21%
2021	0.06570%	765,159	13,562,913	5.64%	67.45%
2020	0.06680%	1,114,115	13,733,318	8.11%	52.64%
2019	0.06880%	1,119,396	13,468,819	8.31%	52.00%
2018	0.06876%	1,044,000	13,057,193	8.00%	51.22%
2017	0.06758%	1,016,000	12,371,196	8.21%	48.86%

Schedule is intended to show information for 10 years. Information prior to the 2017 valuation is not available. However, additional years will be included as they become available.

GREENSVILLE COUNTY SCHOOL BOARD
(A Component Unit of the County of Greenville, Virginia)

Exhibit 14

Schedule of Employer Contributions
Group Life Insurance (GLI) Plan
For the Years Ended June 30, 2016 through June 30, 2025

<u>Date</u>	<u>Contractually Required Contribution (1)</u>	<u>Contributions in Relation to Contractually Required Contribution (2)</u>	<u>Contribution Deficiency (Excess) (3)</u>	<u>Employer's Covered Payroll (4)</u>	<u>Contributions as a % of Covered Payroll (5)</u>
School Board (Nonprofessional):					
2025	\$ 5,367	\$ 5,367	\$ -	\$ 1,141,813	0.47%
2024	6,037	6,037	-	1,117,988	0.54%
2023	5,273	5,273	-	976,573	0.54%
2022	5,142	5,142	-	949,247	0.54%
2021	5,285	5,285	-	978,723	0.54%
2020	5,343	5,343	-	1,027,520	0.52%
2019	4,902	4,902	-	942,753	0.52%
2018	4,616	4,616	-	883,745	0.52%
2017	4,392	4,392	-	844,634	0.52%
2016	3,900	3,900	-	806,013	0.48%
School Board (Professional):					
2025	\$ 78,423	\$ 78,423	\$ -	\$ 16,685,738	0.47%
2024	86,255	86,255	-	15,973,080	0.54%
2023	81,352	81,352	-	15,012,529	0.54%
2022	74,631	74,631	-	13,787,297	0.54%
2021	73,266	73,266	-	13,562,913	0.54%
2020	71,449	71,449	-	13,733,318	0.52%
2019	70,119	70,119	-	13,468,819	0.52%
2018	67,985	67,985	-	13,057,193	0.52%
2017	64,816	64,816	-	12,371,196	0.52%
2016	58,824	58,824	-	12,195,239	0.48%

Notes to Required Supplementary Information
 Group Life Insurance (GLI) Plan
 For the Year Ended June 30, 2025

Changes of benefit terms - There have been no actuarially material changes to the System benefit provisions since the prior actuarial valuation.

Changes of assumptions - The actuarial assumptions used in the June 30, 2023 valuation were based on the results of an actuarial experience study for the period from July 1, 2016 through June 30, 2020. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

Teachers

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Discount Rate	No change

Non-Largest Ten Locality Employers - General Employees

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience and changed final retirement age from 65 to 70
Withdrawal Rates	Decreased rates and changed from rates based on age and service to rates based on service only to better fit experience and to be more consistent with Locals Top 10 Hazardous Duty
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

Schedule of Changes in Net OPEB Liability and Related Ratios
OPEB - Health Insurance Plan
For the Measurement Dates of June 30, 2018 through June 30, 2025

	2025	2024	2023	2022	2021	2020	2019	2018
Total OPEB liability								
Service cost	\$ 25,800	\$ 26,000	\$ 44,800	\$ 38,200	\$ 45,900	\$ 39,800	\$ 31,800	\$ 31,000
Interest	21,300	22,000	10,700	11,800	21,400	21,800	22,000	21,700
Changes in assumptions	13,900	(5,400)	(74,100)	56,100	22,500	23,400	(30,400)	-
Differences between expected and actual experience	(55,200)	(4,300)	135,700	(6,500)	(245,900)	31,300	(24,300)	-
Employer contributions	(81,400)	(82,900)	(34,500)	(24,500)	(51,600)	(33,900)	(33,900)	(31,500)
Net change in total OPEB liability	\$ (75,600)	\$ (44,600)	\$ 82,600	\$ 75,100	\$ (207,700)	\$ 82,400	\$ (34,800)	\$ 21,200
Total OPEB liability - beginning	567,400	612,000	529,400	454,300	662,000	579,600	614,400	593,200
Total OPEB liability - ending	\$ 491,800	\$ 567,400	\$ 612,000	\$ 529,400	\$ 454,300	\$ 662,000	\$ 579,600	\$ 614,400
Covered employee payroll	\$ 13,043,600	\$ 13,831,100	\$ 13,831,100	\$ 13,054,000	\$ 13,054,000	\$ 12,762,900	\$ 12,762,900	\$ 10,861,100
School Boards total OPEB liability (asset) as a percentage of covered employee payroll	3.77%	4.10%	4.42%	4.06%	3.48%	5.19%	4.54%	5.66%

Schedule is intended to show information for 10 years. Additional years will be included as they become available.

(A Component Unit of the County of Greenville, Virginia)

Notes to Required Supplementary Information

OPEB - Health Insurance Plan

For the Year Ended June 30, 2025

Valuation Date: 7/1/2024

Measurement Date: 7/1/2024

No assets are accumulated in a trust that meets the criteria in GASB 75 to pay related benefits.

Methods and assumptions used to determine OPEB liability:

Actuarial Cost Method	Entry Age Actuarial Cost Method
Discount Rate	4.09%
Inflation	N/A
Healthcare Trend Rate	7.00% for fiscal year end 2025, decreasing 0.25% per year to an ultimate rate of 5.00%
Salary Increase Rates	2.50%
Retirement Age	Reduced benefit: Age 50 and 10 years of service or Age 55 and 5 years of service; Unreduced benefit: Age 65 and 5 years of service or Age 50 with 30 years of service; Disability benefit: No age or service requirement
Mortality Rates	RP-2014 Mortality Table, fully generational with base year 2006, projected using two-dimensional mortality improvement scale MP-2021

Schedule of Changes in the School Board's Net OPEB Liability and Related Ratios
Health Insurance Credit (HIC) Plan - Nonprofessional
For the Measurement Dates of June 30, 2020 through June 30, 2024

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Total HIC OPEB Liability					
Service cost	\$ 984	\$ 1,164	\$ 1,246	\$ 1,626	\$ -
Interest	7,264	10,974	11,248	10,323	-
Changes in benefit terms	-	-	-	-	152,937
Differences between expected and actual experience	(16,190)	(61,568)	(13,577)	-	-
Changes of assumptions	-	-	2,864	3,558	-
Benefit payments	(5,277)	(5,424)	(6,095)		
Net change in total HIC OPEB liability	<u>\$ (13,219)</u>	<u>\$ (54,854)</u>	<u>\$ (4,314)</u>	<u>\$ 15,507</u>	<u>\$ 152,937</u>
Total HIC OPEB Liability - beginning	109,276	164,130	168,444	152,937	-
Total HIC OPEB Liability - ending (a)	<u>\$ 96,057</u>	<u>\$ 109,276</u>	<u>\$ 164,130</u>	<u>\$ 168,444</u>	<u>\$ 152,937</u>
Plan fiduciary net position					
Contributions - employer	\$ 15,602	\$ 13,769	\$ 11,486	\$ 11,843	\$ -
Net investment income	3,358	1,535	(133)	1,599	-
Benefit payments	(5,277)	(5,424)	(6,095)	-	-
Administrator charges	(51)	(41)	(35)	(53)	-
Other	1	16	296	-	-
Net change in plan fiduciary net position	<u>\$ 13,633</u>	<u>\$ 9,855</u>	<u>\$ 5,519</u>	<u>\$ 13,389</u>	<u>\$ -</u>
Plan fiduciary net position - beginning	28,763	18,908	13,389	-	-
Plan fiduciary net position - ending (b)	<u>\$ 42,396</u>	<u>\$ 28,763</u>	<u>\$ 18,908</u>	<u>\$ 13,389</u>	<u>\$ -</u>
School Board's net HIC OPEB liability - ending (a) - (b)	\$ 53,661	\$ 80,513	\$ 145,222	\$ 155,055	\$ 152,937
Plan fiduciary net position as a percentage of the total HIC OPEB liability	79.01%	35.72%	13.02%	8.64%	0.00%
Covered payroll	\$ 1,106,517	\$ 976,573	\$ 949,247	\$ 978,723	\$ 1,027,520
School Board's net HIC OPEB liability as a percentage of covered payroll	4.85%	8.24%	15.30%	15.84%	0.00%

Schedule is intended to show information for 10 years. Information prior to the 2020 valuation is not available. However, additional years will be included as they become available.

GREENSVILLE COUNTY SCHOOL BOARD

Exhibit 19

(A Component Unit of the County of Greenville, Virginia)

Schedule of Employer Contributions

Health Insurance Credit (HIC) Plan - Nonprofessional

For the Years Ended June 30, 2021 through June 30, 2025

Date	Contractually Required Contribution (1)	Contributions in Relation to			Employer's Covered Payroll (4)	Contributions as a % of Covered Payroll (5)
		Contractually Required Contribution (2)	Contribution Deficiency (Excess) (3)			

School Board - Nonprofessional:

2025	\$ 15,871	\$ 15,871	\$ -	\$ 1,125,615	1.41%
2024	15,602	15,602	-	1,106,517	1.41%
2023	13,770	13,770	-	976,573	1.41%
2022	11,486	11,486	-	949,247	1.21%
2021	11,843	11,843	-	978,723	1.21%

Schedule is intended to show information for 10 years. Additional years will be added as they become available.

Notes to Required Supplementary Information
 Health Insurance Credit (HIC) Plan - Nonprofessional
 For the Year Ended June 30, 2025

Changes of benefit terms - There have been no actuarially material changes to the System benefit provisions since the prior actuarial valuation.

Changes of assumptions - The actuarial assumptions used in the June 30, 2023, valuation were based on the results of an actuarial experience study for the period from July 1, 2016 through June 30, 2020. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

Non-Largest Ten Locality Employers - General Employees

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Discount Rate	No change

Schedule of School Board's Share of Net OPEB Liability
Teacher Employee Health Insurance Credit (HIC) Plan
For the Measurement Dates of June 30, 2017 through June 30, 2024

Date (1)	Employer's Proportion of the Net HIC OPEB Liability (2)	Employer's Proportionate Share of the Net HIC OPEB Liability (3)	Employer's Covered Payroll (4)	Employer's Proportionate Share of the Net HIC OPEB Liability as a Percentage of Covered Payroll (3)/(4) (5)	Plan Fiduciary Net Position as a Percentage of Total HIC OPEB Liability (6)
School Board - Professional:					
2024	0.14841%	\$ 1,715,097	\$ 15,900,233	10.79%	21.82%
2023	0.15060%	1,823,910	15,012,529	12.15%	17.90%
2022	0.14793%	1,847,715	13,787,297	13.40%	15.08%
2021	0.15336%	1,968,482	13,562,913	14.51%	13.15%
2020	0.15670%	2,043,525	13,733,318	14.88%	9.95%
2019	0.16060%	2,102,148	13,468,819	15.61%	8.97%
2018	0.16135%	2,049,000	13,057,193	15.69%	8.08%
2017	0.15683%	1,989,000	12,371,196	16.08%	7.04%

Schedule is intended to show information for 10 years. Information prior to the 2017 valuation is not available. However, additional years will be included as they become available.

GREENSVILLE COUNTY SCHOOL BOARD

Exhibit 22

(A Component Unit of the County of Greenville, Virginia)

Schedule of Employer Contributions

Teacher Employee Health Insurance Credit (HIC) Plan

For the Years Ended June 30, 2016 through June 30, 2025

Date	Contractually Required Contribution (1)	Contributions in Relation to			Employer's Covered Payroll (4)	Contributions as a % of Covered Payroll (5)
		Contractually Required Contribution (2)	Contribution Deficiency (Excess) (3)			

School Board - Professional:

2025	\$ 201,772	\$ 201,772	\$ -	\$ 16,675,382	1.21%
2024	192,393	192,393	-	15,900,233	1.21%
2023	181,652	181,652	-	15,012,529	1.21%
2022	166,826	166,826	-	13,787,297	1.21%
2021	164,111	164,111	-	13,562,913	1.21%
2020	164,800	164,800	-	13,733,318	1.20%
2019	161,626	161,626	-	13,468,819	1.20%
2018	160,501	160,501	-	13,057,193	1.23%
2017	137,385	137,385	-	12,371,196	1.11%
2016	129,460	129,460	-	12,195,239	1.06%

Notes to Required Supplementary Information
 Teacher Employee Health Insurance Credit (HIC) Plan
 For the Year Ended June 30, 2025

Changes of benefit terms - There have been no actuarially material changes to the System benefit provisions since the prior actuarial valuation.

Changes of assumptions - The actuarial assumptions used in the June 30, 2023 valuation were based on the results of an actuarial experience study for the period from July 1, 2016 through June 30, 2020. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Discount Rate	No change

OTHER SUPPLEMENTARY INFORMATION

- Supporting Schedules -

Schedule of Revenues - Budget and Actual
Governmental Funds
For the Year Ended June 30, 2025

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
General Fund:				
Revenue from local sources:				
Charges for services:				
Tuition - City of Emporia (Note 6)	\$ 4,296,931	\$ 4,296,931	\$ 4,714,183	\$ 417,252
Charges to other localities	-	-	171,511	171,511
Medicaid	-	-	27,133	27,133
Total charges for services	<u>\$ 4,296,931</u>	<u>\$ 4,296,931</u>	<u>\$ 4,912,827</u>	<u>\$ 615,896</u>
Miscellaneous:				
Miscellaneous	\$ 288,000	\$ 288,000	\$ 236,418	\$ (51,582)
Total miscellaneous	<u>\$ 288,000</u>	<u>\$ 288,000</u>	<u>\$ 236,418</u>	<u>\$ (51,582)</u>
Total revenue from local sources	<u>\$ 4,584,931</u>	<u>\$ 4,584,931</u>	<u>\$ 5,149,245</u>	<u>\$ 564,314</u>
Intergovernmental:				
Revenues from local governments:				
Contribution from County of Greenville, Virginia (Note 6)	\$ 4,285,224	\$ 4,285,224	\$ 5,936,172	\$ 1,650,948
Total revenues from local governments	<u>\$ 4,285,224</u>	<u>\$ 4,285,224</u>	<u>\$ 5,936,172</u>	<u>\$ 1,650,948</u>
Revenue from the Commonwealth:				
Other categorical aid:				
Share of state sales tax	\$ 2,688,027	\$ 2,688,027	\$ 2,915,108	\$ 227,081
In Lieu of sales tax	242,438	242,438	439,429	196,991
Basic school aid	6,504,455	6,504,455	8,457,308	1,952,853
Remedial education	456,302	456,302	-	(456,302)
Gifted and talented	61,778	61,778	81,944	20,166
Special education	743,451	743,451	1,154,319	410,868
Textbook payment	147,309	147,309	206,655	59,346
Remedial summer school	116,168	116,168	171,148	54,980
Vocational education	192,536	192,536	352,941	160,405
Vocational education - equipment	-	-	31,829	31,829
Group life fringe benefits	-	-	30,972	30,972
Social security fringe benefits	391,762	391,762	494,892	103,130
Retirement fringe benefits	941,000	941,000	1,063,340	122,340
Early reading intervention	78,915	78,915	106,116	27,201
Compensation supplement	933,551	933,551	351,097	(582,454)
Special Ed - homebound	-	-	33,904	33,904
Special education - jails	3,472	3,472	-	(3,472)
Regular - foster care	12,289	12,289	33,888	21,599
Regional Governor's school	-	-	21,557	21,557
At risk payments	1,483,352	1,483,352	1,408,115	(75,237)
At risk - add on	-	-	2,791,667	2,791,667
At risk payments - 4 year olds	229,266	229,266	90,189	(139,077)

Schedule of Revenues - Budget and Actual
Governmental Funds
For the Year Ended June 30, 2025 (continued)

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
General Fund: (Continued)				
Intergovernmental: (Continued)				
Revenue from the Commonwealth: (Continued)				
Other categorical aid: (Continued)				
Primary class size	\$ 410,881	\$ 410,881	\$ 660,875	\$ 249,994
Additional lottery	375,794	375,794	575,919	200,125
Project graduation	4,199	4,199	3,920	(279)
Technology Initiative	19,140	19,140	149,175	130,035
Standards of Learning algebra readiness	-	-	55,990	55,990
English as a second language	87,945	87,945	258,856	170,911
Mentor teacher program	235	235	-	(235)
School security equipment program	-	-	244,083	244,083
Hold harmless	290,037	290,037	-	(290,037)
VA preschool initiative	-	-	210,442	210,442
GED prep program payments	-	-	8,027	8,027
PBIS - VTSS Grant	-	-	15,000	15,000
Grow your own pilot	-	-	7,500	7,500
All in implementation ppa	869,832	869,832	447,749	(422,083)
Special ed - foster care	-	-	61	61
JVG grant	-	-	30,000	30,000
Career tech	-	-	3,277	3,277
Remediation	512,546	512,546	-	(512,546)
Workforce readiness	-	-	760	760
Other state funds	30,000	30,000	34,571	4,571
VPI	29,011	29,011	30,412	1,401
Certification bonus	2,500	2,500	2,500	-
Total other categorical aid	\$ <u>17,858,191</u>	\$ <u>17,858,191</u>	\$ <u>22,975,535</u>	\$ <u>5,117,344</u>
Total revenue from the Commonwealth	\$ <u>17,858,191</u>	\$ <u>17,858,191</u>	\$ <u>22,975,535</u>	\$ <u>5,117,344</u>
Revenue from the federal government:				
Categorical aid:				
Title I	\$ -	\$ -	\$ 1,737,249	\$ 1,737,249
Title VI-B, special education flow-through	530,000	530,000	618,266	88,266
Student Support and Academic Enrichment Program	-	-	96,268	96,268
JROTC	-	-	63,869	63,869
Title III	-	-	7,868	7,868
Techo grant	-	-	2,080	2,080
Vocational education	65,000	65,000	59,418	(5,582)
Title VI-B, special education pre-school	-	-	7,637	7,637
Covid-19 - Coronavirus Relief Fund	-	-	71,843	71,843
Title II-A Teacher Quality	130,000	130,000	139,445	9,445
Title VI	120,000	120,000	69,081	(50,919)
ESSER	-	-	1,218,383	1,218,383
21st century learning	-	-	299,963	299,963
Total categorical aid	\$ <u>845,000</u>	\$ <u>845,000</u>	\$ <u>4,391,370</u>	\$ <u>3,546,370</u>
Total revenue from the federal government	\$ <u>845,000</u>	\$ <u>845,000</u>	\$ <u>4,391,370</u>	\$ <u>3,546,370</u>
Total General Fund	\$ <u><u>27,573,346</u></u>	\$ <u><u>27,573,346</u></u>	\$ <u><u>38,452,322</u></u>	\$ <u><u>10,878,976</u></u>

Schedule of Revenues - Budget and Actual
Governmental Funds
For the Year Ended June 30, 2025 (continued)

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
General Fund: (Continued)				
School Cafeteria Fund:				
Revenue from local sources:				
Charges for services:				
Cafeteria sales	\$ 108,928	\$ 108,928	\$ 128,165	\$ 19,237
Total charges for services	\$ 108,928	\$ 108,928	\$ 128,165	\$ 19,237
Miscellaneous:				
Other miscellaneous	\$ 5,077	\$ 5,077	\$ -	\$ (5,077)
Total revenue from local sources	\$ 114,005	\$ 114,005	\$ 128,165	\$ 14,160
Intergovernmental:				
Revenue from the Commonwealth:				
Categorical aid:				
School food	\$ -	\$ -	\$ 49,322	\$ 49,322
Total categorical aid	\$ -	\$ -	\$ 49,322	\$ 49,322
Total revenue from the Commonwealth	\$ -	\$ -	\$ 49,322	\$ 49,322
Revenue from the federal government:				
Categorical aid:				
School food	\$ 1,437,019	\$ 1,437,019	\$ 1,881,422	\$ 444,403
Total categorical aid	\$ 1,437,019	\$ 1,437,019	\$ 1,881,422	\$ 444,403
Total revenue from the federal government	\$ 1,437,019	\$ 1,437,019	\$ 1,881,422	\$ 444,403
Total School Cafeteria Fund	<u>\$ 1,551,024</u>	<u>\$ 1,551,024</u>	<u>\$ 2,058,909</u>	<u>\$ 507,885</u>
School Capital Projects Fund:				
Intergovernmental:				
Revenue from the Commonwealth:				
Categorical aid:				
School construction	\$ -	\$ -	\$ 980,272	\$ 980,272
Total School Capital Projects Fund	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 980,272</u>	<u>\$ 980,272</u>
School Activity Fund:				
Revenue from local sources:				
Miscellaneous revenue:				
Other miscellaneous	\$ -	\$ -	\$ 284,936	\$ 284,936
Total School Activity Fund	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 284,936</u>	<u>\$ 284,936</u>
Total governmental funds	<u>\$ 29,124,370</u>	<u>\$ 29,124,370</u>	<u>\$ 41,776,439</u>	<u>\$ 12,652,069</u>

Schedule of Expenditures - Budget and Actual
 Governmental Funds
 For the Year Ended June 30, 2025

Fund, Function, Activity, and Element	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
General Fund:				
Education:				
Instruction	\$ 19,269,340	\$ 19,847,257	\$ 30,704,208	\$ (10,856,951)
Administration, attendance and health	1,526,799	1,526,799	1,853,002	(326,203)
Pupil transportation services	1,597,246	1,597,246	1,918,593	(321,347)
Operation and maintenance	4,520,027	4,520,027	3,710,575	809,452
Total education	<u>\$ 26,913,412</u>	<u>\$ 27,491,329</u>	<u>\$ 38,186,378</u>	<u>\$ (10,695,049)</u>
Debt service:				
Principal retirement	\$ 77,989	\$ 77,989	\$ 113,439	\$ (35,450)
Interest and other fiscal charges	4,028	4,028	4,028	-
Total debt service	<u>\$ 82,017</u>	<u>\$ 82,017</u>	<u>\$ 117,467</u>	<u>\$ (35,450)</u>
Total General Fund	<u><u>\$ 26,995,429</u></u>	<u><u>\$ 27,573,346</u></u>	<u><u>\$ 38,303,845</u></u>	<u><u>\$ (10,730,499)</u></u>
School Cafeteria Fund:				
School Food Service:				
School food administration	\$ 2,128,940	\$ 1,551,024	\$ 1,840,167	\$ (289,143)
Total School Cafeteria Fund	<u>\$ 2,128,940</u>	<u>\$ 1,551,024</u>	<u>\$ 1,840,167</u>	<u>\$ (289,143)</u>
School Capital Projects Fund				
Capital projects expenditures:				
Capital Projects	\$ -	\$ -	\$ 980,272	\$ (980,272)
School Activity Fund:				
Education:				
Elementary and secondary schools	\$ -	\$ -	\$ 297,766	\$ (297,766)
Total School Activity Fund	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 297,766</u>	<u>\$ (297,766)</u>
Total governmental funds	<u><u>\$ 29,124,369</u></u>	<u><u>\$ 29,124,370</u></u>	<u><u>\$ 41,422,050</u></u>	<u><u>\$ (12,297,680)</u></u>

COMPLIANCE



**Independent Auditors' 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***

To the Honorable Members of
Greensville County School Board
Emporia, Virginia

We have audited, in accordance with the 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 *Specifications for Audits of Counties, Cities, and Towns*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia, the financial statements of the governmental activities and each major fund of the Greensville County School Board, a component unit of the County of Greensville, Virginia as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Greensville County School Board's basic financial statements, and have issued our report thereon dated December 15, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Greensville County School Board'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 Greensville County School Board's internal control. Accordingly, we do not express an opinion on the effectiveness of Greensville County School Board's internal control.

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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

Robinson, Farmer, Cox Associates

Charlottesville, Virginia
December 15, 2025